



# A Shared Destiny

The Case For Promoting Sustainable Mining In Zimbabwe  
*Precious Murena Nyika - CEO Lafarge Zimbabwe*



LafargeHolcim

# We Have Issues To Deal With In Building A Sustainable Mining Culture

Our USD12Bn Mining Economy By 2023 Will Carry A Significant Human Cost, Unless We Change

## EVERY DAY

Cyanide and Mercury Are Incorrectly Disposed Of Into Our Water Systems— affecting water sources for communities and livestock

364

Number of People In Zimbabwe Daily Injured Due To Poor work Safety Practices Due To Safety Governance Failures

90%

Of sampled mine workers had not been tested for Pneumoconiosis in the AGs Occupational Health and Safety Report on Mines 2020



# Flow Of Discussion

---

- 1 An Overview of Lafarge & Our Own Interest in Sustainability and Health
- 2 The Case for ESG : The World Is Evolving Faster In Its Concerns Than We Might Be Aware Of
- 3 Unpacking Environment
- 4 Unpacking Society
- 5 Unpacking Governance
- 6 The Importance of External Industry Benchmarking



# Lafarge Has Global Leadership In Sustainability

Climate and energy



## Climate and energy

In 2019 we reduced net CO<sub>2</sub> emissions per tonne of cement by **25 percent** compared to the 1990 baseline.

Circular economy



## Circular economy

We reused over **52 million tonnes of waste** in our operations in 2019, making us one of the world's largest waste solutions companies.

Environment



## Environment

Our freshwater withdrawal per tonne of cement in 2019 was **20 percent** lower than in 2015.

Community



## Community

We reached an additional **three million people** with our community investments in 2018.

## Facts and figures



**~80**  
countries



**~2,300**  
operating sites





# The Case For The Environment, Sustainability & Governance

Search jobs Sign in Search **The Guardian** International edition

Opinion Sport Culture Lifestyle More

us World AU politics Environment Football Indigenous Australia Immigration Media Business Science Tech

This article is more than 5 months old

## Rio Tinto blasts 46,000-year-old Aboriginal site to expand iron ore mine

### The Sydney Morning Herald

## Rio Tinto blasted ancient Aboriginal caves for \$135m of iron ore

**CNN BUSINESS** Markets Tech Media Success Perspectives Videos

**London (CNN Business)** – Rio Tinto will cut the bonuses of three senior executives by a combined £3.8 million (\$5 million) after the company blew up a 46,000-year old sacred indigenous site in Australia to expand an iron ore mine.

BBC

BBC Account

Home

Ne

NEWS

Home US Election Coronavirus Video World UK

World Africa Asia Australia Europe Latin America

**The boss of Rio Tinto, Jean-Sébastien Jacques, will step down following criticism of the mining giant's destruction of sacred Aboriginal sites.**

In May, the world's biggest iron ore miner destroyed two ancient caves in Pilbara, Western Australia.

The company went ahead with blowing up the Juukan Gorge rock shelters despite the opposition of Aboriginal traditional owners.

It sparked widespread condemnation from shareholders and the public.

- Church of England attacks miner for Aboriginal blasts
- Rio bosses lose bonuses over indigenous site destruction

On Friday, the company said in a statement: "Significant stakeholders have expressed concerns about executive accountability for the failings identified."

The board said Mr Jacques would remain as the chief executive until March or until a successor was appointed.

Other senior executives, including the heads of the miner's iron ore and corporate relations divisions, will also leave the company at the end of the year.

# The Case For The Environment, Sustainability & Governance

 Quartz Africa

## Zimbabwe okay Chinese coal mining in Hwange Park as elephants die

The Hwange National Park is the biggest game reserve in Zimbabwe, and home to a wide range of “Big five” wildlife including elephants, lions, ...

Sep 3, 2020



 DispatchLIVE

## Court battle looms over coal mining at Hwange National Park

... Zimbabwean government and its Chinese partner to court in a bid to stop a joint coal mining operation in the heart of Hwange National Park.

Sep 7, 2020




 The Guardian

## Chinese mining firms in Zimbabwe pose threat to endangered species, say experts

Rhinos, giraffes, cheetahs and other endangered species face a new threat in Zimbabwe's Hwange national park: Chinese mining companies.

Sep 3, 2020



 Voice of America

## Zimbabwe Bans Mining in National Parks After Uproar Over Chinese Grants

The government declared the mining halt after weeks of campaigns calling for a stop to Chinese coal-mining grants in Hwange, Zimbabwe's ...

Sep 9, 2020



 Citizen

## China invades Zim's Hwange National Park to explore for coal

... exploratory drilling operations in Zimbabwe's prestigious Hwange National Park. Although it has not been confirmed that coal mining will be taking place in the ...

Sep 3, 2020



 Mining MX

## Zimbabwe bans mining in national parks after Hwange coal

...

Zimbabwe bans mining in national parks after Hwange coal drilling uproar. By. David McKay. -. September 9, 2020.

Sep 9, 2020



# Within The Myriad of Issues On Sustainability and Development, One of The Best Lens To Dissect These Is Through The ESG Framework.

Environmental, Social and Governance (ESG) criteria are a set of sustainability standards for a mine's operations that the world is now gravitating towards to screen lending and investment. How does a company steward shared natural resources, manage its relationships with employees and communities and practice governance standards to exceed legal thresholds of doing the right things?\*

*\*Investopedia*

**“If I had An Hour To Solve A Problem, I’d Spend 55 minutes, determining the questions to ask...”**

**Albert Einstein**

# Looking At the ESG Framework Pillars

## Sustained Development



**Environment**

At One With the Environment



**Society**

Doing Right By All



**Governance**

Acting With Integrity



# Environment



One of the most impactful consequences of any mining project are its effects on the environment, and here we can use examples across dust emissions, wildlife, and water quality and availability. Taking the example of water, as we are moving towards water stressed status due to climate change, are our water supplies going to remain fit for human consumption after we are done with our activities? Are we capacitating small scale and artisanal miners to understand the issues that we in the formal industry have been familiar with for a long time around disposal of toxins? How are we supporting their development and understanding of the realities that we are ultimately bonded in consequence? Credit dlapiper/manokore attorneys – promoting sustainable mining in Zimbabwe

19/10/20



**The Earth is on lease.  
We are borrowing it  
from the future.**





# Sustainability



There is a widely held belief that minerals carry a curse for the societies in which they are found. Significant social disruption and violent conflict occurs, particularly if communities feel sidelined and badly treated by the miners. Locally, examples include the human displacement and resettlement that took place at the Marange Diamond Fields in or around 2009, we have the Cabo oil fields in Mozambique. Co-creating wealth with our communities isn't philanthropy, its enlightened self interest and understanding that ultimately, the license to trade comes from the community. How do we move beyond tokenism in our relationships with communities into actual partnerships?

\* Credit dlapipe/manokore attorneys – promoting sustainable mining in Zimbabwe 19/10/20



**Sustainable  
Development Isn't An  
Option. it's the Right  
Thing To Do**



# Governance



With over 364 people injured in workplaces daily including formal and artisanal mines, it is clear that mining activities can affect quality of life and health of both local communities and employees. Increased incidence of tuberculosis, asthma, chronic bronchitis, and gastrointestinal diseases can be traced to adherence of regulations around public and worker health in our governance matrix. Are we doing the bare minimum to get legal clearance on governance, or are we genuinely invested in taking the spirit of governance and acting on it? Are we practicing leadership from the top on issues of standards and controls to do right by our stakeholders?

\* Credit dlapiper/manokore attorneys – promoting sustainable mining in Zimbabwe 19/10/20



**Lets move beyond the minimum and embrace the spirit of governance**

# From A Local Perspective What Issues Stick Out In our ESG Matrix?

<p>Extensive knowledge from history of incidents</p> <p>Existing systems / Some good H&amp;S processes</p> <p>Government's spoken commitment</p> <p>Pockets of excellence</p>	<p>Strengths <b>S</b></p>	<p>Weaknesses <b>W</b></p>	<p>Lack of leadership in the field</p> <p>Risk tolerance</p> <p>Reactive behaviour</p> <p>Not able to replicate successes or learn from failure</p>
<p>Sense of urgency</p> <p>Replication of external knowledge, best practice</p> <p>Review standards (simplification of communication, improvement possibility, implementation)</p>	<p>Opportunities <b>O</b></p>	<p>Threats <b>T</b></p>	<p>Management spoken priority vs. true business/agenda</p> <p>Cultural dynamics in some communities</p> <p>Socio-economic context (worker compensation, turnover, migrant labor)</p>

101)



# Based On Our Strengths And Opportunities, How Can We Improve Our Industry Overview On ESG?

---

## Opportunity

- 1 Covid-19 has had an indelible mark on our industry, in forcing us to review our health and safety protocols. How do we leverage this enhanced awareness on health and safety into building an enhanced and expanded safety culture in our workplaces?

## Strength

- 2 Are we able to use industry platforms to share and vet good practices? Can we lobby for a simple rewards system that pays back the pockets of excellence amongst us that train and share their skill with others including artisinals– with tax breaks as part of national competency development?

## Threat

- 3 How do we minimise the threats of negative societal reactions to our mining activities? How can we be proactive in keeping current on the issues impacting communities globally and locally? Are we able to tie in Social Impact Assesments with Environmental Impact Assesments as we run our operations and value them equally?

# Wrap Up



We May Not Have All The Answers, But When We Start Asking The Right Questions, We Will Be Halfway There.







**LafargeHolcim**