

27<sup>th</sup> October 2020

Name  
Chair  
Company

**Review of the company's agreements, policies and processes which underpin relationships with First Nations communities and Indigenous peoples.**

Dear XXX,

We write as 64 investors and their representatives in the mining sector, who together represent over USD \$10.2 trillion in assets under management.

The recent tragic and irreversible destruction of First Nations sites of cultural and archaeological significance in the Juukan Gorge, in Australia, highlights the consequences for communities, companies and investors when relations with communities are not adequately managed. This in turn calls into question the social license of a company to operate.

As responsible investors and their representatives, we are committed to working with the mining sector to support verifiable outcome-oriented processes and standards that ensure that such events are not repeated. To do so, we need to better understand your approach to management of cultural heritage and First Nations and Indigenous community relations.

Our collective long-term investment means that we need to have real confidence in how the sector obtains and maintains its social license to operate with First Nations and Indigenous peoples, including Traditional Owners and Native Title holders. The events at Juukan Gorge have shown this is a significant risk for investors and have prompted us all to take a deeper look at how relationships between companies and First Nations and Indigenous peoples are formed and function over the long period of mine operation and remediation.

We believe that investment risk exists where there is a mismatch between a company's stated approach to relationships with First Nations and Indigenous communities and what happens in practice.

We recognise that there is a great deal of complexity in this area and underline the importance of investors properly understanding this complexity. We are keen to begin a dialogue that will examine the approach taken to date and how standards of best practice have been applied and monitored. Generally, company disclosures do not provide information to sufficiently inform investors.

To this end, we would like further information on the action you are taking to understand and manage the risks, in light of the destruction of the caves at Juukan Gorge. While the example has arisen in Australia, the principles apply to projects across the world, and we encourage you to consider your practices globally, including:

- i) your approach to relationships with First Nations and Indigenous stakeholders, including which of the international standards you follow, the policies and processes you currently have in place and how they operate in practice;
- ii) governance frameworks, including how the board oversees the issues, where responsibility lies for the management of relationships with relevant First Nation or Indigenous peoples

- and how you assess the effectiveness of processes for incorporating these views (including appropriate KPIs);
- iii) specific action you have taken to identify and manage the risks across your business. For example, review of policies and procedures, company culture; and relevant agreements and dispute resolution processes to ensure they both comply with relevant laws and meet broader community expectations. We expect that among other things, companies will wish to review their agreements, taking into account confidentiality clauses, the genuineness of consent and negotiation practices (including relative negotiating power), and review/grievance mechanisms;
  - iv) how you intend to disclose in relation to the action contemplated at (i) - (iii) above;
  - v) where relevant, the company's position regarding potential legislative changes of Indigenous heritage laws in Australia.

We recognise that there will be examples of good practice in the sector. However, it is very difficult for investors to recognise and verify how a company implements its policies and procedures. We therefore seek a genuine explanation of your risks and approach, and how your policies and procedures are implemented in practice, rather than boiler plate information or mere replication of policies and procedures.

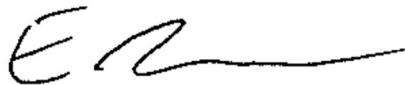
In the first instance, we would be grateful if you would respond to Raj Singh at [raj.singh@churchofengland.org](mailto:raj.singh@churchofengland.org). We would also welcome an opportunity to discuss these issues with you.

The list of investors and their representatives supporting this request is detailed below (Annex 1).

Sincerely,



**Adam Matthews**  
Head of Ethics and  
Engagement  
Church of England  
Pensions Board



**Ed John**  
Executive Manager,  
Governance and  
Engagement  
ACSI

## Annex I: Investor Signatories

Acadian Asset Management	Kennox Asset Management
ACTIAM	LAPFF
Aegon Asset Management	Legal & General Investment Management
Alphinity Investment Management	Local Pensions Partnership Investments
Australian Council of Superannuation Investors	Lothian Pension Fund
Australian Super	M&G Investments
Aviva Investors	Man Group
Aware Super	McInroy & Wood
AXA IM	Milford Asset Management
Baillie Gifford	Moneda Asset Management
BlueBay Asset Management LLP	Nordea Asset Management
Border to Coast Pensions Partnership	Ohman
Brewin Dolphin	OIP Trust
Brunel Pension Partnership	Oldfield Partners
CalSTRS	Pacific Road Capital
Cbus Super	PGGM
Central Finance Board of the Methodist Church	Rathbone Brothers
Church Commissioners for England	Robeco
Church of England Pensions Board	Rosspart Investments
Council of Ethics for the Swedish National Pension Funds	RPMI Railpen
DNB Asset Management	Ruffer
EFG Asset Management	Sarasin & Partners
Environment Agency Pension Fund	Schroders
EOS at Federated Hermes	Skandia
Epworth Investment Management	Solaris Investment Management Ltd
EquipSuper and Catholic Super (Toegthr Trustee)	Strathclyde Pension Fund
Falkirk Council Pension Fund	Sustainable Value Investors
Fidelity International Limited	Trillium Asset Management
Future Super	Troy Asset Management
GW&K Investment Management	Universities Superannuation Scheme (USS)
HESTA	Vancity Investment Management
Janus Henderson Investors	
Jupiter Asset Management	