



Introduction to ESG in mining

What is ESG

Environmental, Social and Governance (ESG) refers to how a mining company manages its environmental impacts, social responsibilities, and internal governance to operate responsibly and sustainably. In mining, ESG isn't just about compliance, it's about creating long-term value while protecting the land, people, and systems that mining interacts with. ESG provides a framework to anticipate risk, build trust, and align operations with community, investor, and regulator expectations. Together, these elements help demonstrate that a mine is operating with care, responsibility, and future resilience in mind.



Environment

The Environmental aspect of ESG in mining includes managing air quality, water use, biodiversity impacts, emissions (Scope 1–3), tailings and waste, and land rehabilitation.



Social

The Social pillar covers health and safety, human rights, community engagement and social investment, Indigenous partnerships, cultural heritage protection, and local employment and procurement.



Governance

The Governance focuses on making fair and ethical decisions, strong leadership culture, regulatory compliance, managing risks, reporting transparently, conducting due diligence, and maintaining strong data and audit systems.

Why it matters

ESG is often misunderstood as a checklist for compliance, but in reality it is a powerful business tool that enables better performance, reduces risk and supports long-term success. When embedded into daily decisions, ESG helps mining sites operate more safely, efficiently and responsibly.

In a changing world, ESG is essential to maintain community support, access new opportunities, and future proof your operations and supply chain.

ESG creates value through:

1. Productivity and efficiency

- Reduces waste, energy use, and unplanned downtime or disruptions
- Improves site planning, closure outcomes, and rehabilitation

2. Safety and stability

- Prevents costly incidents and strengthens health and safety culture
- Builds trust with local communities and maintains strong relationships with regulators

3. Financial performance

- Attracts investment and lowers the cost of capital
- Supports access to insurance, government support, and faster approvals

4. Workforce and culture

- Helps attract and retain skilled employees
- Promotes diversity, inclusion, and a values-driven workplace

5. Customer and market advantage

- Supports growing demand for responsibly sourced materials, earning preferred supplier status
- Strengthens brand, investor confidence and reputation in competitive markets

In a global industry that faces environmental and social scrutiny, ESG is no longer optional, it is essential to future-proof mining businesses.

For more information visit:

ausimm.com/communities/societies/social-and-environment-society & www.sustainableminingcommunity.com.au



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ESG spotlight for general managers

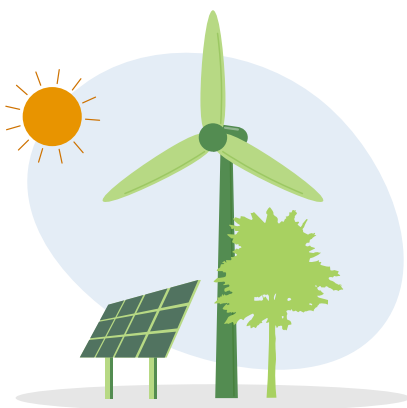
As the most senior leader on site, the General Manager is central to turning ESG principles into real-world performance. This role sets the tone for how ESG is understood and applied across the operation. From production planning to workforce decisions, contractor oversight to community engagement, ESG must be embedded in how the site is run. General Managers are accountable not only for legal compliance and safety, but also for maintaining community trust and protecting the company's reputation. Their leadership is essential to managing risk, supporting long-term value, and ensuring the site contributes to broader ESG goals. When ESG is visible in the decisions and priorities of the General Manager, it becomes part of the culture and practice of the entire site.

What can I do to integrate ESG ?

Start by recognising that ESG is already part of your work, from safety and environment, to community and workplace culture. Consider how your role influences people, places and decisions, and there you will understand where ESG is already present in your operations. This may include safety systems, company policies, environmental monitoring, community engagement, procurement, and workforce planning. Whether you are in operations, maintenance, administration or leadership, everyone contributes to ESG implementation. For example, by making the site safer, reducing environmental impacts, improving processes and reporting, strengthening local employment, or responding to community feedback. Integration begins with strong leadership and continues through everyday actions such as team meetings, planning sessions, contractor briefings and decision making.

Would you like to know more ?

Next up in Core ESG Fundamentals, Factsheet 2: How ESG creates business value across a mining operation.

**ENVIRONMENT****SOCIAL****GOVERNANCE**

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