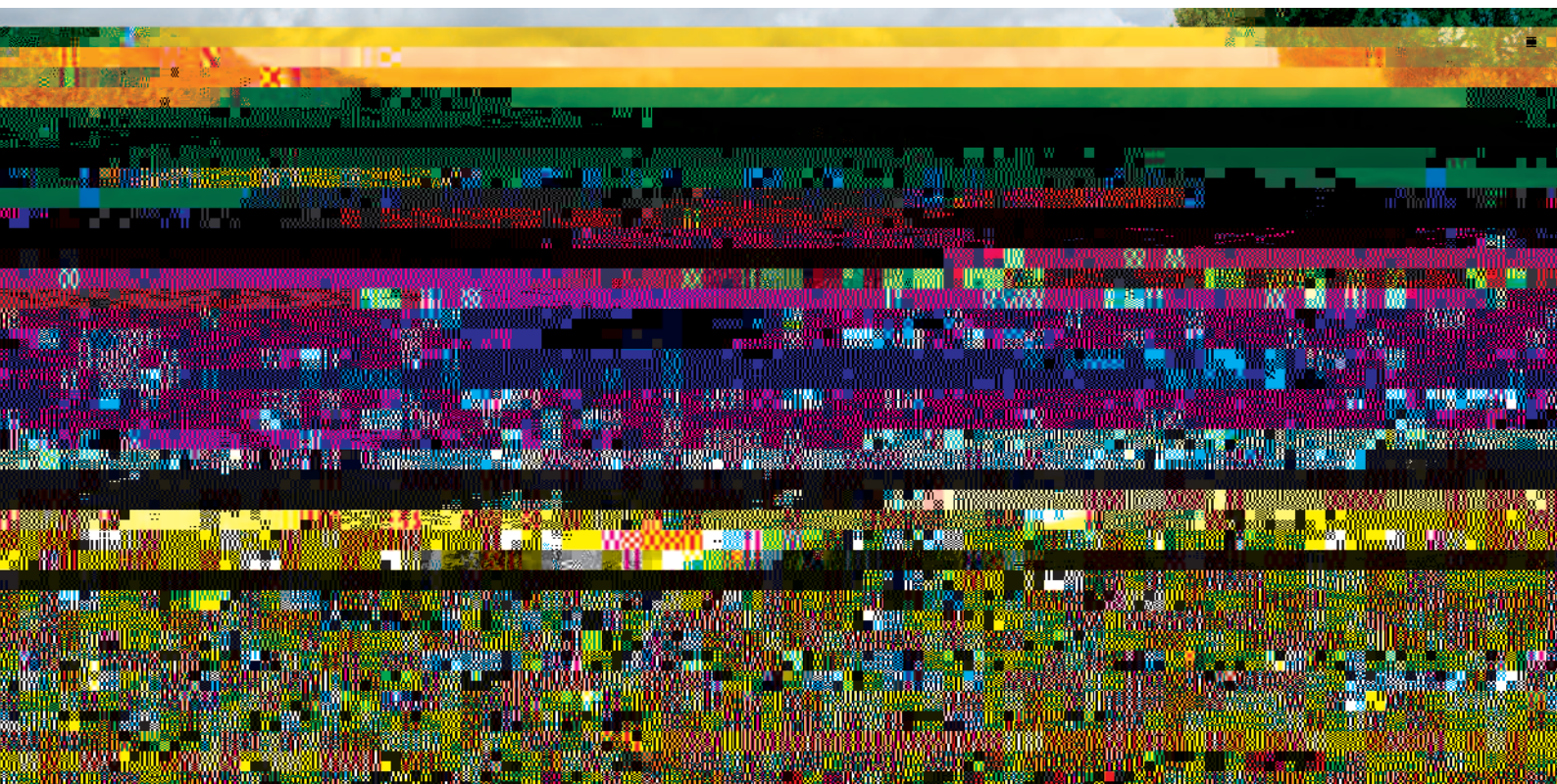
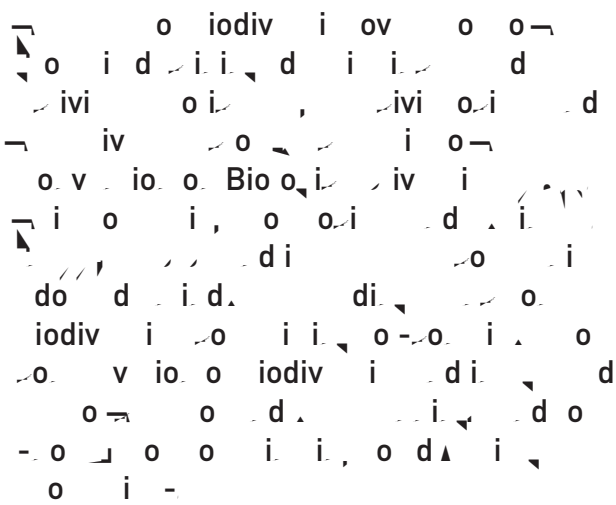


Biodiv i o vi s





Since that time, biodiversity has become a more material business issue for the mining and metals industry. Stakeholders expect companies, as responsible businesses, to manage biodiversity alongside other sustainability issues. Accounting firm KPMG recently highlighted a number of business risks (regulatory, market, financing and operational) and opportunities (increased access to capital, stronger license to operate and reduced operational costs) associated with declining biodiversity, for the mining and metals sector (KPMG et al 2012). In addition, the nature of biodiversity management has matured and continues to evolve.

This report sets out the results of a review of progress made in managing biodiversity among International Council of Mining and Metals (ICMM) members from 2003 to 2013. The report was jointly commissioned by ICMM and IUCN under their 2011 Memorandum of Understanding, which aims to influence and improve mining companies' performance in the area of biodiversity conservation management. It was overseen by a joint IUCN/ICMM Project Steering Group and produced by consultants Globalbalance and The Biodiversity Consultancy. The report identifies good practice, the status of emerging issues and recommends areas for future action for ICMM members and the IUCN-ICMM dialogue.

Introduction

Twenty¹ ICMM member companies' biodiversity management systems were evaluated against ten assessment criteria that were identified through interviews with a total of 22 contributors across NGOs, financial institutions and ICMM members (Figure 1). Biodiversity management system maturity was used as a proxy measure for performance on the ground in the absence of broadly agreed metrics for this purpose.

The review was based on internal and external corporate information and company interviews. Companies were scored at one of five levels of performance under each criterion, with level five being the most mature. Members' current activities on three emerging issues were also explored: ecosystem services², biodiversity offsets³ and commitments to 'no net loss or net positive impact'.

Limitations to this analysis include: an unavoidable element of subjectivity, reliance on company generated data, lack of access to historic data, comparability challenges arising from the varying size and nature of ICMM members and associated variation in magnitude of impact and risks linked to biodiversity, and a lack of quantitative metrics to demonstrate performance on the ground.

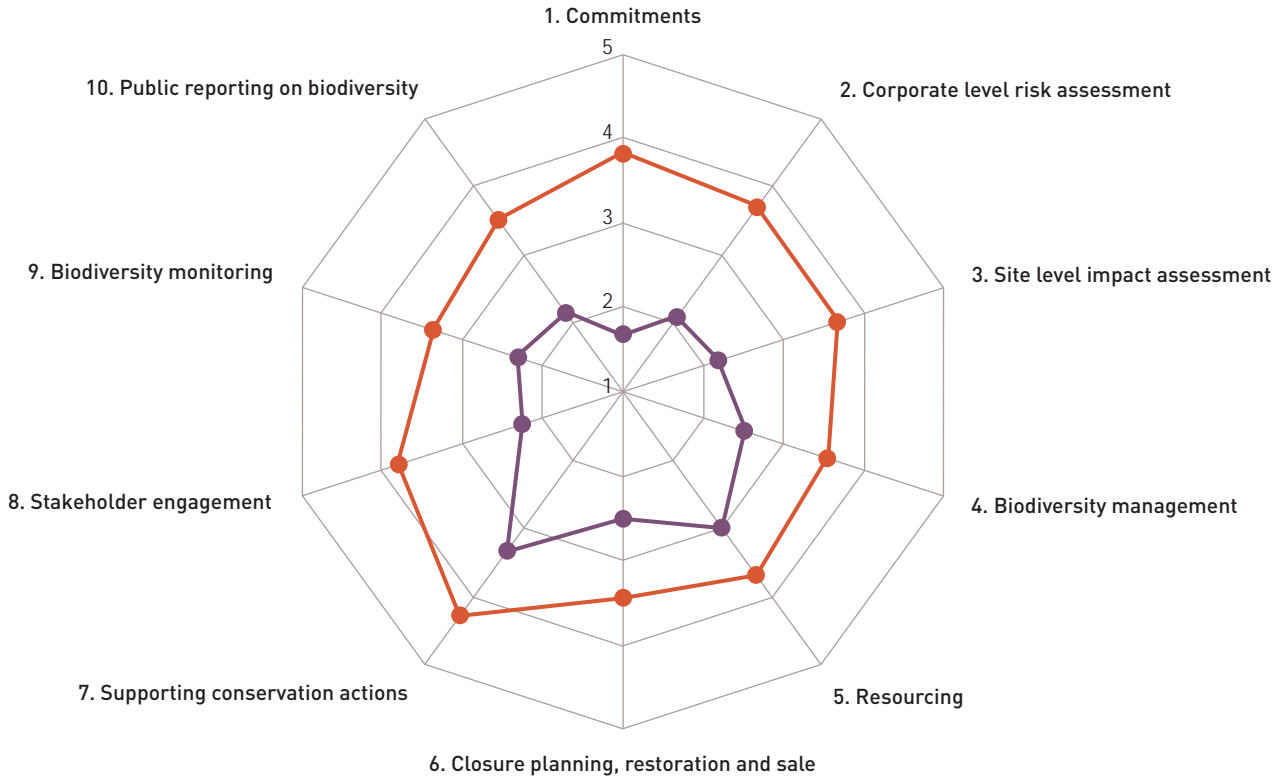
Findings

ICMM members have shown a ⁴ over the last ten years (Figure 1). Particular progress has been made on policy and strategy commitments, stakeholder engagement and including biodiversity in impact assessments. Demonstrating that these developments have resulted in improved performance at the site level remains challenging.

Specific areas where more action are required include: closure planning, site level performance metrics, assurance processes and biodiversity action plan implementation (Table 1). Many of the areas identified for future work are common to other industries and could be addressed through collaboration, for example through fora such as the Cross Sector Biodiversity Initiative.

1 See www.icmm.com/members/member-companies. Antofagasta Minerals and Glencore were not members at the time of the review and were excluded from it. Vale was included in the analysis and has since left ICMM.
2 The benefits that people obtain from ecosystems. Examples include freshwater, timber, climate regulation, protection from natural hazards, erosion control and recreation (Grigg et al. 2011).
3 Measurable conservation outcomes of actions that compensate for significant residual adverse biodiversity impacts arising from project development after appropriate prevention and mitigation measures have been taken (Business and Biodiversity Offsets Programme, 2012).
4 Biodiversity management systems are defined as the activities in place to manage corporate impacts on biodiversity.

● 2003 (n=17)



3 3 ro re i i t

A greater, risk-based, focus on managing corporate impacts on biodiversity, in addition to supporting the conservation of biodiversity not impacted by mining activities.

- More specific biodiversity commitments are in place for all members, which are driving progress.
- Members remain committed to the ICM Mining and Protected Areas Position Statement, corporate biodiversity management systems have been strengthened to support member commitments.
- Most members have assessed biodiversity risks 2003-2014 through site-level assessments.

Key criteria and indicators are for all members in the reporting area for future development

... this refers to the average of all members' performance for the relevant criterion for 2003 and then 2012/13.

Legend for performance changes:

- ↑** **Improved** (> 1 performance level change)
- ↑** **Improved** (≥ 40% change since 2003)
- ↗** **Improved** (< 1 performance level change)
- ↗** **Improved** (≤ 40% change since 2003)
- Stable**
- Stable**
- Active** (≥ 66% companies active)
- Active** (≥ 33% to ≤ 66% of companies active)
- Active** (< 33% of companies active)

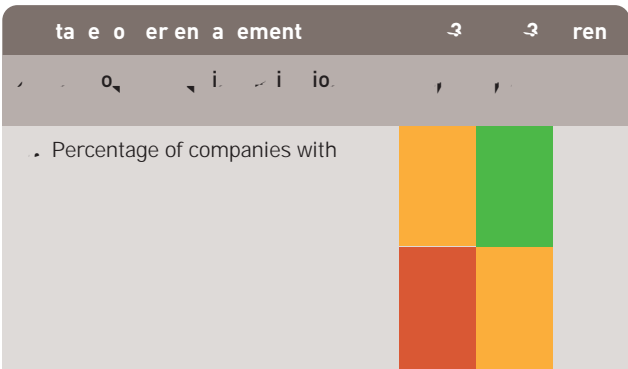
Commitment	2013	2012	Change
Percentage of companies with a high level biodiversity policy/strategy commitment	55	55	↑
Percentage of companies with detailed biodiversity policy/strategy commitments or internal guidance	55	55	↑

Corporate Environmental	2013	2012	Change
Percentage of companies able to state proximity to protected areas and/or areas of high biodiversity value	55	55	↑
Percentage of companies with some form of tool or process to evaluate corporate level risk	55	55	↑
Percentage of companies with biodiversity integrated into all key decision points (risk registers, investment planning)	55	55	↗

Operational Environmental	2013	2012	Change
Percentage of companies addressing biodiversity within environmental impact assessments	55	55	↑
Percentage of companies considering the no-go option for high biodiversity value areas at the earliest stages of exploration	55	55	↗

Biodiversity Management	2013	2012	Change
Percentage of companies that have produced biodiversity action plans or equivalent for all sites that require (are in or near high conservation value sites)	55	55	↑
Percentage of companies that undertake third party review of their biodiversity action plans or equivalent	55	55	↔

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Recommendation

The advances in biodiversity management by ICMM

