



ESG reporting, disclosure and audits

Why ESG reporting matters

Expectations for transparency and accountability are rising across the mining industry and the world. Governments, customers, investors, and communities want to know how companies are managing their environmental, social, and governance risks and opportunities. Reporting is no longer just a corporate task, it is essential for securing approvals, winning tenders, attracting capital and investment, and building trust.

Evolving expectations and compliance drivers

Governments

Regulatory bodies are introducing mandatory ESG disclosure laws that go beyond voluntary reporting. For example, the Corporate Sustainability Reporting Directive (CSRD) in the EU and the upcoming Australian Sustainability Reporting Standards (ASRS) require companies to report on climate risks, governance processes, and environmental and social performance. This includes Scope 1, 2, and sometimes Scope 3 emissions, biodiversity impacts, and due diligence on human rights.

Customers

Large buyers and downstream processors are now demanding ESG data as part of offtake agreements and supplier contracts. Responsible sourcing programs require mining companies to prove ethical labour practices, carbon reduction efforts, and community investment. Failure to meet ESG expectations can result in lost contracts or exclusion from preferred supplier lists.

Investors

ESG performance is increasingly tied to financial outcomes. Strong ESG ratings can reduce the cost of capital, increase access to green or sustainability-linked loans, and attract long-term institutional investors. Conversely, ESG controversies or poor disclosures can trigger divestment or shareholder activism. ESG is also influencing merger and acquisition decisions across the resources sector.

Communities

Communities near mining operations are demanding more visibility on local impacts, including air and water quality, job creation, Indigenous engagement, and rehabilitation progress. ESG reporting provides a mechanism to demonstrate how commitments are being fulfilled, and builds trust through transparency. Lack of disclosure or follow-through can lead to conflict, complaints, and reputational damage.

Employees

Workers, especially younger and highly skilled professionals, want to work for companies that align with their values. A clear ESG strategy and reporting framework helps demonstrate the company's commitment to environmental responsibility, diversity and inclusion, and social outcomes. ESG reporting also enables staff to see their role in delivering on shared goals and maintaining the company's reputation.

For more information visit:

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



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Data collection and transparency

Good ESG reporting starts with clear data, not just at the corporate office but from across sites and functions. This requires staff at the mine site itself who are confident in collecting and reporting ESG related data that is consistent and reliable. For example, data on energy, water, safety, heritage, procurement and complaints. This data is used to track progress against ESG targets and commitments, share those insights with leadership and colleagues via dashboards or internal systems, and then report on progress externally. Reporting is often not just for compliance but for competitive advantage, and to improve company performance.

Spotlight on leading ESG disclosure frameworks

Understanding disclosure standards helps guide companies on what data to collect and how to report. The following are the most common disclosure frameworks as of 2025:

GRI (Global Reporting Initiative)

GRI is the most widely adopted sustainability reporting standard globally. It provides a comprehensive framework for disclosing ESG performance across a range of issues, including emissions, labour practices, water use, biodiversity, and human rights. For the mining sector, GRI offers industry-specific guidance that highlights impacts such as land disturbance, community engagement, closure, and artisanal mining in supply chains. GRI promotes stakeholder-informed reporting and encourages transparency across all material ESG topics.

ASRS (Australian Sustainability Reporting Standards)

The ASRS focuses on climate-related disclosures (greenhouse gas emissions, targets, governance, climate risks, resilience, financial impacts and transition planning) and includes requirements for assurance.

This is not a comprehensive list of disclosure frameworks, there are other common frameworks such as the International Sustainability Standards Board (ISSB), Modern Slavery legislation, Sustainability Accounting Standards Board (SASB), Taskforce for Nature related Financial Disclosure (TNFD), and Corporate Sustainability Reporting Directive (CSRD) in Europe. For a comprehensive approach, it's best to review disclosure requirements in your region and align with best practice disclosures to satisfy compliance requirements and market expectations.

Certifications and Rating Agencies:

ISO standards, such as ISO 14001, ISO 45001, and ISO 26000, help companies manage ESG topics like environment, safety, and social responsibility through structured, auditable systems. While not reporting frameworks, they support ESG disclosures with credible evidence and are recognised by investors and customers as indicators of strong management and reduced risk. ESG raters such as MSCI, EcoVadis, Sustainalytics, score companies on environmental, social, and governance performance using public data and disclosures. These ratings influence access to capital, investor confidence, and reputational risk. Engaging with rating agencies and improving transparency can help strengthen scores and market perception.

Building Confidence Through Assurance

Third-party assurance strengthens the credibility of ESG reporting. It helps validate data, identify gaps, and demonstrate commitment to transparency. Internal audits and peer reviews also support continuous improvement and cross-site learning. ESG is not just about what you say; it is about what you measure, disclose, and improve. Leading mines integrate reporting into their daily work to stay ahead.

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