FOR CORPORATE REPORTING

MINING, MINERALS and SUSTAINABLE DEVELOPMENT

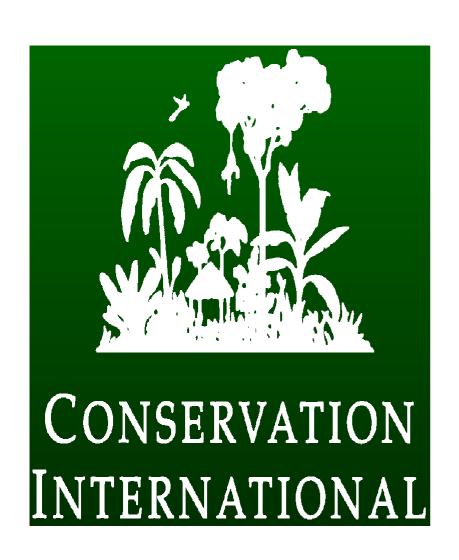
BIODIVERSITY and MINING WORKSHOP

October 26, 2001

Conservation International

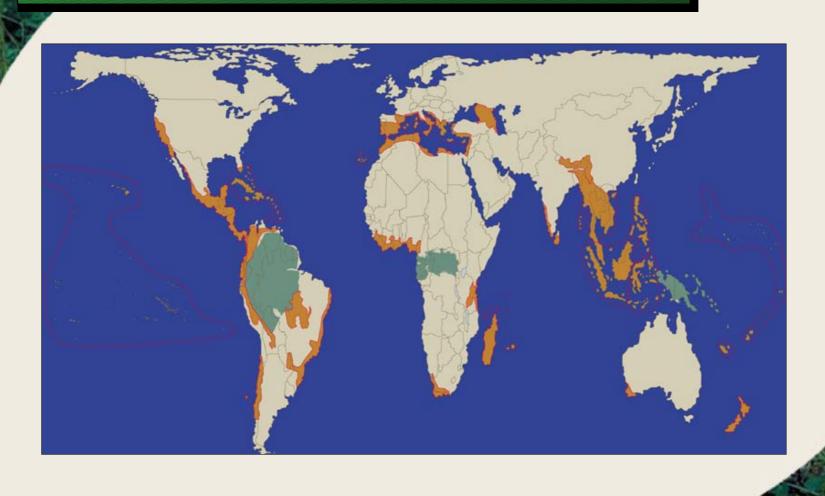
ENVIRONMENTAL LEADERSHIP

IN BUSINESS



CI believes that the Earth's natural heritage must be maintained if future generations are to thrive spiritually, culturally and economically. Our mission is to conserve the Earth's living heritage, our global biodiversity, and to demonstrate that human societies are able to live harmoniously with nature.

Biodiversity Hotspots and Tropical Wilderness Areas



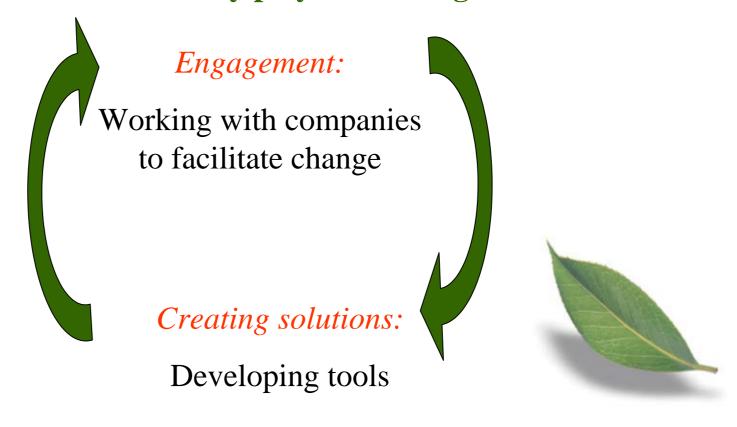
Tool Development

ENVIRONMENTAL LEADERSHIP

- Maps, BAPs & RAPs
- Agents of Change (convene & facilitate)
- The Business Case
- Best Practices
- Policies and Principles
- Publications
- Metrics & Indicators



Our mission: "The Center for Environmental Leadership in Business engages the private sector worldwide in creating solutions to critical global environmental problems in which industry plays a defining role."



The Energy and Biodiversity Initiative aims to develop and promote best practices for integrating biodiversity conservation into oil and gas development and transmission.

The Initiative seeks to be a positive force for biodiversity conservation by bringing together leading energy companies and conservation organizations to share experiences and build on intellectual capital to create value and influence key audiences.

The following ten organizations are committing senior representatives and financial and in-kind resources to the Initiative:

BP, ChevronTexaco, Enron, Shell International, Statoil

Conservation International, Fauna & Flora International, Smithsonian Institution, The Nature Conservancy, The World Conservation Union (IUCN)

What are corporate performance indicators used for?

ENVIRONMENTAL LEADERSHIP

IN BUSINESS

Conveyance of information related to the *performance* of companies

An expression of a company's record in regard to meeting its targets, achieving its objectives and advancing its goals

The integration of biodiversity conservation into the operating functions, culture and public image of the company



- The science of conservation is continually changing, meaning that we learn more and more about the places most in need of protection. The technology involved in oil, gas, and mineral development is constantly improving, meaning that industrial activities can be carried out with a smaller footprint
- This means that our ability to express our understanding of conservation impacts and appropriate responses is approximate and always changing
- Indicators are proxies
- Mostly, indicators can be applied only generally. There are probably none, or very few, generic indicators
- However, this does not mean that we shouldn't attempt to convey information about our performance related to biodiversity protection

- **Temporal dimension**
- **Spatial dimension**

We should be attempting to look at direct and indirect impacts and performance, both negative and positive, with the objective of demonstrating a 'net benefit' to both biodiversity and shareholder value



CI GRI Document

ENVIRONMENTAL LEADERSHIP

- 1. Pressure on Biodiversity
 - Species Indicators
 - Habitat Indicators
- 2. Mitigation Measures
 - Protected Areas
 - National Planning
 - Corporate Commitment
 - EIAs
 - Exit Plans



- Percentage of operations operating in areas with Red Listed species
- Number of Red List species within the path of operation, lease area, region, country, global or habitat affected by operations.
- Annual change (%) in Red List species population in habitats affected by operations.
- Number of invasive species from the IUCN Global Invasive Species Database recorded each year since entry of the company
- •Annual change in species population in habit affected (and/or managed) by operations to change in area outside of identified habitats (and/or area managed by company), (%: %)

- Number of habitats affected by operations as the percentage of the total within the lease area, region, country, global.
- Share of watersheds dammed or channelized of the habitats affected by operations as the percent of the whole river per country (region and global).
- Percentage increase in human population over base line study in region of operation.
- Km of new roads in areas of operation since entry of company

- •The percentage/No. of current or planned business operations operating in or around IUCN land categories 1- 4, WHS, or core buffer zones of any World Biosphere Reserve
- •The percentage/No. of current or planned business operations operating in or around areas that are widely recognised conservation management systems.
- •Total land (Ha.) under conservation to compensate for land disturbed
- •Total area of land disturbed through exploration/extraction activity to total area rehabilitated (Ha.: Ha.)
- •Total area of forest cleared due to operations, to total area restored to previous and total area replaced by exotic species (Ha.: Ha.: Ha.)

Mitigation— nat. plan & corp. commitment LEADERSH

- %/No. of business units with biodiversity strategies and action plans (BSAPs) stating alignment with NBSAPs.
- Policy published in annual reports indicating a clear commitment to integrating the conservation of biodiversity into corporate operations.
- Appointment of senior environmental manager with responsible for biodiversity issues
- Percentage of operating personnel with evidence to show a minimum of one month's training in a subject related to conservation and protection of biodiversity
- Percentage of supply chain firms and partners participating in biodiversity training and policy implementation

Mitigation Indicators – EIA & exit plans LEADERSHIP

- Number of monthly monitoring reports submitted to group Safety, Health & Environment.
- EIA lodged in corporate head office that contains the key elements and follows the guidelines given in the notes to this indictor (see below).
- Evidence to show that company's operations have biodiversity considerations built into emergency plans.
- Budget to implement plan has been authorized, and remediation funds assured through bond or sinking fund.
- If a company sells off an operation prior to closure, it takes into consideration preventing post-exit adverse impacts on biodiversity.

Next Steps

ENVIRONMENTAL LEADERSHIP

- 1. GRI
- 2. EBI
- 3. Partner companies

