

Climate Change

Position Statement



This position statement sets out ICMM members' approach to climate change. Climate change is one of the critical global challenges of our time. Action in line with the goals of the Paris Agreement is critical to achieving the Sustainable Development Goals, given the inextricable links between climate change, water, biodiversity, and socio-economic development. This integrated approach is at the heart of ICMM's Mining Principles, which reflect our long-standing commitment to responsible mining and to enhancing the contribution of minerals and metals to sustainable development.

ICMM company members are committed to being part of the solution by responsibly supplying the materials that are critical to decarbonisation technologies and in enhancing the resilience of our host communities and countries in transitioning to a net zero economy.

Although we may have individual decarbonisation targets which in some cases go beyond the collective commitments in this Position Statement, these represent a joint ambition from companies that make up one-third of the global mining and metals industry. We hope to encourage our wider industry, suppliers, and customers to join us in decarbonising our value chains while we supply the materials that decarbonise the value chains of others. We will also continue to work closely with our 35 mining and commodity association members to accelerate climate action in our wider industry.

This updated position statement replaces the [2019 Climate Change Position Statement](#).

These commitments on climate change were approved by ICMM's Council on 15 September 2021. From 1 September 2021, ICMM decisions are adopted on a 'conform-or-explain' basis where at least 75 per cent of its members commit to conform. There may be reasonable grounds why certain ICMM members cannot commit to decisions adopted by ICMM at the time of decision. These members commit to disclose publicly their non-conformance with supporting explanations within 12 months. In this instance all 28 members have committed to conform.

Relationship between the ICMM Mining Principles and Position Statements

All ICMM member companies implement ICMM's Mining Principles as a condition of membership. This includes commitments to implement 10 principles throughout their businesses, to report in line with the Global Reporting Initiative's (GRI) Sustainability Reporting Framework and to obtain independent external assurance that the ICMM commitments are being met (this framework is described in detail at <https://www.icmm.com/en-gb/our-principles>).

ICMM Mining Principles of relevance to climate change are:

- Principle 4: Implement effective risk-management strategies and systems based on sound science and which account for stakeholder perceptions of risks.
- Principle 6: Pursue continual improvement in environmental performance issues, such as water stewardship, energy use and climate change.

- Principle 7: Contribute to the conservation of biodiversity and integrated approaches to land-use planning
- Principle 8: Facilitate and support the knowledge-base and systems for responsible design, use, re-use, recycling and disposal of products containing metals and minerals.
- Principle 10: Proactively engage key stakeholders on sustainable development challenges and opportunities in an open and transparent manner. Effectively report and independently verify progress and performance.

In accordance with the Mining Principles, ICMM has also developed a number of Position Statements and Performance Expectations that further elaborate member commitments to particular issues. Company members comply with these requirements by incorporating them into their policies, systems or operational practices.



ICMM members recognise:

- The need for an urgent global response to the threat of climate change, across all areas of society and the economy.
- The need to support the goals of the Paris Agreement to limit the increase in the global average temperature to 2°C and pursue efforts to limit the increase to 1.5°C.
- The critical role that the mining and metals sector plays in supporting the global transition to a low carbon economy by continuing to contribute to the sustainable production of commodities essential to the energy and mobility transition, working with our partners and key suppliers along our value chains.
- The need to reduce emissions from the extraction and use of mining products and support collaborative market-based approaches to accelerate the use of low-emission technologies as part of a transition to a low carbon energy mix. At the same time, we also recognise the practical challenges that some less developed countries with domestic supplies of fossil fuels will face in making that transition.
- That climate and energy policy should be technology neutral and rely on market-based approaches to enable least cost abatement solutions
- The vital role that a broad-based, predictable, long term carbon price can play, alongside other market mechanisms to drive reduction of greenhouse gas emissions and incentivise innovation.
- The importance of providing climate-related disclosure in order for all stakeholders to measure and respond to climate change risks and opportunities.
- The role of nature-based solutions in climate mitigation and adaptation.
- The prioritisation of emission reduction initiatives and technologies, recognising the role for carbon offsets for hard-to-abate emissions.
- The role of a circular economy in reducing emissions associated with the extraction and use of mining products by increasing resource efficiency in production and promoting the re-use and recycling.

In addition to existing commitments under ICMM's Mining Principles, ICMM company members commit to undertaking the following actions by the end of 2023 where these are not already in place:

Individually

- **Setting Scope 1 and 2 targets:** We will build clear pathways to achieving net zero¹ Scope 1 and 2 GHG emissions by 2050 or sooner, through meaningful short and/or medium-term targets.
- **Accelerating action on Scope 3 GHG emissions:** We recognise that Scope 3 is critical to minimising our overall impact and we will set Scope 3 targets, if not by the end of 2023, as soon as possible. Although all Scope 3 action depends on the combined efforts of producers, suppliers and customers, some commodities face greater technological and collaborative barriers than others. We will play a leading role in overcoming these barriers and advancing partnerships that enable credible target setting and emission reductions across value chains.
- **Covering all material sources:** Our targets will cover all material sources of emissions, aligning to the GHG Protocol definition of organisational boundaries and materiality.
- **Focussing on absolute reductions:** For some operations, intensity rather than absolute targets may be more appropriate in the short and medium term. Where intensity targets are used, we will disclose the corresponding absolute increase or decrease in GHG emissions.
- **Applying robust methodologies:** We will use target-setting methodologies that are aligned with the ambitions of the Paris Agreement and disclose in detail the assumptions we use.
- **Integrating climate change in decision-making:** Implement governance, engagement and disclosure processes to ensure climate change risks and opportunities are considered in business decision-making.
- **Adaptation and Mitigation:** Advance operational level adaptation and mitigation solutions that can support the net zero goal, taking in consideration local opportunities and challenges.
- **Supporting community resilience:** Engage with host communities on our shared climate change risks and opportunities and help host communities understand how they can adapt to the physical impact of climate change.
- **Disclosing openly and transparently:** We will report our progress on Scopes 1, 2 and 3 annually, obtain external verification over our performance, and report in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures.

Either collectively or individually

- Engage with governments, peers, and others to support the development of effective climate change policies.
- Support efforts to mitigate greenhouse gas emissions, in collaboration with our peers by promoting innovation, developing and deploying low emissions technology, and implementing projects that improve energy efficiency and incorporate renewable energy supply in our energy mix.
- Support carbon pricing and other market mechanisms, that drive the reduction of greenhouse gas emissions, deliver the least cost pathway to emissions reductions and support predictable long-term pricing that incentivise innovation.²

1. We will adopt IPCC's definition for net zero emissions, which is achieved when anthropogenic emissions of greenhouse gases to the atmosphere are balanced by anthropogenic removals over a specified period.

2. The Position Statement is not intended to substitute for or pre-empt any requirement of applicable national law, and where conflicts or duplication arise, applicable law shall prevail.

We bring together a third of the global metals and mining industry, along with key partners to drive leadership, action and innovation for sustainable development, ultimately delivering a positive contribution to society.

Through collaboration, ICMM member companies set the standard for responsibly produced minerals and metals in a safe, just and sustainable world.

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