



bhpbilliton

**Driving new ways of conserving and sustainably managing natural environments for the benefit of future generations.**

**James Ensor,  
Executive Director  
BHP Billiton Foundation.**



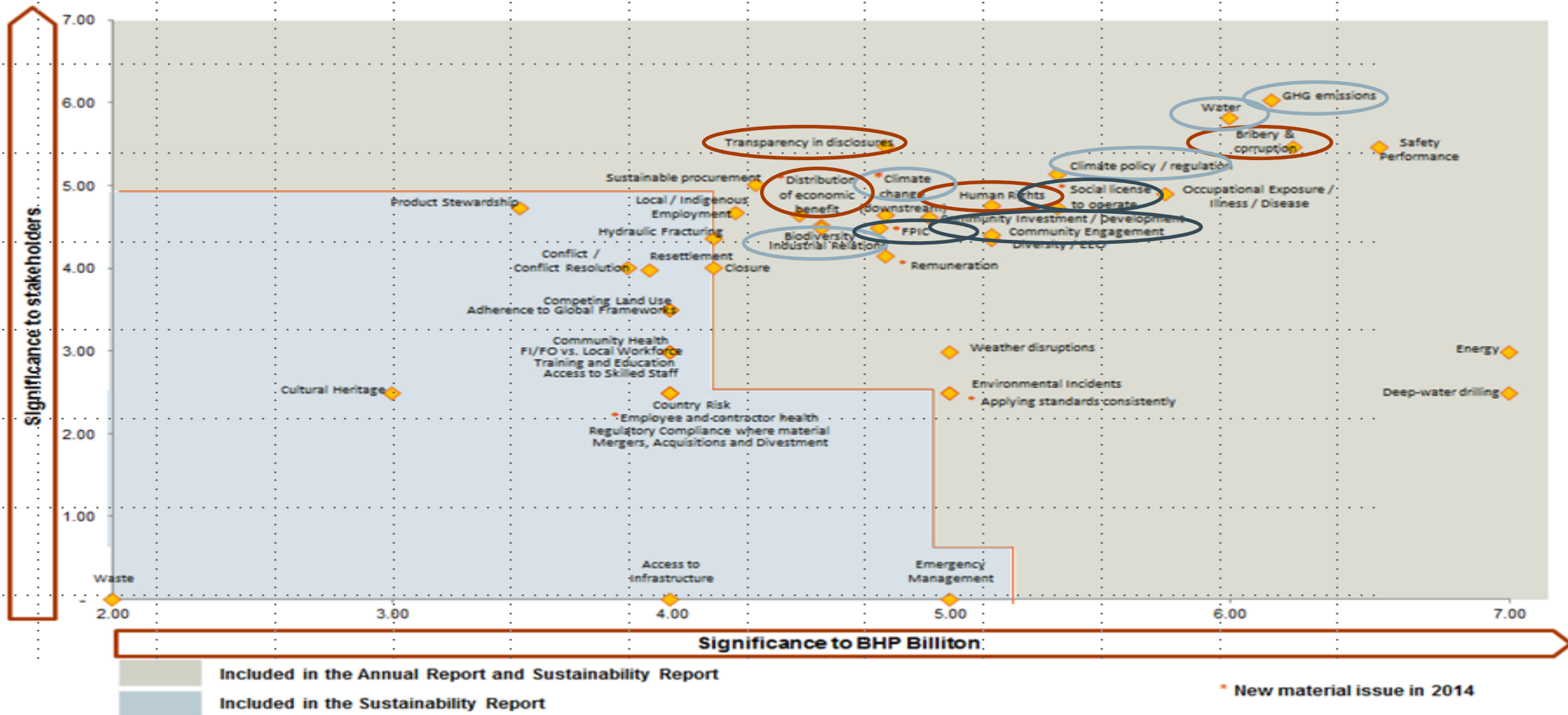
# BHP Billiton Social & Environmental Investment

- Commitment to invest one per cent of pre-tax profits since 2001. Annual investment circa USD200M, roughly 60% through Assets and 40% through BHPB Foundation(s).

2015 Review of approach driven by:

- ❑ **Need to demonstrate impact.** Lack of a widely understood overarching framework for social investment and the ability to aggregate and demonstrate cumulative impact.
- ❑ **Lack of Alignment with “Mission Critical” issues.** Investment not aligned with majority of the top 10 critical BHPB sustainability issues: (Corruption, revenue transparency, conflict, benefit distribution, biodiversity, climate change, water).
- ❑ **Critical role of business in solutions to global sustainable development** challenges, especially through the new post 2015 UN Sustainable Development Goals.
- ❑ **Increase engagement** with national and international policy debates commensurate with its position as the world’s largest diversified resources company.

# Towards a Social Investment Framework...Analysis



# Three Overarching Themes ...

**Governance:** A suite of critical risks and issues facing both BHP Billiton and the global resources sector that are an outcome of poor natural resource governance. Includes transparency & anti corruption, mining related conflict, social and political volatility, uneven benefit distribution of natural resource wealth etc.

**Human Capability and Social Inclusion:** Education, health, infrastructure and social inclusion aligned with the needs and expectations of local host communities.

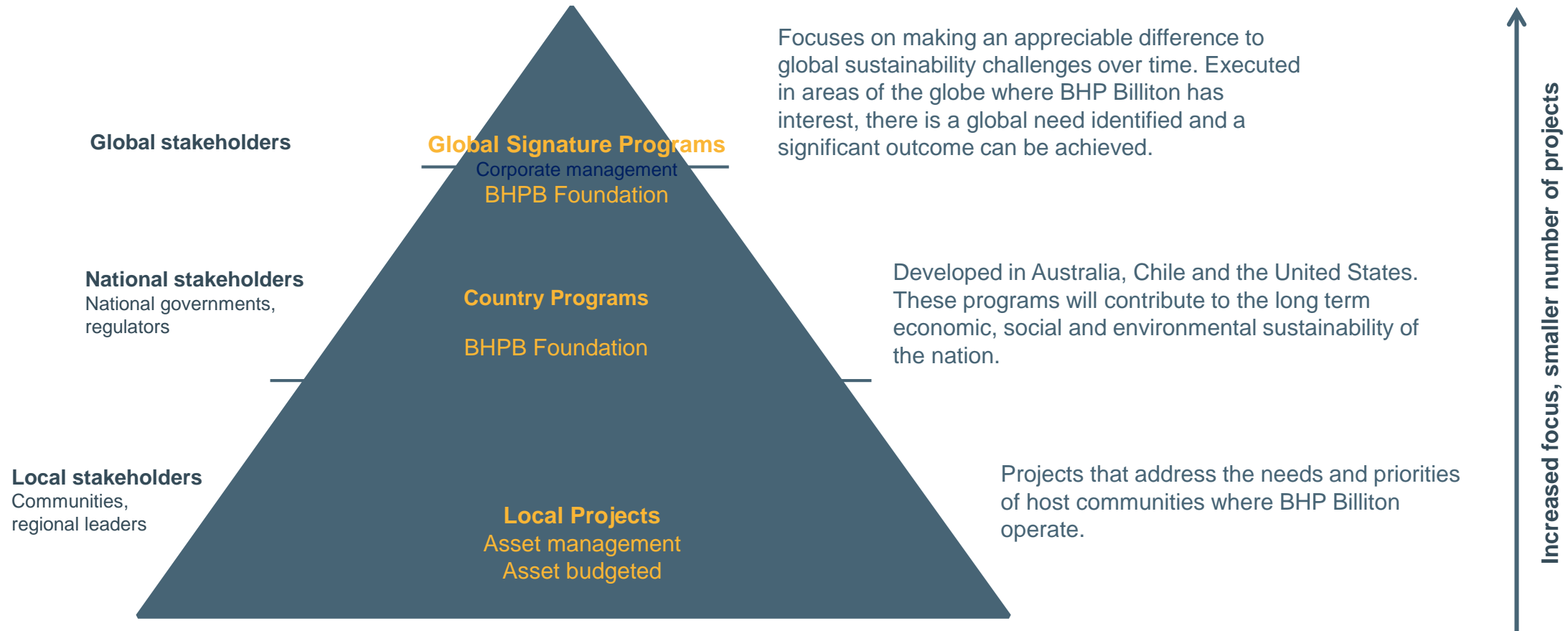
**Environment :** Critical issues including water scarcity, biodiversity loss and climate change also prominent in BHP Billiton's global analysis and the emerging United Nations SDG's.

# The BHP Billiton Social Investment Framework

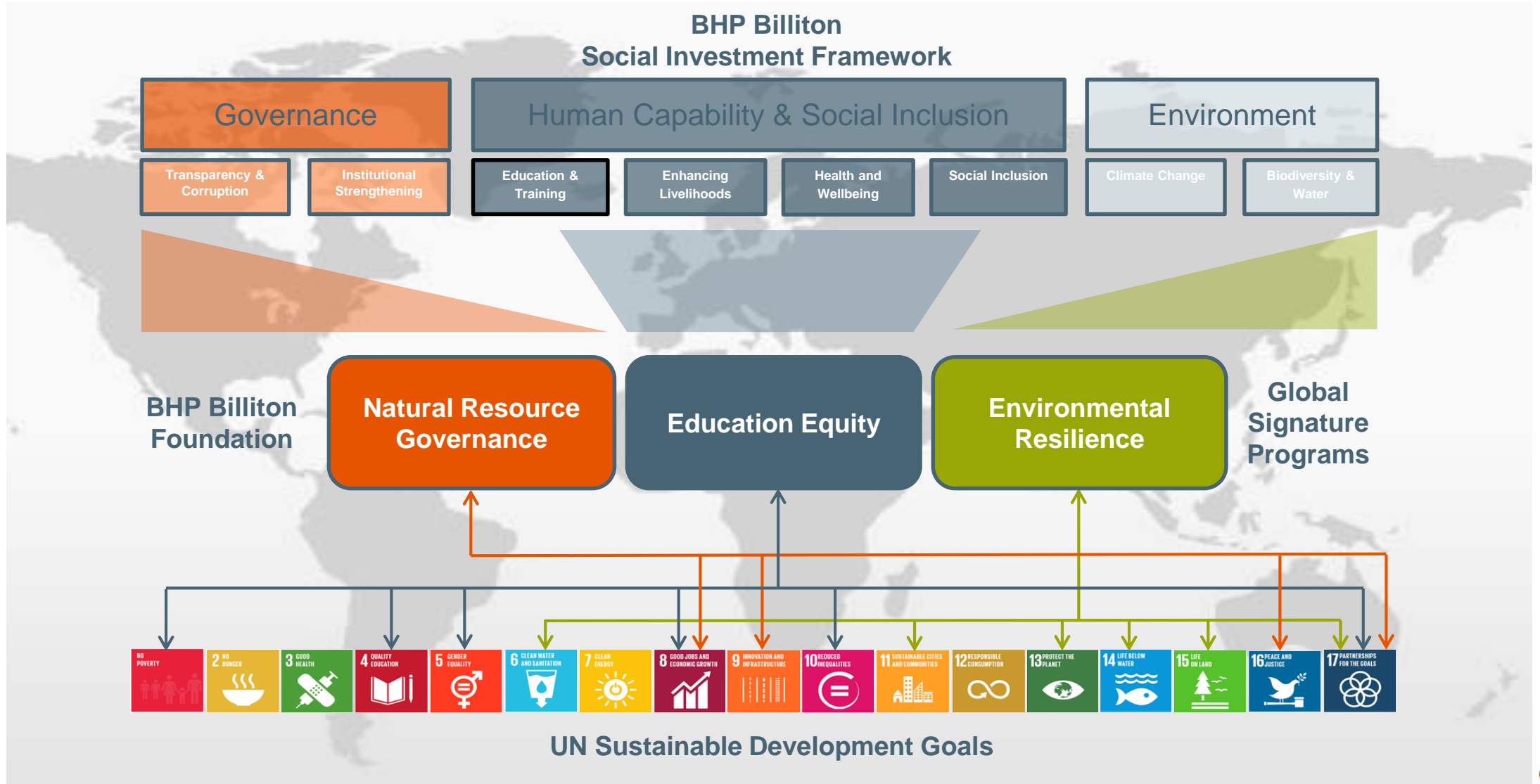
Three themes and eight focus areas guide local, national and global programs



# Implementing the Framework from Local to Global



# Local to Global and SDG Alignment





# BHP Billiton Foundation

Our aim is to make a meaningful contribution to the unprecedented development challenges facing our generation.

We focus on three significant global challenges which are directly relevant to the resources sector and to wider society – where we believe that working with others we have the opportunity to act at scale to make a distinctive contribution through 3 Global Signature Programs:

**Natural Resource Governance:** because raising standards of governance and transparency is essential to ensuring that the wealth created by the global resources sector helps improve living standards of billions of people around the world.

**Environmental Resilience:** because sustainably managing landscapes, in order to protect biodiversity and water resources and become resilient in the face of climate change, is critical to the future of all of us.

**Education Equity:** because providing access to quality education and skills opens up opportunities for individuals, communities and economies.



# Environmental Resilience GSP Strategy

**Aim: To drive new ways of conserving and sustainably managing natural environments for the benefit of future generations.** This will be delivered through three complimentary program levers.

## Objectives:

- 1. Improve outcomes:** best-in-class demonstration projects that deliver substantive environmental and social outcomes across areas of international significance (eg Alto Mayo).
- 2. Enhance policy frameworks:** building capacity and supporting the development of replicable, sustainable and effective environmental policy frameworks (eg REDD+).
- 3. Mobilise Markets:** will leverage and expand markets and financing mechanisms that value environmental goods and services such as biodiversity, carbon and water (eg Forest Bond).



# Why Environmental *Resilience*?

Natural resource demands of world's growing population placing unprecedented pressure on finite land and water resources and accelerating biodiversity loss. Climate change amplifies challenge.

Wherever people live in the world, they need resilient natural environments to survive and thrive.

A resilient environment sustains peoples' cultures and communities. It requires multiple land use planning to support people's livelihoods and food security. It preserves biodiversity and maintains water resources. And it helps society to respond to climate change. With profound connections to their traditional lands, resilient environments are particularly important for Indigenous peoples.

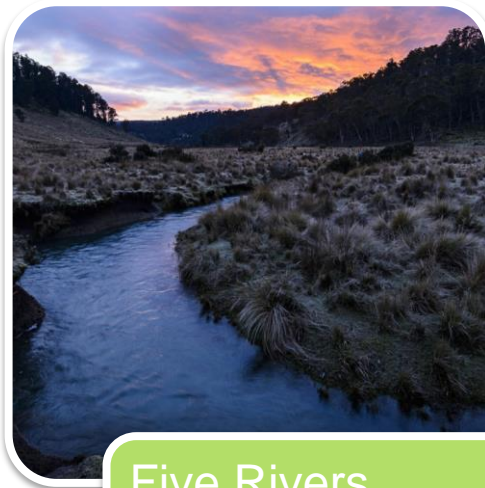
Portfolio of large scale projects, working alongside leading organisations to:

- ✓ Deliver high-impact, enduring interventions in areas of international significance
- ✓ Engage with people who live in the landscapes to involve them in our efforts, build their capacity and support their livelihoods
- ✓ Use these projects to act as test-beds, piloting new approaches and sharing our learnings so that others can take them on with confidence
- ✓ Develop replicable environmental policy frameworks to advance the future of conservation

# Environmental Resilience GSP

## Setting the Context: History and evolution of BHP Billiton environmental investment

Nature not People → Nature and People → People for Nature



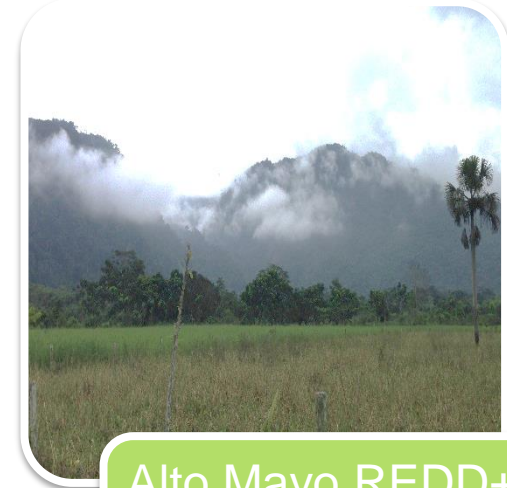
### Five Rivers

- 11,000 hectares
- Conservation Reserve



### Martu Living Deserts

- 13.6M hectares
- Ranger programs



### Alto Mayo REDD+

- 182,000 hectares
- Alternative livelihoods

# The integrated model opportunity.

