

Oil, Gas and Mining Industries Gather on the Future of Social Licence

LONDON, May 09 /CSRwire/ - Speaking ahead of Ethical Corporation's [5th Responsible Extractives Summit](#) (23rd -24th June), Project Director, Boris Petrovic, said that the overall mentality of progressive extractive executives is that "sustainability or social performance is not just a nice thing to do, it makes great business sense: it minimises operational risk and helps to secure assets, and that is why it makes for a potent case for corporate investment and senior management attention".

External issues, such as community discontent festering into protest for instance, pose one of the greatest obstacles to operational continuity. Sustainability is being embraced by extractive companies increasingly, as failing to concentrate on stakeholder engagement or possible human rights infringement (as a consequence of a lack of proper security policy or investment in grievance mechanisms), will end up costing a company far more with disruptions and shut-downs in the long-run.

This logic is reflected by the number of companies that are now illustrating their social performance strategies and demonstrating a willingness to discuss.

The agenda reflects the various areas that companies are using to harmonise their community relations. Issues such as human rights, due diligence in security and supply chain, prudent use of social investment and aiding socio-economic development through operations, stakeholder engagement and grievance mechanisms will be addressed, as well as the social risk of water which is unanimously predicted to be the major issue in the near future.

Confirmed companies speaking include: **Rio Tinto, Barrick Gold, AngloGold Ashanti, Anglo American, Freeport-McMoRan, Gold Fields, Teck Resources, Total S.A., Statoil, Hess Corporation, BG Group and Marathon Oil.**

The financial element is the final key theme incorporated into the Summit with speakers from **J.P. Morgan, Blackrock, Aviva Investors, F&C**, the **IFC** and **Munich RE** providing the perspective of key financial stakeholders: they will expound upon their methods of integrating environmental and social indicators into their investment and lending decisions.

"A lot of investor groups are using ESG [environment, social and governance] as a differentiator, trying to actively select investee companies good at ESG management' JP Morgan's Paul O'Connor, Executive Director for Global Environmental and Social Risk Management said recently in an interview with Ethical Corporation. The key element being addressed in this section will be the resultant effect on companies' social practices, and how their performance can be effectively communicated to assuage concerns and encourage investment.

For more information on the summit visit the [official website](#) or [download the official programme](#) which includes a full run-down on agenda and speakers.

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