Mining & Metals Sector

2019 Report – Key Findings

Vigeo Eiris Basic Resources cluster

Research manager: Jordi Lesaffer
jordi.lesaffer@vigeo-eiris.com

Sector expert: Javier Quinteros

Sector analysts:

Hélène Soyer Nogueira
Soukaina Aziz
Albert Charlier

Vigeo Eiris press contacts

Anita Legrand
anita.legrand@vigeo-eiris.com
+33 (0) 1 55 82 32 44

203 companies in the sector
Key Findings 2019– Mining & Metals sector

**TOP PERFORMERS**
- Europe: Norsk Hydro (69/100)
- North America: Teck Resources (58/100)
- Asia Pacific: BHP Group (Australia) ; Rio Tinto (Australia) (54/100)
- Emerging Markets: Gold Fields (55/100)

**MOST IMPROVED since 2018**
- Europe: Eramet (+18)
- North America: No progress
- Asia Pacific: Daido Steel Company (+12)
- Emerging Markets: Votorantim (+3)

**MOST MATERIAL DRIVERS**

- LEVEL 60-100 (Advanced)
  - Board of Directors
- LEVEL 50-59 (Robust)
  - Environmental strategy
  - Corruption
  - Social and economic development
- LEVEL 30-49 (Limited)
  - Fundamental human rights
  - Health and safety
  - Biodiversity
  - Fundamental labour rights
- LEVEL 0-29 (Weak)
  - Energy
  - Water
  - Local pollution
  - Waste
  - Atmospheric emissions

**CARBON FOOTPRINT**
Share of companies in each level of carbon footprint

**ENERGY TRANSITION**
Share of companies in each level of energy transition performance

**SUSTAINABLE GOODS & SERVICES**
Share of companies in each level of involvement in goods and services contributing to sustainable development

**CONTROVERSIES RISK MITIGATION**
Share of companies in each performance level in terms of controversy risk management

**TAKEAWAYS**
- Climate Change: weak performances on energy transition.
- Investors and stakeholders put pressure on mining companies to improve disclosure on tailing dam safety practices.
- Controversies affecting the sector put social license to operate at risk.
- ‘Green mineral’ demand creates Responsible Sourcing challenges.
- Improving performance on Health and Safety of employees.
- Leadership in ESG integration intro Governance Practices.
About this document

This document is an extract of the Vigeo Eiris 2019 Report on the Mining & Metals General sector. The full report contains:

- More detailed information on performances and impacts highlighted here (data for each zone, historical evolution on 3 years of global performance and on each criterion, top performers on each domain, etc.)
- Detailed description of each takeaway on risks and opportunities
- The overview of methodological framework applied to the sector (weights of criteria, nature of stakeholders’ expectations and their vulnerability on each topic).
- Detailed description of the methodology of all Vigeo Eiris research lines.

If you are interested in knowing more, please contact our customer services team at: investorcustomer.service@vigeo-eiris.com.

About Vigeo Eiris

Vigeo Eiris is an independent international provider of environmental, social and governance (ESG) research and services for investors and public & private organisations. We undertake risk assessments and evaluate the level of integration of sustainability factors within the strategy and operations of organisations.

Vigeo Eiris offers a wide range of services:

- For investors: decision-making support covering all sustainable and ethical investment approaches (including ratings, databases, sector analyses, portfolio analyses, structured products, indices and more)
- For companies & organisations: supporting the integration of ESG criteria into business functions and strategic operations (including sustainable bonds, corporate ratings, CSR evaluations and more)

Vigeo Eiris obtained ISO 9001: 2015 certification for its processes relating to methodology, rating, sale and delivery of its data to all types of investors.

Vigeo Eiris methodology and rating services adhere to the highest quality standards. With a team of more than 240 experts of 28 different nationalities, Vigeo Eiris is present in Paris, London, Brussels, Casablanca, Hong Kong, Milan, Montreal, New York, Rabat and Santiago. The Vigeo Eiris Global Network, comprising 4 exclusive research partners, is present in Brazil, Germany, Israel and Japan. For more information: www.vigeo-eiris.com

Vigeo Eiris Press contacts:
Anita Legrand anita.legrand@vigeo-eiris.com +33 (0) 1 55 82 32 44

Disclaimer

Vigeo Eiris provides its clients with information and/or analyses or opinion on factual, quantitative or statistical, managerial, economic, financial, governance, social, or technical data, in relation to companies, brands, products or services, assessed individually or with respect to sectors, regions, stakeholders or specific themes. Vigeo Eiris is committed to making its best efforts when collecting, organising, consolidating, formatting, making available and/or delivering the aforementioned information, analyses and/or opinion to its clients. Although Vigeo Eiris ensures that it only uses publicly available information, the agency cannot guarantee its accuracy or completeness. The above elements (information, indicators, analyses, scores, and opinion) do not include or imply any approval or disapproval on their content from Vigeo Eiris, its executives, officers, or its employees. These elements do not represent in any way a guarantee, or reference of legal, moral, philosophical, ethical or religious nature, supporting or opposing any investment or divestment decision, or any standpoint or opinion expressed in favour of, or against companies, products, services, sectors or regions directly or indirectly mentioned in Vigeo Eiris’ deliverables. Our deliverables are not, and should not, be considered as a form of financial advice or recommendation. No investment or divestment decision should be attributed to the information or opinion provided by Vigeo Eiris. Our products and services must only be considered as one of the many elements related to the financial decision-making process. Vigeo Eiris, its methodology, brand, and employees, shall under no circumstances, be held responsible for any kind of consequence (including economic, financial, or legal) derived from the interpretation of its information, analyses, opinion, scores, and indicators. The terms of use of our products and services and their impacts stem from the sole responsibility of their users.

Partners and Offices

OUR PARTNERS:

OUR OFFICES:

<table>
<thead>
<tr>
<th>Country</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brussels</td>
<td>+32 2 206 67 91</td>
</tr>
<tr>
<td>Casablanca</td>
<td>+212 522 87 14 77</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>+852 2588 3441</td>
</tr>
<tr>
<td>London</td>
<td>+44 203 752 5750</td>
</tr>
<tr>
<td>Milan</td>
<td>+39 02 27 727120</td>
</tr>
<tr>
<td>Montreal</td>
<td>+1 514 686 6208</td>
</tr>
<tr>
<td>New York</td>
<td>+1 (917) 318 2094</td>
</tr>
<tr>
<td>Paris</td>
<td>+33 1 55 82 32 40</td>
</tr>
<tr>
<td>Rabat</td>
<td>+212 5 37 56 46 32</td>
</tr>
<tr>
<td>Santiago de Chile</td>
<td>+56 2 32 24 64 25</td>
</tr>
</tbody>
</table>

Mining & Metals – July 2019