



the SAIMM and ESGS



I am sure many of you are aware that the SAIMM established the ESGS Committee a little over two years ago. The Committee deals with Environmental, Social and Governance (ESG) and Sustainability (S). ESG and Sustainability have become increasingly important for mining companies in recent years.

Climate change and rising global temperatures are affecting biodiversity and leading to droughts, floods, and wildfires around the world. The need to decarbonize is imperative, and has increased the demand for critical minerals required for decarbonization, as well as necessitated the responsible sourcing of these minerals with minimal ESG impacts.

Public perception of the mining industry is extremely unfavourable, to say the least. This is largely due to legacy issues associated with human rights abuses, damaging environmental incidents, and fatal accidents. While mining companies have progressed and improved over many years on all these fronts, more work is required to both meet the expectations of investors, lenders, governments, and the public in general – and, importantly, to update the perceptions of stakeholders. Responsible mining is not only ethically correct, but is now also essential to remain in business.

As far back as the 1990s, the concept of sustainability was institutionalized to address global challenges such as poverty, inequality, climate change, and environmental degradation. The United Nations (UN) has proposed 17 Sustainable Development Goals (SDGs) for 2030, which have been translated into laws and standards. ESG can be interpreted as how a company responds to sustainability imperatives, and provides evidence to its stakeholders about its commitments, targets, and performance. The term ESG has become popular in recent years and is incorporated into the six UN Principles of Responsible Investment (PRI). These principles include incorporating ESG into investment analysis and decision-making, ownership policies and practices, and transparent reporting of ESG issues. The International Council on Mining and Metals (ICMM) has defined 10 principles for sustainable development. ESG is broad-reaching, constantly evolving, and as a result, there is no universally accepted definition. The explosion of new standards in recent years makes it challenging for all industries, and there is a need to rationalize and consolidate standards.

Building ESG into all aspects of the business requires innovative ways of thinking. Policies and practice must be holistic, minimizing environmental impact and improving the welfare of all stakeholders. This highlights the importance of the role of professionals in the mining industry in bringing their knowledge, skills, and experience to create new ideas and approaches to addressing ESG impacts and risks. Our goal should be to create a positive impact on the planet and ensure the wellbeing and success of future generations.

The SAIMM ESGS Committee's mission is to *'To build member capability, to influence professional behaviour and enable industry dialogue on Sustainability and responsible mining through Environmental, Social and Governance related matters'*. The purpose is to create awareness, understanding, and competence in ESG and Sustainability issues. More information about the ESGS Committee is [available on our website](#). In meeting its objectives, the Committee has presented webinars, a podcast, and a paper.

President's Corner *(continued)*

- Webinar: *Launch of the SAIMM ESGS Committee*. Mike Solomon, the Chairperson of the ESGS Committee, introduced the ESGS Committee and highlighted the requirement for and purpose of the Committee. <https://www.youtube.com/watch?v=8BB5OAWLUzQ>
- Webinar: *Decarbonizing the Mining Sector by 2040*. In this webinar, Mike Solomon provides some insights into decarbonization, and some of the programmes implemented by mining companies to decarbonize the sector by 2040. <https://www.youtube.com/watch?v=quFs86HwfTs>
- Webinar and Journal paper: *Assessing coal mine closures and mining community profiles for the 'just transition' in South Africa*. Megan Cole, Mzila Mthenjane, and Andrew van Zyl explain the expected coal mine closures and associated community vulnerabilities and local governance challenges in South Africa. These discussions highlight the realities in South Africa and the importance of ensuring an effective transition which maintains energy security while addressing the welfare of the affected communities. <https://www.saimm.co.za/Journal/v123n6p329.pdf> and <https://www.youtube.com/watch?v=oyXoT3YCcFY>
- Webinar: *Mine Closure Risks and Opportunities for South Africa*. Megan Cole, James Lake, and Nikisi Lesufi describe the new mine closure risk rating system and explore post-closure land use opportunities. <https://www.youtube.com/watch?v=-1r8UdbtEtk>
- Podcast on the Crucible: *The extra S in ESG*. In this podcast, Gordon Smith explains the link between sustainability and ESG, and the importance of including these principles in company strategies and developing creative solutions. He provides some insights into the ESGS Committee and elaborates on our objectives. <https://www.saimm.co.za/publications/podcasts>

The SAIMM ESGS Committee is planning to host the first ESG conference *ESG in the Minerals Industry - Challenges and Opportunities* from 16-17 October 2024. The purpose and focus of this conference are to influence professional behaviour, and foster industry dialogue on sustainability and responsible mining through Environmental, Social, Governance, and Sustainability-related matters.

I invite our members to join the ESGS Committee or participate in ESGS events. Becoming involved in SAIMM initiatives enables you to continuously grow and learn and share your ideas. The SAIMM has also opened up membership to ESGS practitioners and experts and we encourage our members to actively recruit ESGS experts into the SAIMM. Together we can create a positive legacy for the mining industry.

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