Our members recognise that they have a responsibility to promote and support sustainable development wherever they work by proactively engaging with communities to build strong relationships based on trust and respect: minimising negative impacts and maximising benefits. All company members are represented on ICMM’s Council by their CEOs, and on various committees and working groups by nominated representatives. This maximises opportunities for collaboration among mining and metals industry leaders.

## Company members

![African Rainbow Minerals](image1.png)
![Alcoa](image2.png)
![AngloAmerican](image3.png)
![AngloGoldAshanti](image4.png)
![Barrick](image5.png)
![BHP](image6.png)
![Boliden](image7.png)
![Codelco](image8.png)
![Companhia de Minas Gerais](image9.png)
![Dowa](image10.png)
![Enga](image11.png)
![Glencore](image12.png)
![Golds Field](image13.png)
![Hydro](image14.png)
![JX](image15.png)
![Mitsubishi Materials](image16.png)
![MMG](image17.png)
![Minera San Cristóbal S.A.](image18.png)
![Minsur](image19.png)
![Newcrest Mining](image20.png)
![Newmont](image21.png)
![Rio Tinto](image22.png)
![Sumitomo Metal Mining](image23.png)
![Teck](image24.png)

## Association members

Asociación Colombiana de Minería • Cámara Argentina de Empresarios Mineros • Cámara de Minería del Ecuador • Canada Mining Innovation Council • Casi Institute • Cobalt Institute • Consejo Minero de Chile A.G. • Eurometaux • Euromines • Ghana Chamber of Mines • Instituto Brasileiro de Mineração • Instituto de Ingenieros de Minas del Perú • Instituto de Seguridad Minera (Peru) • International Aluminium Institute • International Copper Association • International Iron Metallics Association • International Lead Association • International Manganese Institute • International Molybdenum Association • International Tin Association • International Wrought Copper Council • International Zinc Association • Japan Mining Industry Association • Minerals Council of Australia • Minerals Council South Africa • Mining Association of Canada • Mining Industry Associations of Southern Africa • National Mining Association (USA) • Nickel Institute • Prospectors and Developers Association of Canada • Sociedad Nacional de Minería [Chile] • Sociedad Nacional de Minería Petróleo y Energía [Peru] • Society for Mining, Metallurgy, and Exploration • World Coal Association • World Gold Council • Zircon Industry Association.

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ABOUT ICMM

The International Council on Mining and Metals (ICMM) is an international organisation dedicated to a safe, fair and sustainable mining and metals industry.

Bringing together 28 mining and metals companies and 36 national, regional and commodities associations, we strengthen environmental and social performance and serve as a catalyst for change to enhance mining’s contribution to society. Every ICMM company member adheres to our Mining Principles which incorporate comprehensive environmental, social and governance performance expectations, robust site-level validation, credible assurance and transparent disclosure.

Our vision

Mining and metals is a respected industry, trusted to operate responsibly and contribute to sustainable development.

Our mission

In collaboration with others, we will strengthen the social and environmental performance of the mining and metals industry and build recognition of its contribution to local communities and society at large.

Our values

• Care for the safety, health and wellbeing of workers, contractors, communities and consumers.
• Respect for the safety, health and wellbeing of workers, contractors, communities and consumers.
• Integrity in dealings with employees, communities, governments and others.
• Accountable to do what we say we will do and uphold our commitments.
• Collaborate as a preferred means of working with others in an open, transparent and inclusive manner.

Membership rigour

The due diligence process relating to the acceptance of new members underscores the leadership commitment and integrity of the organisation and of our members. ICMM’s company member admission process is designed to:

• Be based on criteria that are consistent with the obligations of existing members.
• Place the onus for demonstration of ability and willingness to meet ICMM’s membership requirements on the prospective member company.
• Establish a consistent, rigorous and independently verified assessment of the prospective member company’s self-assessed performance against the obligations of existing members.
• Be independent, fair and unbiased, and ensure that any prospective member company can fully respond to any questions that might arise during the conduct of due diligence.
ICMM was created nearly twenty years ago, at a time when the mining industry urgently needed to acknowledge and responsibly address external concerns. Since then, members have been at the forefront of efforts to raise performance standards and enhance the contribution of mining and metals to society. I have been a part of ICMM since almost the beginning and can testify to the positive changes in the industry. However, societal expectations are changing rapidly and more needs to be done to continue to demonstrate care for people and our planet, while supplying the metals and minerals required for the global economy, the well-being of people and addressing climate change.

In 2020, every individual, business, sector, community, and government across the globe had to adapt and respond quickly to the Covid-19 pandemic. The mining industry was no different, and our top priority from the outset has been to protect the health, safety and well-being of our global workforces, their families, and communities close to our operations. As an industry, we faced a steep learning curve. While we could have done some things better, I believe we demonstrated our capacity to handle this crisis responsibly. By working in partnership with communities, local and national governments, NGOs and other companies, we benefited from decades of meaningful stakeholder engagement. Our deep connection to local communities helped support our response efforts in some of the hardest to reach and poorest places on Earth.

Our individual and collective actions were strengthened by the collaborative efforts of ICMM. Company and national association members, including practitioners working across health and safety, community support and communications in every corner of the globe, came together regularly to share learnings, insights, ideas and good practices that were invaluable as we sought to respond to the pandemic.

This has been, and remains, a devastating crisis, with millions of lives lost and great economic hardship for many. However, as we have seen before, severe crises force change, and we are determined to capture the learnings from this pandemic. This includes making use of technologies to increase efficiency, continued and sustained engagement with communities, and adapting infectious disease controls to ensure we are prepared for any future pandemics.

Responsible mining practices

In recent times, we are experiencing increasing demands from stakeholders for improved disclosure of environmental, social and governance issues, particularly at the asset level. In response, ICMM has undertaken efforts to strengthen its 10 founding principles for sustainable development, incorporating supporting performance expectations for issues such as human rights, water, mine closure, pollution and waste. ICMM’s Mining Principles are a condition of membership and apply at the asset level, with robust validation, assurance and transparent disclosure. ICMM’s members collectively operate more than 650 assets in over 50 countries, driving performance improvement and transparency at scale.

ICMM was founded on a commitment to leadership and collaboration, and this remains central to our values-driven approach today. In 2020, after 18 months of close collaboration with the United Nations Environment Programme and the Principles for Responsible Investment, we collectively published the Global Industry Standard on Tailings Management.

As the first global standard that can be applied to both existing and future tailings facilities, this is a significant step forward for the industry in demonstrating our unwavering commitment to manage tailings facilities safely.

Looking to the future

ICMM made significant progress in 2020, and in the final year of our current Strategy and Action Plan, stakeholders can expect to see a great deal more from ICMM. This
includes publication of two further resources on tailings: ICMM’s Good Practice Guide on Tailings Management and Conformance Protocols to support implementation of the Standard. We will continue to champion the Mining Principles as the benchmark for responsible mining practices, and further discussions on measuring and reporting on Scope 3 emissions.

Looking forward, there will be continued demand for minerals to support a greener, safer, low-carbon and more sustainable future. We will continue to work hard towards our vision of mining and metals being a respected industry, trusted to operate responsibly and contribute to sustainable development. We further recognise the expectation of our industry to respect the social, economic and cultural rights of indigenous peoples, and this will be at the forefront of our discussions as we set the next strategy.

In closing, I recognize Tom Butler for his outstanding contribution to ICMM over the last six years. On behalf of the Council, I thank him for his leadership, dedication and unwavering commitment.

I am pleased to welcome Rohitesh Dhawan as Chief Executive Officer. His passion for sustainable development and his extensive knowledge of the challenges and opportunities facing our industry will be invaluable as we work together to address the sector’s biggest issues, as we advance important initiatives that reflect our collective commitment to continuous performance improvement.

Richard Adkerson
President & CEO,
Freeport-McMoRan
& ICMM Chair
CEO’S INTRODUCTION

To say that 2020 was a remarkable year would be an understatement. As the global community responded to the Covid-19 pandemic, grappling with the twin challenges of managing public health and revitalising the economy, the mining and metals sector’s response was swift and aligned, as it sought to meet these needs while protecting the health of employees and the wider community.

ICMM supported its members by convening them to share their experiences of managing Covid-19 and supporting communities, while simultaneously executing and delivering on our mission of strengthening the social and environmental performance of the mining and metals industry. Bringing our members together in this way illustrates ICMM’s critical role in identifying areas for cooperation and collaboration. We have been guided by the priorities of protecting the health and safety of workforces and communities, and laying the groundwork for the longer-term recovery of our workforce, and the communities and economies in which we operate. By collaborating, listening and learning from one another, we are collectively better able to support society as we try to get through this pandemic. There has never been a more important time to work together.

Leadership through innovation

If we are to accelerate and support long-term sustainable development, we also need to be innovative in how we design our processes for partnership and collaboration. A good example is our Innovation for Cleaner, Safer Vehicles (ICSV) initiative, which is an engagement between our members and 19 mobile equipment manufacturers. The initiative, our first to involve the value chain, seeks to accelerate progress on eliminating accidents, managing diesel particulate matter, and emissions reductions.

In 2020, participants assessed themselves at site level against maturity frameworks that are designed to measure progress on these three topics. This initiative has already catalysed important conversations within companies and is helping to foster the widespread confidence needed to accelerate both R&D and the capital investment required to scale up commercial solutions.

A second example is ICMM’s ‘Skills for our Common Future’ initiative – a long-term aspirational goal, agreed by ICMM’s Council of CEOs. It has been driven by concerns about how automation and technical disruption will impact host communities as well as workforces. The initiative will, through a combination of knowledge and partnership building, seek to accelerate national and regional efforts to build new and bolster existing skills programmes that will be necessary to drive inclusive economic participation, as well as diversification beyond mining.

Leadership through collaboration

In 2019, after the tragic dam collapse at Vale’s Córrego do Feijão mine in Brumadinho, Brazil, the United Nations Environment Programme, Principles for Responsible Investment and ICMM co-convened the Global Tailings Review. In August 2020, after wide engagement and a global consultation, this review culminated in the launch by its independent chair of the Global Industry Standard on Tailings Management, with the endorsement of all three co-convenors. The Standard sets a new global benchmark that will achieve strong social, environmental, and technical outcomes in tailings management, while laying out clear requirements for accountability and disclosure.

Multi-stakeholder processes are never straightforward, and this was no exception, given the wide range of views from communities, civil society, industry, investors, and many others that needed to be considered. However, I believe that this approach will promote much broader acceptance.

Getting to this point has not been easy and there will undoubtedly be challenges ahead. The Standard is not a silver bullet, but all those involved can be extremely proud of what has been achieved so far. Our focus now is on its broad uptake and effective implementation to ensure safer management of tailings storage facilities everywhere, and on the development of guidance and protocols to support practitioners and auditors of conformance with it.

The need to act on the Standard cannot be overstated. Angelica Amanda Andrade, who lost her sister in the Brumadinho tragedy, spoke at the launch of the Standard. Her message was clear - we cannot allow history to repeat itself.

Leadership through performance

This is the third and final year of ICMM’s existing Strategy and Action Plan, which was designed to deliver programmes that promote leadership, innovation for the future, and the strengthening of operational capacity.
A key part of this work, following a thorough process of development and consultation, has been the launch in February 2020 of our enhanced Mining Principles. These principles extend members’ commitment to responsible metals and minerals production by introducing 38 good practice environmental, social and governance Performance Expectations. These Performance Expectations underpin our original 10 founding principles and will be applied at site level by all members as a condition of membership. To further drive increased transparency and performance improvement, we have also updated our procedure for third party assurance and validation of members’ reporting against these commitments.

ICMM’s Mining Principles are aligned with the objectives of other responsible sourcing initiatives, but inevitably, there are points of difference. In 2020, in collaboration with other responsible standard owners we published a first set of equivalency frameworks to help explain these differences, and we will publish a second batch later this year. By agreeing these equivalency frameworks between ICMM’s Mining Principles and other standards, we are creating a first step for alignment which investors and consumer-facing companies will be able to rely on.

Signing-off

This is my last month with ICMM, and I am pleased to be handing the reins over to such a strong leader in Rohitesh Dhawan. It has been an immense privilege to lead ICMM, and an honour to have had the opportunity to work with so many committed professionals, both within and outside the membership. I would like in particular to thank ICMM’s Chairs past and present (Mark Cutifani, Andrew Michelmore, Don Lindsay, and Richard Adkerson), who have been such stalwart supporters of ICMM during my tenure. I would also like to acknowledge all of the members’ employees, without whose engagement and time freely given ICMM would accomplish very little. Last but not least, I would like to thank the tremendously hard-working and dedicated team at ICMM itself. They have been truly wonderful to work with.

Tom Butler
CEO, ICMM
STRATEGY & ACTION PLAN 2019–2021

Our vision is that mining and metals is a respected industry, trusted to operate responsibly and contribute to sustainable development.

THREE THEMES CONNECT ALL OUR WORK

These themes are interrelated, mutually reinforcing and supportive of the industry's contribution to sustainable development. They encompass ICMM's 10 Principles and are supported by an integrated communications approach.

Environmental stewardship
Mining and metals operations depend on water, land and energy. Securing access to these shared resources increasingly depends on demonstrating responsible stewardship and recognising the needs of local communities, conservation interests and other stakeholders. Leadership also involves committing to being part of the solution to climate change.

Role of mining & metals in society
The industry is essential for societal development. Beyond job creation and payment of taxes responsible companies strengthen governance, and enhance expectations of transparency and accountability. But, recognition of the essential contribution of metals and minerals requires confidence that they are produced responsibly and are safe.

Human wellbeing
A responsible mining and metals industry puts people first. It provides safe and healthy work environments that protect against accidents and occupational diseases. It respects the rights of employees and local communities and contributes to economic and social progress. This requires the meaningful involvement of people in decisions that affect their future.

OUR APPROACH

We adopt a collaborative approach to strengthening the social and environmental performance of the sector.

Inspiring and enabling leadership
Setting clear performance expectations for the mining and metals industry, sharing our insight and experience on tackling the issues that matter most to society, and facilitating partnerships that support the delivery of the sustainable development agenda to:

- Establish ICMM’s principles, position statements and performance expectations as a benchmark for responsible mining practices.
- Engage with our stakeholders to understand society’s expectations of the industry, and its role in society.
- Foster collaboration and facilitate partnerships to solve the collective challenges we face in society.
- Collaborate with associations and other partners to inform external policy debates.

Innovating for the future
Driving a step-change in the way we design, build and operate mines to reduce waste, minimise carbon emissions, improve worker safety, and contribute to the development of local communities through transformative partnerships and innovation to:

- Collaborate with mining equipment manufacturers to trial and implement new technologies to reduce emissions and improve the safety of mobile mining equipment.
- Explore innovative approaches and technologies to minimise and ultimately eliminate waste from the mine life-cycle.
- Enable the communities in which we operate to pursue the education, leadership and skills development opportunities that turn natural resources into lasting benefits.

Strengthening operational practices
Demonstrating and promoting leading environmental and social practices that will enable better industry-wide performance across areas that society cares deeply about to:

- Contribute to the conservation of biodiversity and ecosystem management.
- Reduce emissions and enhance resilience to a changing climate.
- Strengthen social performance systems to better deliver community benefits.
- Advance progress towards zero fatalities and on work-related diseases.
- Leave positive environmental and social legacies through integrated approaches.
- Promote stewardship of minerals and metals along the value chain.
- Encourage respect for human rights in security provision.
- Encourage transparent and better governance of natural resources.
- Reduce shared water risks and enhance water security.
**2020 IN REVIEW**

**MEMBER REQUIREMENTS**

**RESPONDING TO SOCIETAL EXPECTATIONS**

ICMM’s strengthened membership requirements – the Mining Principles – define good practice ESG requirements for the mining and metals industry through a comprehensive set of performance expectations. Implementation is supported by robust site-level validation, credible assurance and transparent disclosure.

**PERFORMANCE IMPROVEMENTS AT SCALE**

Covering issues such as biodiversity, gender, human rights, labour rights, mine closure, access to grievance mechanisms, pollution, resettlement and waste, ICMM’s Mining Principles apply to more than 650 of our members’ assets in over 50 countries. Implementation by members will help to drive performance improvements at scale.

**TAILINGS MANAGEMENT**

**AN INTERNATIONAL STANDARD FOR THE SAFER MANAGEMENT OF TAILINGS FACILITIES**

The Global Industry Standard on Tailings Management was published in August 2020 with an ambition of zero harm to people and the environment. The Standard strengthens current practices in the mining industry across the entire tailings facility lifecycle – from site selection, design and construction, through management and monitoring, to closure and post-closure. The Standard covers six key topics: I. Affected communities; II. Integrated knowledge base; III. Design, construction, operation and monitoring of tailings facilities; IV. Management and governance; V. Emergency response and long-term recovery; and, VI. Public disclosure and access to information. The Standard was developed through an independent process – the Global Tailings Review (GTR) – which was co-convened in March 2019 by ICMM, the United Nations Environment Programme (UNEP), and Principles for Responsible Investment (PRI).

**EVENTS**

**THE JOURNEY HAS STARTED**

In 2020, the ICSV initiative made progress towards understanding what is needed to transform today’s fleet into tomorrow’s new cleaner, safer vehicles. Eight new equipment manufacturers have joined the initiative taking the number of participating OEMs to 19. ICMM members undertook assessments to establish a clearer view of the progress made at site level towards accelerating the innovations required to improve equipment safety and reduce emissions.

**CONNECTING WITH OUR AUDIENCES**

We connect with our audiences and contribute to the global conversation on responsible mining through the media, on social media, online and at events. In 2020 we shared our stories via videos – which were viewed over 11 million times, blogs and infographics. ICMM’s action on tailings and Covid-19, our ESG standards and research on the impact and contribution of mining were covered in global media.

**STRENGTHENING PERFORMANCE**

In 2020, ICMM’s resources, were downloaded over 53,000 times. By demonstrating and promoting leading environmental and social practices we support industry-wide performance across the areas that society cares most deeply about including tailings, health and safety, mine closure and Covid-19. ICMM’s Mining Principles and the Global Industry Standard on Tailings Management were the most downloaded resources.

**CLEANER, SAFER VEHICLES**

**ACCELERATING LEARNINGS**

Collaboration has been the cornerstone of ICMM’s response to the pandemic. Doctors, health & safety professionals, community practitioners and external affairs specialists from across the membership regularly came together to share learnings and knowledge between regions on topics as diverse as the efficacy of test types, where to source PPE, and practical responses to support community resilience.

**BUILDING FORWARD BETTER**

Based on these learnings and experiences, ICMM, alongside Business Fights Poverty and The Partnering Initiative, and in consultation with the Harvard Kennedy School’s Corporate Responsibility Initiative published the Building Forward Better Framework that provides practical tools and resources to help guide the mining industry through the pandemic, and lay pathways for a more resilient future post-Covid-19.

**MATERIALS STEWARDSHIP**

**RESPONDING TO A CHANGING CONTEXT**

The safe production and transport of minerals is central to ICMM’s commitment to a safe, fair and sustainable mining and metals industry. In 2020, ICMM, through its Materials Stewardship Facility, worked to update guidance on hazard assessment processes for the maritime transportation of ores and minerals. The guidance will be published in 2021, and reflects changing good practice to reduce the risk of accidents and protect people and planet.

**ENHANCING UNDERSTANDING**

We bring evidence-based perspectives and considered thought leadership to inform policies and practices that support sustainable development outcomes. In 2020, ICMM spoke at 75 events, on topics that are high on our agenda such as the future of work, community engagement, climate change, health and safety partnerships, human rights, ESG standards and tailings.

**STRENGTHENING TRANSPARENCY**

In December, ICMM published a series of Equivalency Benchmarks that compare the requirements of ICMM’s Mining Principles with other mining-related standards. Benchmarks allow stakeholders to understand important points of difference or divergence, and in parallel promote transparency and good practice in the sector.

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Mining and metals are critically important – from supporting the promotion of sustainable economic and social progress in resource rich countries to enabling the innovations and technologies needed to address climate change. ICMM’s Strategy and Action Plan 2019–2021, is designed to respond to the converging demands of consumers, communities and the NGOs who advocate for them, investors and our customers – who are justifiably demanding that metals and minerals be produced responsibly. We do this in several ways, including through ‘inspiring and enabling leadership’.

INSPIRING & ENABLING LEADERSHIP
RESPONDING TO, AND LEARNING FROM, COVID-19

The Covid-19 pandemic is undoubtedly the defining global health crisis of our time, with governments and health services alike racing to slow the spread of the virus. But beyond the impact on global health, Covid-19 has shown its potential to create devastating social, economic and political challenges that will have lasting repercussions.

The mining industry’s response has been swift and aligned, and has been driven by two key priorities. Firstly, protecting the health and safety of employees and local communities; and secondly, laying the groundwork to support the longer-term economic recovery which includes supporting livelihoods, protecting severely disrupted supply chains, and helping to build long-term community resilience.

In 2020, ICMM members responded to the pandemic with tailored and focused strategies, that were adopted in accordance with public advice and the local situation.

ICMM is uniquely positioned to encourage close collaboration and rapid knowledge sharing between industry leaders. With face-to-face meetings not possible, we took to virtual platforms to create dialogue between members on protecting the health and safety of workers and their families, and hearing strategies for delivering support to communities.

Over the course of the year, ICMM convened 45 virtual knowledge shares between different specialist groups including healthcare professionals, community practitioners, and communications and external affairs specialists.

Leadership

Building on these conversations, in July ICMM hosted a leadership conversation with ICMM member CEOs Mark Cutifani of Anglo American and Juan Luis Kruger of Minsur, and Tania Constable CEO of the Minerals Council of Australia (MCA) on learnings and responses to the pandemic. The key themes that emerged from the discussion included the urgent need to communicate mining’s wider societal role to audiences, to encourage closer collaboration with local and national governments, and to generate a wider understanding of the existing frameworks and programmes that have quickly been adapted to help protect the health and safety of workers and local communities.

Keeping workers and communities safe is a fundamental shared value for the whole industry. Health and safety is at the core of every responsible mining company’s business strategy, and during the discussion it was agreed that given the industry’s experience and commitment in this space, the necessary protocols and systems were more easily rolled out to keep workers and communities safe in the face of Covid-19.

Covid-19 has undoubtedly led to a refocusing, reshaping and reframing of relationships across all stakeholder groups. It has also led to the heightening of sensitivities around community and societal impact, highlighting the importance of collaboration as a catalyst for change. ICMM members have demonstrated adaptability, resilience and compassion by working together, and are ready and prepared to do more.

Building forward better

Over the course of the pandemic, a series of underlying questions was continually raised: ‘how can we improve our immediate response?’; ‘what comes next?’ and ‘how can we get ready?’ In order to answer these questions, we partnered with Business Fights Poverty and The Partnering Initiative, in consultation with the Harvard Kennedy School’s Corporate Responsibility Initiative, to develop the Building Forward Better Framework.

Published in September, the framework identifies actions across three key focus areas – lives (health and safety), livelihoods (jobs and income) and learning (education and...
Within these three areas are more than 90 actions companies can take. These are brought to life via over 60 examples from the mining sector. Including high-level guidance on how to prioritise and collaborate within and across sectors, and linking to 20 further practical resources, the framework aims to both inspire and catalyse action in the response and recovery phases and in building long-term resilience.

What has been abundantly clear throughout this pandemic, is that mining companies are uniquely connected to the lives and prospects of the often-remote communities in which they operate. In many cases, the response of mining companies through Covid-19 has drawn on the deep relationships they have built with these communities over generations. Long-established trust and respect in these relationships have been key in getting help to the most vulnerable. What has also been clear, is the critical importance of collaboration between business and industry leaders, communities, governments and local stakeholders. It has accelerated learning and taken responses to scale, often by bringing unusual partners together.

“Keeping workers and communities safe is a fundamental shared value for the whole industry. Health and safety is at the core of every responsible mining company’s business strategy.”

Tom Butler, ICMM, CEO
But no matter how essential metals and minerals may be, customers and other stakeholders are justifiably demanding that they be produced responsibly. The industry has responded by developing a range of initiatives that establish performance requirements for the responsible production of metals and minerals, supported by a mix of self-assessment and independent third party reviews of implementation progress.

While some of these initiatives aim to improve practices across the supply chain where mined materials are an important part of the production process, and others offer a “seal of approval” in the form of certification, most involve mining companies making a commercial decision on whether to join industry ESG initiatives. As a result, the number of mines covered by such initiatives is relatively small.

ICMM’s Mining Principles, launched in February 2020, help to fill this gap, while remaining aligned to other responsible supply initiatives. Covering 38 areas, including biodiversity, gender, human rights due diligence, labour rights, local content, mine closure, pollution, resettlement and waste, they apply to more than 650 of our members’ assets in over 50 countries. Their implementation by member companies will therefore drive performance improvements at scale.

**Assurance and validation**

ICMM recognises the value of independent review of how company members are meeting their commitments. ICMM’s Mining Principles combines clearly articulated Performance Expectations (PE) with robust site-level validation. Third party assurance is provided over alignment of company members’ sustainability policies to ICMM’s Mining Principles as part of members’ corporate sustainability reporting. Compatible with the objectives of other responsible sourcing initiatives, our assurance and validation procedures reinforce commitments to transparency, and ensure the credibility of reported progress on social and environmental performance.

While alignment of member company policies and practices with membership requirements has been a component of ICMM’s assurance procedure since 2008, starting in 2020, validation of PE implementation at the corporate and asset levels is now also required. The expectation is that company members will disclose their validation activities on an annual basis.

Assets subject to validation include all operations involved in the production or refining of minerals and metals over which a company member exercises control. Validation comprises the following elements:

- Self-assessment of all assets subject to PE validation.
- Prioritisation of assets for third-party validation.
- Third-party validation.
- Disclosure.

Company members are required to complete a self-assessment of all applicable assets once every three years. Members are also required to conduct third-party validation of prioritised assets within a three-year validation cycle. Validation activities evaluate the implementation of the PE individually. The expectation is that all assets are subject to third-party validation within a reasonable timeframe. There is no overall outcome for a given asset. Validation outcomes are determined for each individual PE, with possible outcomes comprising: ‘Meets’, ‘Partially Meets,’ and ‘Does not Meet’. Members will provide an explanation for those expectations that have not been fully met.

Third-party Validations must be conducted by qualified validation service providers (VSPs). VSPs are professional service providers that must meet ICMM requirements for
independence, experience, expertise and lack of conflicts of interest. ICMM will keep a register of VSPs for members’ or other interested parties’ use.

**Equivalency**

There are points of difference between almost all mining-related standards, but the focus on improved environmental, social and governance (ESG) practices at the operational level is universal. These differences can make it difficult for consumer-facing companies looking to responsibly purchase minerals and metals to understand how the various standards compare and what it means to choose one versus another. This is where understanding equivalency between the various mining standards becomes so important.

Having arguably added to the complexity by developing our Mining Principles, ICMM is committed to supporting companies (and other stakeholders) looking to responsibly source metals and minerals by helping them to simply identify key points of equivalency and differences. In December, ICMM published a series of Equivalency Benchmarks that compare the Mining Principles with the requirements of the World Gold Council’s Responsible Gold Mining Principles (RGMPs), the Towards Sustainable Mining (TSM) programme, the Aluminium Stewardship Initiative (ASI), the Responsible Minerals Initiative’s Risk Readiness Assessment (RRA) and the Copper Mark.

These benchmarks represent a collaborative effort with the owners of other standards to cut through potential complexity. The benchmarks enable all stakeholders to recognise the coverage of different schemes in terms of the issues of concern to them, understand where they are equivalent and any important points of difference or divergence. They aim to:

1. **Simplify** for consumers, investors, and other stakeholders to understand how these standards address a range of sustainability concerns, and the extent to which there are similarities and differences between them.
2. **Increase efficiency** to make self-assessment and/or third party validation processes more efficient for mining companies, including situations where validation is conducted for two or more standards at the same time.
3. **Promote transparency** around mining and metals sector standards and validation processes.

One great advantage of mining companies’ position in the supply chain is that for the most part they are not supplying directly to consumers. So, while some of the mining standards may offer certification, others such as ICMM’s Mining Principles are a condition of membership, which avoids the problematic prospect of ‘ecolabel babel’. In practice, sophisticated ethical consumer-facing companies get to choose which materials they purchase. Armed with the equivalency benchmarks that we have just published and coupled with future planned benchmarks this provides them with the ability to make responsible, informed choices.

Given the wide range and points of origin of the various mining standards and stakeholders engaged in their development, it is understandable why there are differences between them. Already, there are calls for a single industry standard. Ultimately, the drive for convergence of responsible mining standards will come if the consumer-facing companies who rely on them to procure responsibly produced materials see value in it, alongside the companies and stakeholders involved in the various initiatives that developed the standards. In the meantime, the equivalency benchmarks provide a solid basis for understanding those differences, as well as similarities.

“ICMM’s Mining Principles will support our members to supply the increasing demand for metals and minerals, while giving confidence to customers and other stakeholders that they have been produced responsibly.”

Aidan Davy, ICMM, Chief Operating Officer

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ICMM’s Mining Principles

1. **Ethical Business**
   - Apply ethical business practices and sound systems of corporate governance and transparency to support sustainable development.

2. **Decision-making**
   - Integrates sustainable development in corporate strategy and decision-making processes.

3. **Human Rights**
   - Respect human rights and the interests, cultures, customs and rights of employees and communities affected by our activities.

4. **Risk Management**
   - Implement effective risk-management strategies and systems based on sound science, and which accord for stakeholder perceptions of risk.

5. **Health and Safety**
   - Pursue continual improvement in the health and safety performance with the ultimate goal of zero harm.

6. **Environmental Performance**
   - Pursue continual improvement in environmental performance issues, such as waste, stewardship, energy use and climate change.

7. **Conservation of Biodiversity**
   - Contribute to the conservation of biodiversity and integrated approaches to land-use planning.

8. **Responsible Production**
   - Facilitate and support the knowledge-based and systems for responsible design, use, re-use, recycling and disposal of products containing metals and minerals.

9. **Social Performance**
   - Pursue continual improvement in social performance and contribute to the social, economic and institutional development of host communities.

10. **Stakeholder Management**
    - Proactively engages key stakeholders on sustainable development challenges and opportunities in an open and transparent manner, effectively report and independently verify progress and performance.

**Performance Expectations**

1.1 Establish systems for legal compliance.
1.2 Prevent bribery and corruption.
1.3 Align policies to international standards.
1.4 Assign accountability for sustainable development at Board/ExCo level.
1.5 Reduce financial contributions.

**Associated Position Statements**

- Tailings Governance (2016)
- Mining Partnerships for Development (2010)
- Transparency of Mineral Revenues (2009)
- Water Stewardship (2017)
- Indigenous Peoples and Mining (2013)
- Mining Partnerships for Development (2016)
- Climate Change (2019)
- Water Stewardship (2017)
- Indigenous Peoples and Mining (2013)
- Mining and Protected Areas (2003)
- Water Stewardship (2017)
- Tailings Governance (2016)
- Climate Change (2019)
- Water Stewardship (2017)
- Water Stewardship (2017)
- Climate Change (2019)
- Mining Partnerships for Development (2016)
- Water Stewardship (2017)
- Tailings Governance (2016)
- Tailings Governance (2016)
- Climate Change (2019)
GLOBAL INDUSTRY STANDARD ON TAILINGS MANAGEMENT

On 25 January 2019, a tailings storage facility at Vale’s Córrego do Feijão mine in Brumadinho, Brazil collapsed leading to the deaths of 270 people. This was a pivotal moment for the sector and one that demanded decisive and appropriate action. In response, ICMM, United Nations Environment Programme (UNEP) and Principles for Responsible Investment (PRI) co-convened the Global Tailings Review to establish a standard for the safer management of tailings facilities.

On 5 August 2020, Dr Bruno Oberle, Chair of the Global Tailings Review, alongside the co-convenor partners launched the outcome of this process – the Global Industry Standard on Tailings Management. The Standard was developed by a multi-disciplinary Expert Panel, with input from a multi-stakeholder Advisory Group. The review involved extensive public consultation with affected communities, government representatives, investors, multilateral organisations and mining industry stakeholders and is informed by existing best practice and findings from past tailings facility failures.

With an ambition of zero harm to people and the environment, the Standard significantly raises the bar for the industry to achieve strong social, environmental and technical outcomes. It elevates accountability to the highest organisational levels and adds new requirements for independent oversight. The Standard also establishes clear expectations around global transparency and disclosure requirements, helping to improve understanding by interested stakeholders.

The Standard covers six key topics: affected communities; integrated knowledge base; design, construction, operation and monitoring of tailings facilities; management and governance; emergency response and long-term recovery; and public disclosure and access to information. These topics contain 15 Principles and 77 specific auditable requirements for operators to adhere to.

The Standard will be integrated into ICMM’s existing member commitments, which include third party assurance and validation. Members have committed that all facilities with ‘Extreme’ or ‘Very high’ potential consequences will be in conformance within three years of the launch of the Standard in August 2020, and all other facilities within five years.

ICMM is in the process of developing Conformance Protocols to support the integration of the Standard into ICMM’s existing assurance processes. This document will enable member companies to assess progress with implementing the Standard. The Conformance Protocols will be published in May 2021.

On 5 August 2020, Dr Bruno Oberle, Chair of the Global Tailings Review, alongside the co-convenor partners launched the outcome of this process – the Global Industry Standard on Tailings Management. The Standard was developed by a multi-disciplinary Expert Panel, with input from a multi-stakeholder Advisory Group. The review involved extensive public consultation with affected communities, government representatives, investors, multilateral organisations and mining industry stakeholders and is informed by existing best practice and findings from past tailings facility failures.

Practically, members’ commitment to the Standard will apply to the approximately 1,200 tailings dams operated by ICMM members globally. Through effective implementation of the Standard, our members – who represent around a third of the global industry – will help to set the bar for all mining companies to work together to make tailings facilities safer.

The Standard is ambitious, and sets a high bar. Reaching this end has taken a huge amount of effort on all sides. Multi-stakeholder processes are never straightforward, and this was no exception, given the wide range of views from communities, civil society, industry, and investors that needed to be taken into consideration.

To further support the responsible management of tailings, ICMM is developing guidance – focused on fostering a safety culture for the management of tailing facilities. Throughout 2020, ICMM worked closely with member companies and the Mining Association of Canada to develop guidance that takes into account improved engineering practices for tailings management, including use of a performance based, risk informed approach advocated by Dr Norbert Morgenstern, a world-leading expert in the field. The guidance will be publicly available on our website for the benefit of the wider industry.

Click the link to watch the event that marked the launch of the Standard.
“ICMM and its members have an unwavering commitment to safer tailings facility management. We welcome the new Global Industry Standard on Tailings Management as a significant step forward in achieving this commitment. Through effective implementation of this Standard, ICMM members will set the bar for all mining companies to make all tailings facilities safer.”

Tom Butler, ICMM, CEO
Global Industry Standard on Tailings Management

Strengthening current practices in the mining industry by integrating social, environmental and technical considerations, the Standard covers the entire tailings facility lifecycle – from site selection, design and construction, through management and monitoring, to closure and post-closure.

With an ultimate goal of zero harm to people and the environment, the Standard sets a global benchmark for achieving strong social, environmental and technical outcomes. It elevates accountability to the highest organisational levels and adds new requirements for independent oversight. The Standard also establishes clear expectations around transparency and public disclosure, helping to improve understanding by interested stakeholders.

Comprising six Topic areas, 15 Principles and 77 auditable Requirements, the Standard provides a framework for safe tailings facility management while affording Operators flexibility as to how best to achieve this goal.
There is still more to be done if we are to achieve our mission of strengthening the social and environmental performance of the mining and metals industry and building recognition of its contribution to local communities and society at large. We cannot do this alone. In partnership with others, we are ‘innovating for the future’ to deliver the necessary step-changes required to reduce waste, minimise carbon emissions, improve worker safety, and contribute to the development of local communities.
SKILLS FOR OUR COMMON FUTURE

Mining can and should play a role in strengthening social and economic resilience in mining communities, including through the promotion of diversity and inclusion. Before Covid-19, new technology was already disrupting the labour market but the pandemic has accelerated these developments. The mining and metals sector has not been exempt from these changes.

While the potential benefits of technology to the sector – as in improved productivity, safety and environmental management – are considerable, so too are the potential impacts of these new ways of working on the sector’s workforce and the communities in which it operates.

Our ‘Skills for our Common Future’ initiative is a long-term aspirational social goal to accelerate national and regional efforts to build new, and bolster existing, skills that are necessary to drive inclusive economic participation and diversification beyond mining.

The initiative will evolve over the next 15 years to achieve the ambition of building skills for mining communities to fully participate in the economy of the future, delivered through partnerships between the mining sector, communities, government and civil society.

The role of skills in building community resilience

The initiative will be delivered through a partnership approach that leverages the resources of different actors at global, national and local levels to identify good practices for the adoption of effective skills planning and training approaches, at scale. It will also look to draw on the mining sector’s long experience of working with local communities to help inform these approaches, taking into consideration different cultures, geographies and local situations.

Towards this end, in August 2020 ICMM was pleased to host a global partners roundtable to explore mining’s contribution to economic recovery and community resilience post Covid-19, and the role of skills.

Held over two days, the roundtable brought together participants from Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ); Intergovernmental Forum on Mining, Minerals and Sustainable Development (IGF); International Finance Corporation (IFC); International Labour Organization (ILO); Organisation for Economic Cooperation and Development (OECD); The Partnering Initiative and the World Bank, as well as representatives from member companies.

Key themes from the roundtable include:

1. Role of local: The pandemic has caused many industries and companies to think more locally about how they can respond.
2. Stabilising force: Mining companies play an important role in stabilising communities, regions and in some cases countries, through their organised planning and response actions.
3. Companies filling gaps: During the pandemic, mining companies have acted quickly to fill gaps, particularly where others’ capacity had been overwhelmed.
4. Cementing trust: The actions of mining companies, going beyond what was their own responsibility, during the pandemic has been seen to increase or cement trust between them and host communities.
5. Provision of information: Mining companies demonstrate efficacy, rapidly providing or passing on information valuable to others to use in making decisions.
6. Institution building: This is critical for the success of local socio-economic programmes, how companies can contribute needs ongoing consideration.
7. Play to strengths: Mining’s strengths include information generation, collaboration, institutional capacity and leadership.
8. Partnership: Collaborating with other sectors and other actors is important where automation and technology would change the jobs required of a mine.
9. High-tech and transferrable: A focus on more advanced skills development is needed to enable people to participate in a high-tech economy, with transferability of skills across sectors being important.
10. Spheres of intervention: Skills development is needed at various levels – locally for people who are employed at mine sites; skills for people beyond the fence and for post mining; skills that go beyond the basic to highly technical; and opportunities in host countries for innovation.
11. Inclusion and diversity: Inclusion and diversity are essential cross-cutting elements in any skills initiative.
12. Demonstrating: Sharing case studies, seeking out best practices, piloting approaches and exchanging knowledge are essential for achieving good outcomes.
INNOVATION FOR CLEANER, SAFER VEHICLES

Partnership and collaboration fuel long-term sustainable development, and are crucial for addressing some of the mining industry’s biggest sustainability challenges. In 2020, the Innovation for Cleaner, Safer Vehicles (ICSV) initiative – an innovative supply chain collaboration between ICMM and original equipment manufacturers (OEMs) – made significant progress towards understanding what is needed to transform today’s fleet of mining vehicles into tomorrow’s new generation of cleaner, safer vehicles.

The ambitions of the ICSV initiative are to introduce greenhouse gas emission-free surface mining vehicles by 2040, minimise the operational impact of diesel exhaust by 2025 and make vehicle collision avoidance technology available to mining companies by 2025. Two years on from announcing these ambitions, eight additional OEMs have joined the initiative taking the number of participating OEMs to 19.

“Safer, cleaner mining equipment is important for our people and the world. The ICSV initiative brings together equipment manufacturers and ICMM members to accelerate the innovations required to improve equipment safety and reduce emissions. This is a great example of the collaborative industry-level effort that can help bring about the scale and pace of change that is needed.”

Mike Henry, Chief Executive, BHP.

“Caterpillar is committed to helping customers operate safely and sustainably, and the ICSV initiative is helping us to collaborate even more closely with the mining industry in these important areas. Its progress to date has helped to form a shared understanding of where the industry is on its journey and demonstrates that by working together we can more quickly accelerate the pace of change.”

Denise Johnson, Group President, Caterpillar.

Next steps

Two years since launch, the ICSV initiative has established a trusting environment for collaboration, which has led to important achievements. We celebrate these, but also recognise that these are only the start of the process. The ICSV initiative continues to build a critical mass for cleaner, safer vehicles, sending a strong message of intent to OEMs. 2021 will be a critical year for members to progress from a stage of awareness – which the self-assessments of the current state have provided – to a state of adoption readiness. To this end, ICSV’s suite of tools (maturity framework, Knowledge Hub, white papers, implementation pathway studies) will be vital in enabling the right investment discussions between sustainability, commercial, asset management, and mine planning, within each member organisation and across the membership.

Supporting members to accelerate change

To guide members on their journey towards these ambitions, in 2019 ICSV participants developed a set of Maturity Frameworks to provide a common industry language and help map, motivate and measure the current status, desired future state and journey milestones towards each ambition.

In 2020, ICMM members undertook assessments at 150 operations to establish current states of vehicle operations. The self-assessment results and insights mark a critical milestone for the ICSV initiative, forming the first view of the current state of mining’s progress towards each of the three ambitions. According to the findings, current operations are in the early stages of maturity. This is true across regions, commodity, and types of operation. It is envisioned that by the end of April 2021, future-state assessments will be complete, helping ICMM to provide OEMs with the market signals necessary for an acceleration in technology development.

Click the link to watch ICMM’s ‘Progress on Industry Collaboration to Accelerate Innovation for Cleaner, Safer Vehicles’ event at IMARC 2020.
“There is a critical need to advance work on cleaner, safer vehicles in mining, which will have important health and safety benefits and contribute towards the pressing need of decarbonising the mining industry.”

Nick Holland, Chief Executive, Gold Fields (and Chair, ICSV CEO Advisory Group)
The demonstration of leading environmental and social practices that promote sustainable development is an expectation of society and a prerequisite for the industry’s social licence to operate. To this end, ICMM works with members to balance operational necessities with the social, governance and environmental interests of communities and other stakeholders.
ENVIRONMENTAL STEWARDSHIP

Mining and metals operations, local communities and others, all depend on water, land and energy. Therefore, industry has a responsibility to be proactive in contributing practical solutions to the significant environmental challenges facing society and must demonstrate responsible stewardship. In recognition of this, the work of ICMM is committed to pursue continual improvement in environmental performance issues with particular focus across areas such as biodiversity, water stewardship, closure, tailings, and climate change.

HALTING BIODIVERSITY LOSS THROUGH A COLLABORATIVE, PARTNERSHIP APPROACH

Biodiversity is declining at unprecedented rates. As businesses who rely on the services that land and ecosystems offer, ICMM members recognise that they have an important role to play in conservation efforts. In 2020, the United Nations Decade on Biodiversity came to an end, and is to be succeeded by a global framework. This framework will extend beyond the responsibilities of governments to include relevant organisations and stakeholders with a responsibility for biodiversity and ecosystem management. In February 2020, ICMM took the opportunity to submit comments to Convention on Biological Diversity (CBD) on the proposed Post-2020 Framework. ICMM’s submission emphasises the need for clear and accessible global goals for biodiversity that set one direction of travel for society, business, and governments.

Any approach to mainstreaming biodiversity into industrial sectors must build on existing good practice, and harness the contribution of progressive companies as partners for change, so that together we can be more effective stewards of nature. ICMM’s submission shares lessons from managing biodiversity in the mining industry and recognises the responsibility to maximise the contribution that businesses can make as a partner. In supporting a small number of inspiring, clear, and easily understandable headline goals, we can enable society to reach CBD’s 2050 vision of ‘Living in harmony with nature’.

ENHANCING TRANSPARENCY ACROSS WATER STEWARDSHIP

Equitable water stewardship requires a positive management approach, based on finding solutions that work for all water users. Disclosure of reliable, accurate and understandable information is a critical first step towards improved water management performance.

To support member companies in achieving their commitments, in 2020 ICMM hosted a number of knowledge shares, webinars and troubleshooting sessions. This activity included a webinar – facilitated by Golder – on Water Stewardship: Taking Action in Mining which provided an overview of the key elements for designing effective corporate goals and responses to move from water management to water stewardship.

Also, in late 2020, ICMM began the process of updating its A Practical Guide to Consistent Water Reporting, with a focus on reviewing the ICMM minimum reporting commitments against those of relevant external reporting platforms, and enhancing the guidance by leveraging insights and learnings from members’ implementation of the guidance. The updated guidance will be published in 2021 and will support the industry in compiling relevant water-related information, including consistent and comparable metrics, to provide a solid basis for consistent water reporting and transparency around the way we interact and manage shared water resources.
TRACKING PERFORMANCE ON CLOSURE MANAGEMENT

Mine closure has become one of the most challenging issues facing mining companies, communities and governments worldwide, with mine closures expected to increase over the next decade.

In 2019, ICMM published *Integrated Mine Closure: Good Practice Guide* and *Financial Concepts for Mine Closure* to support the goal of ICMM members, other responsible mining companies, and regulators in delivering a positive legacy while balancing environmental protection and social wellbeing with financial performance.

Building on this, last year, ICMM developed three resources to support companies in implementing the key concepts of the good practice guide:

1. **Key Performance Indicators: Tool for Closure** – designed to help companies develop context-relevant performance indicators that drive accountability and performance. This tool provides a set of key performance areas and illustrative examples of key performance indicators to support implementation of good closure practices at an operational level.

2. **Closure Maturity Framework**: tool developed for companies to use to build a common understanding of closure concepts across an asset’s life cycle and across mining disciplines. The intent of the Closure Maturity Framework is to map, motivate and measure the status of assets on their journey to sustainable closure. It will drive conversation amongst industry stakeholders to converge thinking, decision-making and drive positive industry change.

3. **Closure Training Materials**: adapted from ICMM’s 2019 closure guide and intended to promote a more integrated outcome and control of closure planning and implementation activities at an operational level, as well as provide practical resources to assist in planning for successful mine closure.

CLIMATE CHANGE IS A CRITICAL GLOBAL CHALLENGE

Expectations of companies for action on climate change have increased significantly. Enhanced emissions reduction targets, disclosure of climate risks and opportunities, and decarbonisation strategies are examples of just some of the indicators that different initiatives are using, or plan to use, to assess and benchmark the carbon performance of companies in the sector.

ICMM has supported members to make progress on the recently updated *Climate Change: Position Statement* through knowledge sharing and capacity building. Through 2020 we have also convened numerous webinars, knowledge shares and policy updates on topics including reporting and innovation, alongside the work on reducing greenhouse gas emissions through the ICSV initiative.

MINIMISING TAILINGS WASTE

In addition to supporting the Global Tailings Review in developing the *Global Industry Standard on Tailings Management*, ICMM is working to reduce reliance on conventional wet tailings impoundments and large tailings dams through the development and adoption of alternative tailings management techniques.

In 2020, we facilitated a third round of engagements between members and suppliers on the latest technologies for monitoring tailings facilities. We also progressed activities that support our long-term aspirational goal of reducing or eliminating the generation of tailings, by convening a series of workshops to review the technology landscape. In the near-term, we will focus on a few technology themes, namely continuous sorting, batch sensing, and continuous mining machines to accelerate the development and adoption of these technology themes.

In 2021, ICMM will continue to work with suppliers and research/innovation organisations to co-create an industry level roadmap with the aim of promoting future collaborative initiatives.
ICMM members share an unwavering commitment to improving health and safety performance, towards a goal of zero harm. To support this commitment, ICMM began collating and publishing company members’ safety data in 2012 with the aim of encouraging information and knowledge-sharing among members, and catalysing learning across the industry. Over time, this data has informed leadership discussions about the step change required to eliminate fatalities and supports an evidence-based approach to ICMM’s work on health and safety.

This year, information sharing, and learning has continued to support members through the unprecedented challenges arising from the Covid-19 pandemic where the health and safety of workers and local communities is paramount.

Regrettably, the 2020 edition of ICMM’s safety data reporting showed that in 2019 our members recorded a total number of 287 occupational fatalities, a marked increase from the 50 fatalities recorded in 2018 and 51 fatalities recorded in 2017. Of the 287 occupational fatalities recorded in 2019, 250 occurred as a result of the catastrophic collapse of a tailings dam at Vale’s Córrego do Feijão mine in Brumadinho, Brazil on 25 January 2019. After structural failure, the second highest cause of fatalities was mobile equipment and transportation which accounted for eight fatalities in 2019, seven fewer than the 15 fatalities recorded in 2018.

It is also important to note that 16 company members recorded zero fatalities in 2019, an increase from the 11 in 2018. This is the highest number of companies recording zero fatalities since this report was first published in 2012. The 16 members are AngloGold Ashanti, Antofagasta, Barrick, BHP, Goldcorp, Hydro, JX Nippon, Minera San Cristobal, Minsur, Mitsubishi Materials, MMG, Newcrest, Newmont, Orano, Rio Tinto and South32. Nevertheless, each fatality is a tragedy and ICMM members will continue to work together to learn lessons towards the ultimate goal of zero harm.

Click the link for more information on ICMM’s Safety Data, 2019.
SOcial & Economic Development

The mining and metals sector has extraordinary potential to contribute to social and economic development, especially where good policy and governance frameworks are in place. It can transform the lives of employees, their families and communities for the better. Realising mining’s full potential contribution to sustainable economic and social progress requires collaborative action between government, companies, and civil society.

A Common Definition of Social Performance

A critical part of social performance for the mining and metals industry is how well a company handles its commitments, interactions and activities as they relate to local communities. In 2020, ICMM and members developed a common definition of social performance. While members are not expected to adopt the exact same language, by developing a shared understanding of what ICMM means by social performance – which is referred to in Principle 9 of ICMM’s Mining Principles – we are well positioned to support the integration of social performance into business decision-making processes. To this end, the following definition was approved by the Community Support Working Group in late 2020:

Social performance is the outcome of a company’s engagement, activities and commitments that can directly and indirectly impact stakeholders or affect the quality of its relationships with them. Achieving excellence in social performance requires strong leadership, integrated management systems, and the capability and culture to identify, address and report social risks and impacts. Social performance management aims to avoid harm to people and communities from company activities throughout the mining lifecycle; to ensure respect for human rights, to contribute to the social and economic development of affected people and society more widely on key issues; and to establish and maintain relationships of trust between companies and stakeholders for mutual benefit. Critical to a mining and metals company’s social performance is how well a company fulfils its commitments, interactions, and activities as they relate to local communities. Broader societal aspects include revenue and contract transparency, mineral resource governance, and engagement with partners across the value chain on social risks.

Communities and Human Rights

As the theme of 2020’s Human Rights Day highlights, Covid-19 has laid bare the structural inequalities in our societies and risks rolling back years of progress in lifting people out of poverty. With this in mind, respect for human rights will be critical to companies’ efforts to support local recovery and help build forward better. Central to this, is ensuring local communities have a voice and are able to raise any concerns they may have about activities taking place at the mine sites near to where they live.

This is a core part of a mining company’s responsibility to respect human rights and ICMM members commit to uphold the United Nations Guiding Principles on Business and Human Rights (UNGPs), the key international benchmark for business respect for human rights.

Through our guidance on Handling and Resolving Local-level Concerns and Grievances, ICMM is one of the first membership associations to align with the criteria in the UNGPs on operational level grievance mechanisms.

Towards the end of 2020, we released the Spanish language edition of the grievance mechanism guidance to support our 20 members who operate in Spanish speaking countries, as well our national association members in Peru, Chile, Colombia, Argentina and Ecuador. Within these resource rich regions, companies often face challenges owing to mining-related socioeconomic conflict and while the guidance helps to address just one aspect of this, it is an important resource to guide companies to improve their channels of communication with local communities, so that issues can be resolved before they escalate.
MINING’S CONTRIBUTION TO NATIONAL ECONOMIES

Natural resources, such as metals and minerals, can underpin economic growth and social development when the right governance frameworks are in place and put into practice. The foundation of strong governance relies upon good decisions being made by government actors, who are influenced by rules, institutions and informed citizens.

In December, ICMM released two reports to encourage evidence-based debate and focus attention on the vital role of effective mineral resource governance: the Role of Mining in national Economies: The Mining Contribution Index (5th edition), a report that examines and ranks the relative significance of the mining sector’s contribution to national economies; and the ICMM Members’ Tax Contribution Report: 2019 update, which reports the taxes and royalties paid by ICMM company members between 2013 and 2019.

The fifth edition of ICMM’s Role of Mining in national Economies: The Mining Contribution Index demonstrates that around 20 low income countries still rely on natural resources as the primary driver of their national economic activity. This remains the case across editions and commodity cycles, demonstrating the challenge of initiating economic diversification globally.

The ICMM Members’ Tax Contribution Report: 2019 update, indicates the scale of the contribution mining makes through taxes and royalties. From 2013 to 2019, ICMM members contributed US$153.3bn to public finances globally, comprising corporate income tax of US$96.6bn and royalties of US$56.7bn. Over the same period, the corporate income tax and royalty charge as a percentage of PBTIR (profit before tax, impairments, non-tax-deductible exceptional items and royalties which are charged within administrative expenses) was 39.4%. This means that for every US$100 of profit before impairments, US$39.40 was paid in corporate income tax and royalties.

The fifth edition of ICMM’s Role of Mining in national Economies: The Mining Contribution Index demonstrates that around 20 low income countries still rely on natural resources as the primary driver of their national economic activity. This remains the case across editions and commodity cycles, demonstrating the challenge of initiating economic diversification globally.

Taken together, these reports paint a picture of the contribution mining makes at a national level; revenue which can be invested in education, healthcare, infrastructure and supporting government.
GOVERNANCE

The private sector has an important role in supporting good natural resource governance and central to this is the commitment to transparency, accountability, and anti-corruption. These are integral parts of ESG performance and affect social licence to operate so the mining industry will play an especially important role as countries look to drive their economic recovery through the resources sector, new infrastructure and the energy transition.

BUSINESS INTEGRITY PRIORITIES

Corruption corrodes the fabric of society; it delegitimises the rule of law and the democratic system, depletes government revenues and can lead to environmental damage. It is also considered to be a leading factor in the emergence of the so-called ‘resource curse’, the concept that countries with significant resources experience lower economic growth, less democracy and worse development outcomes.

Ethical business practices that aim to prevent corruption are at the heart of ICMM’s membership requirements and central to our members’ efforts to ensure mining benefits host countries and communities.

“Robust boards require independence and diversity in gender and expertise. You won’t get sustainable performance without them.”
Tom Palmer, CEO, Newmont

All mining companies have a stake in ensuring high integrity standards across the industry and the investor community needs to be asking questions about mining company culture and governance when it comes to integrity. With the growing emphasis on ESG performance, and considering licence to operate was voted by mining executives as the top area for business risk for a third consecutive year, this is a message for industry that is hard to ignore as the business integrity landscape continues to evolve throughout the pandemic.

“Companies must not forget that the legitimacy of the permitting process in the eyes of stakeholders can have long-lived consequences.”
Christine Ramon, Interim CEO, AngloGold Ashanti

This year, ICMM, along with the World Economic Forum’s PACI and Mining and Metals Industry Community, the Extractive Industries Transparency Initiative (EITI), and Transparency International’s Accountable Mining Programme brought together 80 participants from mining companies and industry associations to identify the priority for responsible business in the face of pervasive governance and corruption risks.

Click the link to read more about the mining sector’s priorities for business integrity in times of crisis.
REPORTING & ASSURANCE
SUPPORT FOR UN GLOBAL COMPACT

ICMM became a non-business participant of the United Nations Global Compact in June 2017. We are proud to support the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption. These Principles are embedded in ICMM’s Mining Principles, and at the heart of our mission to – in collaboration with others – strengthen the social and environmental performance of the mining and metals industry and build recognition of its contribution to local communities and society at large.

This Annual Report serves as our Communication on Engagement with the United Nations Global Compact. It describes the actions that ICMM has taken that support the UN Global Compact and its Principles that are in line with those identified for organisations such as ours. These include the learning and dialogue events, workshops and training we have held to strengthen sustainability performance across the ICMM membership and the broader mining industry throughout 2020.

We have also been pleased to support the activities of both the global office and the United Nations Global Compact UK Network during our participation to date. We look forward to continuing our support for the United Nations Global Compact in the years ahead.

Tom Butler
ICMM CEO

WE SUPPORT

UN GLOBAL COMPACT
A breakdown of 2020 operational income and expenditure and 2021 forecast income and expenditure is shown below. The figures are broken down in the way illustrated to provide a transparent overview of the source of our income and how we spend that money to achieve the outcomes described throughout this review. Company fees are split proportionately between the 28 company members with 25 per cent based on sales revenue and 75 per cent based on operating profit. Minimum and maximum fee levels are set to balance the range of fees applied and ensure that no one company contributes more than 13 per cent of total revenues.

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<th>Work expenditure</th>
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<tbody>
<tr>
<td>Global Tailings Review</td>
<td>1.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Innovation for Cleaner, Safer Vehicles and ICMM’s Mining Principles</td>
<td>0.18</td>
<td>0.17</td>
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<tr>
<td>Environment Programme</td>
<td>0.15</td>
<td>0.32</td>
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<tr>
<td>Social and Economic Development Programme</td>
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<td>0.40</td>
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<tr>
<td>Health, Safety and Product Stewardship Programme</td>
<td>0.24</td>
<td>0.33</td>
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<tr>
<td>EITI and CRIRSCO contribution</td>
<td>0.42</td>
<td>0.46</td>
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<tr>
<td>Communications and Core Services</td>
<td>0.95</td>
<td>1.20</td>
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<tr>
<td>Salaries and benefits (programme staff) iii</td>
<td>3.04</td>
<td>3.04</td>
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<td>Sub-total</td>
<td>6.16</td>
<td>5.92</td>
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<thead>
<tr>
<th>Overheads</th>
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<tr>
<td>Operating costs and overheads</td>
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<td>1.05</td>
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<tr>
<td>Salaries and benefits (admin/support)</td>
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<tr>
<td>Sub-total</td>
<td>1.33</td>
<td>1.42</td>
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<tr>
<td>Total expenditure</td>
<td>7.49</td>
<td>7.34</td>
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<tr>
<td>Balance</td>
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NOTES ON FINANCIALS

i) The 2020 figures are based on unaudited accounts – audited figures are reviewed by ICMM’s Council in May of each year and can be obtained from ICMM on request. The audited figures differ from those shown here in their treatment of unspent prior-year income.

ii) Association members pay a flat membership fee of £3,000 per annum.

iii) Expenditure on salaries and benefits has been distributed between work programmes, and administrative and support expenditure proportionately in line with the job responsibilities of each ICMM staff member.

MEMBER ASSURANCE

The annual report would usually contain a table outlining member companies’ progress against ICMM’s member requirements. This year, due to a change in the timing of the ICMM annual report, this table will be published separately on our website, at a later date, in order to ensure it reflects our members’ most recent reporting cycle.
ICMM is an international organisation dedicated to a safe, fair, and sustainable mining and metals industry. Bringing together 28 companies – and over 35 regional, national, and commodities associations – we support mining with principles to sustainably manage the natural resources of our planet, and enhance the wellbeing of local communities.