BHP
Social Value considerations in planning for mine closure and transitions

Bobbie Foot

UNECE Committee on Sustainable Energy
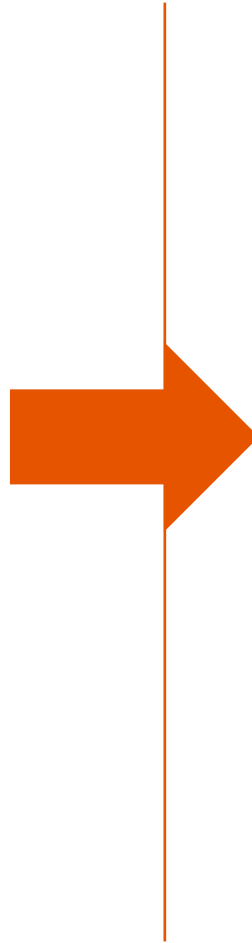
Meeting Sept 2023

Defining the Social Value Approach

Social license

- Focused on meeting legal, regulatory and ethical requirements

- Maintaining the relationships and achieving the social, economic performance **necessary to maintain permission to operate** from stakeholders

- Shorter-term approach
  - Significant focus on social/community investment, to make a contributions to adjacent communities

Social value

- Goes beyond legal, regulatory and ethical requirements

- Proactively identifying opportunities to build and strengthen relationships that help create meaningful and long-lasting change, beyond our operations.

- Long- term, more holistic approach
  - Working with others to solve problems and co-design plans for the future
  - Considering the long-term social, environmental and economic outcomes in all decisions and actions

BHP

Applying Social Value to Mine Closure and Transitions

Requires collaboration between industry, government and community:

– Industry and Workforce:

   • Build resilience within the workforce

   • Consider skills and retraining for future industries and post-mining industries

– Government:

   • Legislation that enables best practice, collaboration and innovation based on longer term social value

   • Social safety net policy frameworks and support services

– Community:

   • Establish consultative groups that are representative of the community profile (eg include women, indigenous people, youth)

   • Integration of community investment decisions with post mining land uses and industries

   • Building infrastructure and partnerships that will have an enduring legacy beyond the mine life cycle

   • Respecting and working with the community's characteristics and cultural identity

BHP

Example: Smart Transformation Advisory Council Process

Community Roadmap

www.smarttransformation.com.au

Key Themes of the Smart Transformation Readiness Report:

1. Change is inevitable, however transitions can be managed;

2. Skills drive economic and social prosperity;

3. Access to quality work is essential;

4. Place-based leadership creates stronger regions;

5. Lifelong learning and skills attainment underpin Queensland's future.

BHP

Example: Beenup Minerals Sands Rehabilitation

Approach in Action:

- Co-design: community engagement in determining post-mining land use and regional economic opportunities

- Inclusion: Facilitation that allows all voices to be heard; culturally and psychologically safe approach

- Governance and Transparency: Build trust and share information, establish inclusive and collaborative governance processes

- Environmental outcomes: Rehabilitation, Biodiversity impacts including endangered species, Ecological research

- Social and community outcomes: Education, Eco-tourism, Repurposing land and infrastructure facilities for alternative industries and employment opportunities

- Future focus: Innovation and flexibility to adapt to future needs and changes

Social Value considerations in planning for mine closure and transitions

BHP

Summary

- Plan early in the mine life cycle for transitions, and build resilience, skills and capabilities to prepare workforce and communities for transitions

- Work with communities to build trust through transparency and open communication

- Collaborate with industry, government and communities to co-design post-mining land uses and economic regional opportunities

- Ensure equal representation and inclusive processes throughout this collaboration

- Apply innovative thinking to build social value into the future

Social Value considerations in planning for mine closure and transitions

BHP

References

- Aragon, Rud & Toews, 2015, Mining closure, gender and employment reallocations: the case of UK coal mines: https://www.economics.ox.ac.uk/materials/OxCarre/ResearchPapers/OxCarreRP2015161.pdf

- Australian Mining, 26 February 2020, BMA announces $5M STEM program for QLD schools: BMA announces $5m STEM program for QLD schools - Australian Mining

- BHP, 2019, Beenup rehabilitation and community consultation: https://www.youtube.com/watch?v=XL1aQy_B_Hs

- BHP, 2021, BHP Sustainability Report: 210914_bhpannualreport2021.pdf

- Franks, Brereton & Moran, 2010, Managing the cumulative impacts of coal mining on regional communities and environments in Australia: https://www.tandfonline.com/doi/pdf/10.3152/146155110X12838715793129?needAccess=true

- International Council on Mining and Metals, 2018, Integrated Mine Closure: Good Practice Guide, 2nd ed: guidance_integrated-mine-closure.pdf (icmm.com)

- International Labour Organisation, 2021, Women in Mining: Towards gender equality: wcms_821061.pdf (ilo.org)

- Smart Transformation Advisory Council, accessed 20/3/2022, Smart Transformation | Another world first for the Bowen Basin

- Smart Transformation Advisory Council, 2020, Smart Transformation Readiness Report: ST-Report.pdf (smarttransformation.com.au)

Social Value considerations in planning for mine closure and transitions

BHP