NOTES OF THE SAMESG MEETING

HELD ON 05 MARCH 2020 AT 11:30

CSIR MININGTEK, CARLOW/RUSTENBURG ROADS, AUCKLAND PARK JOHANNESBURG

Present:	**Ms T Steele-Schober** **Dr T Marshall** **Prof S Rupprecht** **Mr A MacDonald**	**(Chairperson)**
Dialling in:	**Mr K Davies** **Ms A Botha**	
Apologies:	**Ms E Moody** **Ms S Aken**	
In Attendance:	**Ms C Jardine (SAIMM)**	

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1. WELCOME

The Chairperson welcomed everyone to the meeting. She advised that Dr Marshall was back as the Chair of the SSC and Mr MacDonald was her deputy. Dr Rupprecht was the outgoing Chair of the SSC.

2. ACCEPTANCE OF PREVIOUS MINUTES AND KEY ACTION ITEMS

The minutes of the meeting held on 28 November 2019 were taken as read.

Regarding the action items, Ms Steele-Schober advised that she had been working together with Ms Botha on some reports to do a review of the compliance with SAMESG. Ms Magnus was going to help but there had a problem with accessing the software on the Deloitte system. Ms Botha and Ms Steele-Schober would complete those reports, but as a preliminary feedback, compliance had been almost non-existent. A presentation would be developed for the proposed GSSA workshop to be held later this year and it would be covered at the SAMCODES conference. She believed the chances of the SAMCODES conference taking place were looking unsure.

Dr Marshall explained that what Ms Steele-Schober was talking about, was that they were doing a review of some of the old CPRs that had gone through the Stock Exchange Reader's Panel and were reviewing the extent of compliance with SAMESG as this is not typically evaluated by the Readers Panel; and then the objective was to put together a note so that the Readers' Panel could look at those to know what to look for going forward. Ms Steele-Schober added that this would also allow the Readers' Panel to know when to 'phone a friend', because SAMESG does not have a seat on the Readers Panel. For some of the more technical issues the Readers' Panel may require assistance.

Dr Marshall commented that they were not looking to have a specific ESG reader on the Readers' Panel, but rather just to educate the current readers.

The other suggestion was to have a different workshop to talk about the different ESG happenings in the world and things that should be put into reports. Ms Steele-Schober believed it was important to get it right.

The other action item was to talk to Mr Ken Lomberg about getting panel discussions around ESG on the agenda for the SAMCODES Conference. This has been done and the Conference had been postponed.

3. MATTERS ARISING

3.1 SAMESG READERS' PANEL ANALYSIS

Dr Marshall had discussed this already and work was underway on reviewing the reports. Feedback would be given to all participants on that.

ACTION: Tania Marshall

3.1 CONFIRMATION OF ESG PANEL AT CONFERENCE

This had already been discussed.

4. UNITED NATIONS DEVELOPMENT ACCOUNT PROJECT

Ms Botha reported that she had followed up on this earlier in the week and the questionnaire had been sent. At the moment, the questionnaire was really focussed on accounting, and not really on ESG matters. This could be circulated and the deadline was 13 March. She was not sure how many mining companies would be able to get that information through their accounting teams because it has nothing to do with ESG at this time. The UN Development Account Project would get to the ESG factors later and Ms Botha believed that would be a more appropriate time to get involved. Ms Steele-Schober suggested that the UN team be put in contact with the Minerals Council of South Africa, as she believed that in the future, they should engage with the Minerals Council for something like this. SAMESG could not claim to represent the entire mining industry. Some discussion followed on the questionnaire.

ACTION: Ms Botha

5. INCLUSION OF SAMESG IN TABLE 1

Ms Steele-Schober extended thanks to Dr Marshall, who saw the opportunity when the SAMREC Committee was updating Table 1 to include the SAMESG requirements in that Table. Dr Marshall reported that the material that had been put into Table 1 covered things that should be considered. It was not yet part of the SAMREC Code, because that had to be ratified through the SSC and the JSE. It was a list of things that people should put in based on best practice as identified by SAMESG. She added that this was a step up from where it was previously. At least by having that described in Table 1, it was a step in the right direction. Dr Rupprecht believed it should be a guidance note.

Mr MacDonald responded that if one looked at all of the Codes together; SAMREC had its Table 1, SAMVAL also had its Table 1, and ESG had its own table at the end in terms of things which had to be addressed. He suggested that technically, there could be three separate tables. Ms Steele-Schober responded that SAMESG was trying to integrate with the other two tables because the whole point of SAMESG was that these ESG considerations were actually factored into the decision making in the CPR. That was why having it spoken about in Table 1 of SAMREC should be prompting people to think through these things and actually integrate them into their decision making. Mr MacDonald noted that currently, if one went to the SAMREC and SAMVAL Codes, the only reference to ESG was in Table 1 of the SAMVAL Code, where it stated 'you must take into account ESG matters….' and that was the only place that it appeared within the Codes. Ms Steele-Schober added that SAMREC did not even have that. Dr Marshall advised that when SAMREC did the next update to the Code, hopefully that would become a bit more formal. Currently it was good practice.

Ms Steele-Schober suggested that maybe, with better engagement with the Readers' Panel, there could be more dialogue. Dr Rupprecht did not believe it had been dealt with correctly by the Readers' Panel and was still a grey area. It was in the SAMVAL section but not in the SAMREC section. Dr Marshall asked how many SAMVAL readers actually highlighted the issues of ESG and Dr Rupprecht responded that he did not know. Ms Steele-Schober continued that in Mr Ingram's feedback, there were two comments relating to ESG, so somebody had been considering it.

In response to a question from Ms Botha, Dr Marshall advised that the idea was simply to have a workshop, with people who were on the Readers' Panel and SAMESG. She believed that what Ms Botha was talking about was probably a little bit more advanced and probably that might be useful for the SAMESG workshop through the GSSA later in the year. Ms Steele-Schober commented that it did not seem likely that the SAMCODES Conference would happen and suggested that this could be covered in the SAMESG workshop at the GSSA, where the audience would be geologists under the GSSA banner. This could be discussed further and another suggestion was to get in touch with the Investors Association and also speak to Ms de Bruyn from the JSE in that regard to get a contact. It was important to find the correct platform to engage.

Dr Rupprecht suggested looking at the SAIMM Johannesburg Branch's monthly events and this should be discussed with Ms Moolla. Another possibility was via the Young Professionals Committee.

Ms Steele-Schober advised that the presentation being put together for the GSSA workshop could serve as a base to work from for other presentations.

Dr Marshall mentioned that the GSSA were very interested in hosting a SAMESG ESG workshop later in the year (September). A rough agenda had been put together and this would be circulated. The idea was to develop this workshop around why ESG was important; what the role was that ESG played; and the more voices that could present, the better. Dr Marshall suggested that this could be a panel discussion that could morph into a whole day session. She asked people who wanted to volunteer to talk about ESG issues to respond to her in this regard.

ACTION: All participants

Dr Marshall commented that the GSSA would have Zoom facilities by then, so people could present from other locations. Mr Davies advised that he would not be returning to South Africa before September.

6. AMENDMENTS TO SAMESG GUIDELINE

6.1 ERROR CORRECTIONS

With the recent developments in elaborating on SAMESG with SAMREC, it prompted the Committee to go through the guideline in great detail. Ms Botha scrutinised the document and came through with things that needed to be reviewed and amended. One section was around basic errors that needed to be corrected, which would be easily done. This would then be amended and updated on the website.

6.2 SUBSTANTIVE CORRECTIONS

The other area would be substantive amendments and, given that people were struggling just to comply with SAMESG as it was at the moment, those substantive amendments that could be considered would be things that would make it easier for a user to understand and potentially improve the structure of the document, but without creating confusion.

At the moment it was extremely repetitive and there could be a better way of simplifying some of the content. Ms Steele-Schober asked for input from participants around addressing this.

Ms Botha commented that she would like to consider incorporating the UN Sustainable Development Goals into the into the guideline as well, or at least to mention it. Having gone through Table 1, she believed there were a couple of really good pieces of information that could be incorporated into SAMESG as well, which were currently not there.

Dr Marshall advised that, from a protocol side, SAMESG was a guideline and not a Code. Therefore, any changes that needed to be made did not have to go through masses of approval. It was within SAMESG to decide what needed to be changed and that became part of the guideline. If anything needed to go into any of the other Codes, that was when it needed to go through the more advanced approval process.

Ms Steele-Schober continued that SAMESG would then need Ms Botha's brainpower to circulate this for wider input. A lot of that could be done in line with what had gone into Table 1, but SAMESG could then refine it to correct the errors and address the duplication to make the document read better. SAMESG had the latitude to do that.

Mr Davies commented that if SAMESG amended the guideline and it was already in Table 1, it would have inadvertently by-passed that review process. Dr Marshall refuted this and advised that at the moment, the information in Table 1 was a 'should be considered' note. Before it became carved in stone, it had to go through the full SAMREC approval process anyway. This would take a year or two.

Ms Steele-Schober asked whether text that had been inserted in Table 1 would still have to go through an approval process. Dr Marshall responded that currently it was a 'these issues should be considered' and she suggested leaving it as it was.

Notwithstanding these amendments and the errors that needed to be fixed in SAMESG, Ms Steele-Schober believed the Committee would not want to change what had gone into Table 1 at this latest round, because these inclusions represent the substantive requirements of SAMESG and it also highlighted the need for SAMESG to streamline and this could be done within the process.

It was agreed that none of the reporting requirements for SDGs would be changed. Ms Botha suggested that the definition of materiality could be improved. Dr Marshall reminded the meeting that when it came to definitions, there were SAMREC and SAMVAL definitions and it was suggested that these be studied to avoid confusion. Any corrections would have to align with what was written in the two Codes and this logic should be followed.

Ms Botha and Ms Steele-Schober would correct the errors and put their minds together on how to improve the SAMESG. The corrected draft would then be circulated to the SAMESG Committee for comment.

ACTION: Anneli Botha and Teresa Steele-Schober

7. GENERAL

The GSSA workshop had been discussed.

7.1 WEBSITE UPDATE

Dr Marshall asked whether anybody had looked at the website and sent in comments. James was asked to do this.

Dr Marshall advised that the website team was looking for a paper to put on the website outlining the importance of ESG in both the global and South African context. This paper was required for the July update. The paper could be anything from 1-5 pages.

7.2 SPONSORSHIP

Dr Marshall advised that for most of the history of the SSC, it had always been financed from the SAIMM and GSSA and have steered away from looking for sponsorship outside of that. This was around ethics. With the decrease in money coming into the various professional bodies, there was an issue with money availability for SAMCODE activities. In the last Oversight Committee meeting, both patrons agreed to the fact that the SSC could go outside to ask for sponsorship.

The proposal was to have a page on the website called 'sponsorship', where SAMCODES would ask for the sponsorship and anyone who sponsored would get their name on the page, as well as a link to their website, their logo, and various other activities. The money would come into the SSC and could be used for additional activities. This money would assist with being able to send representatives from SAMESG to overseas meetings; recordings of conferences to send to outlying universities; and promoting quality information on codes and ethics. A list of sponsors would also be shown on any training manuals, etc.

The letter that the SSC wrote would go on the website as well as to everyone on the SAMVAL, SAMREC and SAMESG Committees. Dr Marshall asked members to please take the letter and encourage interested people to sponsor. This additional finance would enable the SSC to grow the activities of all the committees. It would be done through the SAIMM via a ring-fenced account.

Ms Steele-Schober believed this was a good idea, particularly if SAMESG wanted to send someone to ISAR. Dr Marshall advised that any requests for sponsorship of overseas travel had to be done via a full motivation to the SSC, as well as a full budget. This should ideally be done by January for that year. Anything submitted after that date could still be considered, but the funds might not be available.

7.3 PRESENTATIONS AT UNIVERSITIES

Dr Rupprecht brought up the option of doing presentations to University students. Ms Steele-Schober responded that there had been general sustainability presentations at Wits, but that none had been delivered at the University of Johannesburg. It was confirmed that SRK hosted company-wide information presentation on an *ad hoc* basis. Some discussion followed and Dr Rupprecht offered to be the contact person at UJ. The other option was to via Zoom (or something similar) and this would be a 30-minute presentation for students.

7.4 ESG IN OTHER INDUSTRIES

Mr MacDonald thought that SAMESG was fairly parochial regarding the focus on ESG issues only in the mining industry, rather than covering the industry at large. He was recently involved in a feasibility study for a chemical plant which had its own impact issues for the surrounding community. He believed ESG factors should also apply there. These were not mining companies and thus fell out of the SAMESG focus. Ms Steele-Schober agreed that there were many issues to be tackled and SAMESG was one of many arms that were tackling this.

Dr Marshall commented that something that was being tackled by the other two Committees was that, in order to try and widen the scope of interest to various companies, they decided to have their meetings at a different company each time, to encourage people from those companies to attend their meetings and maybe continue attending the meetings, and at least just getting the information out there. The thought was to have the next meeting at company X. All three meetings would be held at the same place and the company would sponsor SAMCODES for that day. It would have to be on a different day to the SSC meetings. Mr Bornman was going to liaise and he would advise the details.

8. NEXT MEETING

The Chairperson thanked all members for their participation and advised that the next meeting was scheduled for 28 May 2020. The meeting was closed.

KEY ACTION ITEMS

1. TANIA MARSHALL
Send feedback regarding SAMESG Readers' Panel analysis to all members.

2. ANNELI BOTHA
Circulate questionnaire from United Nationals Development Account Project to relevant persons.

3. ALL MEMBERS
Submit names if they wished to volunteer to participate in presentation at the GSSA SAMREC workshop in September.

4. ANNELI BOTHA / TERESA STEELE-SCHOBER
Correct errors on SAMESG guidelines and circulate draft to members.