SAMESG Committee Meeting Minutes

Date of Meeting	25 November 2021	**Time**	11:30
Chaired by:	Teresa Steele-Schober Chair	**Location**	Zoom
Minutes prepared by:	Gugu Charlie		

Present:

Teresa Steele-Schober

Maria Antoniades
Kevin Davies
Carol Dixon
Richard Garner
Sunday Mabaso

Steven Rupprecht
Lynne Soulsby
Seef Vermaak
Bruce Williamson
Charlene Wrigley

SAIMM Secretariat:

Kea Shumba

Apologies:

Topic	Discussion
1.Welcome	Ms Steele-Schober welcomed everybody to the meeting and extended a special welcome to Maria Antoniades who was attending her first meeting.
2. Minutes of the previous meeting	The minutes of the meeting held on 26 August as previously circulated were accepted as a correct record, subject to the following amendments: Page 1 – Present: Carol Dixon's name had been left off the list of attendees. Under '3. Action Items', the final sentence should read **Mr** Garner. Under '4. Matters Arising', the first sentence of the fifth paragraph should read: Key **take**-aways.
3. Action items from previous meeting	Regarding including some Governance links on the list of resources for the website, Teresa Steele-Schober advised that the link for the website would be discussed later on the agenda. In terms of the SSC discussions on the constitution of a working group to update the SAMESG Guidelines, this would also be discussed during the course of the meeting. Lynne Soulsby would provide an update on the GSSA ESG interest group.

4. Amendments to the SAMESG Guidelines	Teresa Steele-Schober reported that in terms of the SAMESG update, a small working group had been constituted by the SSC and this was being chaired by Andy MacDonald, who was the Incoming Chair. The working group had nine members, including representatives from each of the reporting codes, the JSE, business and consultants. There were no representatives from SAMOG, as discussions on oil and gas had been paused as there had not been much activity in this sector in South Africa recently. A take-off meeting had been held and small sub-groups had been constituted to act on setting the scene for the working group going forward. The outcome would be shared with the SAMESG Committee in order to workshop together.
5. GSSA ESG Interest Group	Lynne Soulsby gave an update on the GSSA ESG Interest Group. The first meeting would be held in the first week of December. Seef Vermaak advised that the link did not appear to work. Lynne agreed to share the link via the chat group. Teresa asked that anyone interest in this group should get in touch with Lynne. She added that the GSSA offered a number of training courses over the years and these courses were free to access on the GSSA YouTube channel. She encouraged members to visit the website. Tania Marshall advised that the specific courses were the SAMREC course which had been held two years ago (four-day courses, mornings) on the Introduction to the SAMCODES. It would be extremely useful for people to go through this course and she urged members to send the link through to any other interested colleagues.
6. List of resources for website.	In terms of the list of resources for the website, Teresa advised that she had a document that she would e-mail to members following the meeting. She thanked Richard Garner and Fulufhelo Makhani, who had been working on putting something together. There were a few gaps that she would fill in before mailing and she highlighted some of the links that had been included in the document. This would be sent to Tania Marshall as one of the SAMESG components of the website. She explained the document, the links, and some of the information that had been included. Kevin Davies advised that the current hot topic was a sub-section of ESG and sustainability for the listed entities. He suggested that if there were other useful separate sustainability-type links, there should be a subset of that, because for entities that were listed on the SEC, they really concentrated on sustainability disclosures, not PSG disclosures and this would be useful for people producing CPRs that had to be compliant with SK1300, as well as for accountants. Teresa believed that ESG and sustainability were really interchangeable and the scope was very small. She took the point, but some of these aspects were easier to separate than others. Richard Garner advised that the intention behind that was not going to become an encyclopaedia of links; and that sustainability could not be covered in its entirety. The idea was to try and help the CP look at the right areas. He had tried to keep it more South Africa-centric and to keep it in the realms that kept the direction for a CP.

	He added that the working group wanted assurance from the Committee that the logic was in order and made sense; or whether something critical had been left out. The aim was not to go beyond five links. Teresa advised that there was a section on legislation and asked what the Committee's feelings were around whether it should be around predominantly ESG legislation; or whether it should be broadened to include general mining legislation. Carol Dixon was not sure whether this would be helpful. She offered to work through the document and then provide feedback. This was agreed. **Action**: Carol Dixon This document would be sent out to all members to digest. There were Some areas of overlap and she asked people to advise whether these should be kept separate or merged. **Action**: Teresa Steele-Schober Tania Marshall commented that the JSE regulations were on every page of the website already. She also asked why the team was thinking of including any of the Stock Exchanges. Teresa responded that the London Stock Exchange was a logical reporting guide that might be useful. Tania reiterated that the JSE download was on every single page. Richard advised that if it was not made part of the list and pointed out to visitors, they would immediately forget that it was on every page and say that it was not on the list. If this was going to be a stand-alone webpage or list, then it should be there. Teresa believed it could be structured around what was already there. There was a section around learning about sustainability which outlined various courses. There was a list of frameworks, as well as a list on multi-national organisations that had relevance to ESG. The document would be tidied up and circulated to the Committee for review and input. Teresa asked that comments be sent to Richard Garner. **Action**: All members
7. Technical Discussion	Teresa noticed that the other SAMCODES Committees dedicated time on the agenda of every meeting to talk about technical issues. She thought it would be useful to formalise that and create a dedicated agenda item for those discussions. She proposed the topic of the relevance of the Glasgow Climate Pact on mineral reporting (and ESG in mining) and the Committee could decide to either talk about this or any other technical aspect. The plan, going forward, was that ideas could be put forward for discussion by the Committee. All agreed. Teresa put forward some conversation starters in order to get the discussion going. – What does the call to 'accelerate efforts towards a phase-down of unabated coal power' mean for the RPEEE of the coal mining industry?

	– Does the resolution to 'pursue efforts to limit the temperature increase to 1,5ºC above preindustrial levels' have impacts on the RPEEE or continued economic viability of other mining assets? – What impact does the call to 'accelerate development, deployment and dissemination of technologies… to transition towards low-emission energy systems' mean for the RPEEE of critical minerals? Tania Marshall advised that one of the things that needed to be kept in mind for the deliberations was that in order to pursue the green economy and all these new critical measures, the world was probably going to have to treble the amount of current mining of things like copper and various other minerals in order to achieve that goal. Teresa agreed that it would be naïve to believe that mining was not going to play a role, because it had to. That was why mining would have to be expedited and expanded in order to access the various critical minerals and associated ones in order to help industry. Maria Antoniades commented that, on the general conversation started with regard to coal mining, when looking at the RPEEE, she believed that the reality, in a place like South Africa, it was very reliant on coal power. When looking at these things, it was only for a limited period into the future. A lot of places were still very reliant on coal power. Teresa agreed that there was a horizon over which these assumptions were made and the nature and validity of the assumptions would be affected by that. Charlene Wrigley added that there was a time aspect for RPEEE, but what it meant was that everyone had to look at their own diversification from the primary supply in South Africa in order to clean the energy a bit. It may need consideration of a hybrid-type of power supply that the asset-owner may need to lean on. That meant that this would have to be costed into the modelling and planning. Conversely, one also had to look at what the coal was being used for and then consider which coal would have a longer life than the other, e.g. metallurgical coal. In that instance, it might require a different perspective in the plan for the future to demonstrate what may be required. Consideration would also have to be given to the utilities moving forward. Bruce Williamson agreed that it was very difficult. If this transition was looked at for 30-50 years, one might require three times the amount of copper available and typically a lot of the development would come from developing countries like South Africa and the question was how to get out of the starting blocks in terms of slowing Eskom down, without collapsing it, and moving its transition to renewables. As an investor, if one had to open a new copper mine, the first thing would be the source of power behind that new copper mine. He was not sure how to edge forward into the transition. This was difficult to factor into the life of mine. Teresa added that some companies were looking at constructing their own renewable energy projects because they felt that there was a strong enough business case for their own renewable energy power generation. Mining companies could generate 100MW without needing specific NERSA approval, which was encouraging. Bruce advised that the discussion had been held with the big mining companies who were capable of generating power. The problem was

	that Eskom's big consumers and best power would go off the grid. Eskom were already proposing that people who had solar panelling would have to pay the utility an additional amount of money. Some discussion followed on Eskom's financial situation. Teresa agreed that developing countries were unable to replay their loans. Bruce believed I had to be done in a positive way and any ESG document had to be talking to the companies that were developing new projects and urging them to do it as best they could. Kevin Davies added that the accounting rules had not considered this yet and some of the ideas from overseas were not practical. His concern was that technology had to catch up. Charlene Wrigley's only comment was that COP Glasgow had a huge climate focus, but there was strong recognition coming out of this and the recent UCIN conference that the climate focuses were not going to be on climate only; water and other factors needed to be considered going forward. Climate, water and nature nexus would be one of the conversation starters on the agenda looking forward. Bruce added that if one listened to COP26, it seemed as though the whole world would abide by the same guidelines and do things collectively. He did not believe that would happen. Country by country, they were all exclusive in their own way. It might be useful to talk through that. Teresa thanked everyone for their input and asked members to put forward any technical issues that they wanted to discuss.
8. General	Tania Marshall reminded the meeting that the website update would take place mid-January. Teresa mentioned that, at the recent CRIRSCO meeting, there was a conversation around ESG. Coming out of that was a mandate from CRIRSCO to create a CRIRSCO ESG working group. Roger Dixon would chair the group with Teresa's assistance. The first meeting was scheduled for the following week and the focus of that meeting would be the Terms of Reference for the working group. She asked Kea Shumba to put a regular update from the CRIRSCO working group on the agenda. **Action**: Kea Shumba
9. Closing	Teresa thanked participants for their contribution and advised that the next meeting was scheduled for 24 February 2022.

Matters arising/Action Items

Meeting Date	Action	Responsible	Due	Status	Comments
25/11/21	Work through document on resources for website and provide feedback	Carol Dixon	Jan 2022		
25/11/21	Send document on resources for website to all members	Teresa Steele-Schober	Dec 2021		
25/11/21	Peruse document and provide feedback to TSS	All members	Dec 2021		
25/11/21	Add agenda item on regular update from CRIRSCO SAMESG update working group to agenda	Kea Shumba	Feb 2022		