

Mining Industry Report | 2014

IN A FAST-CHANGING WORLD, CONTEXT IS EVERYTHING.



evidence and ideas. applied

For more information, contact:

Chris Coulter

CEO

+1 226 338 6350

Chris.Coulter@GlobeScan.com

Tove Malmqvist

Research Manager

Tove.Malmqvist@GlobeScan.com

www.GlobeScan.com

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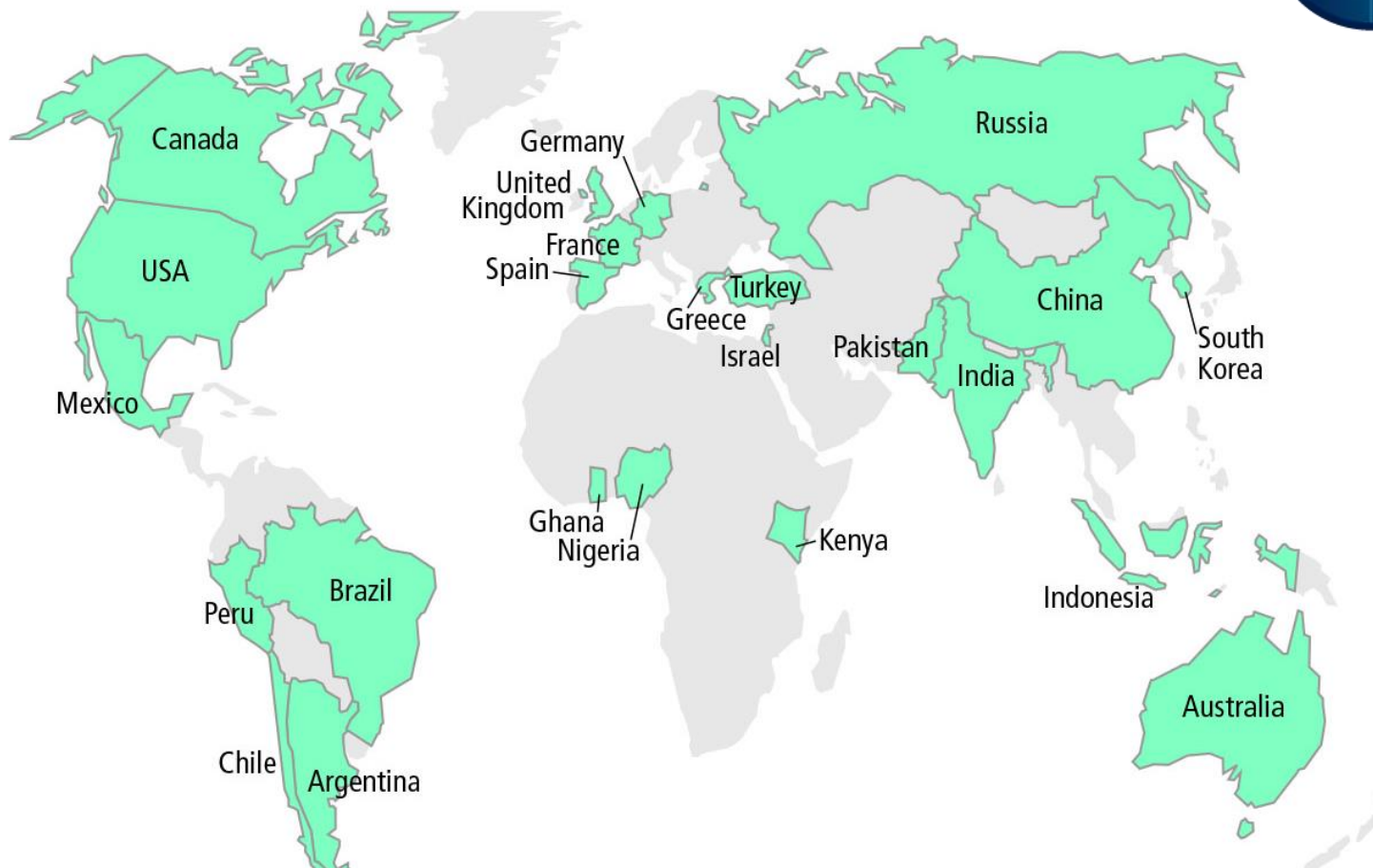
GlobeScan Incorporated
145 Front Street East, Suite 102
Toronto, Canada M5A 1E3

tel: +1 416.962.0707

fax: +1 416.920.3510



Methodology and Participating Countries



Representative samples of 1,000 adults per country in 24 countries
Some urban-only surveying in certain developing countries
Face-to-face and telephone interviewing (online in Israel) between December 2013 and April 2014
Within-country sample error of +/- 2.8 to 4.9 per cent, 19 times out of 20.
All figures in the charts are expressed in percentages, unless otherwise noted.

Key Findings



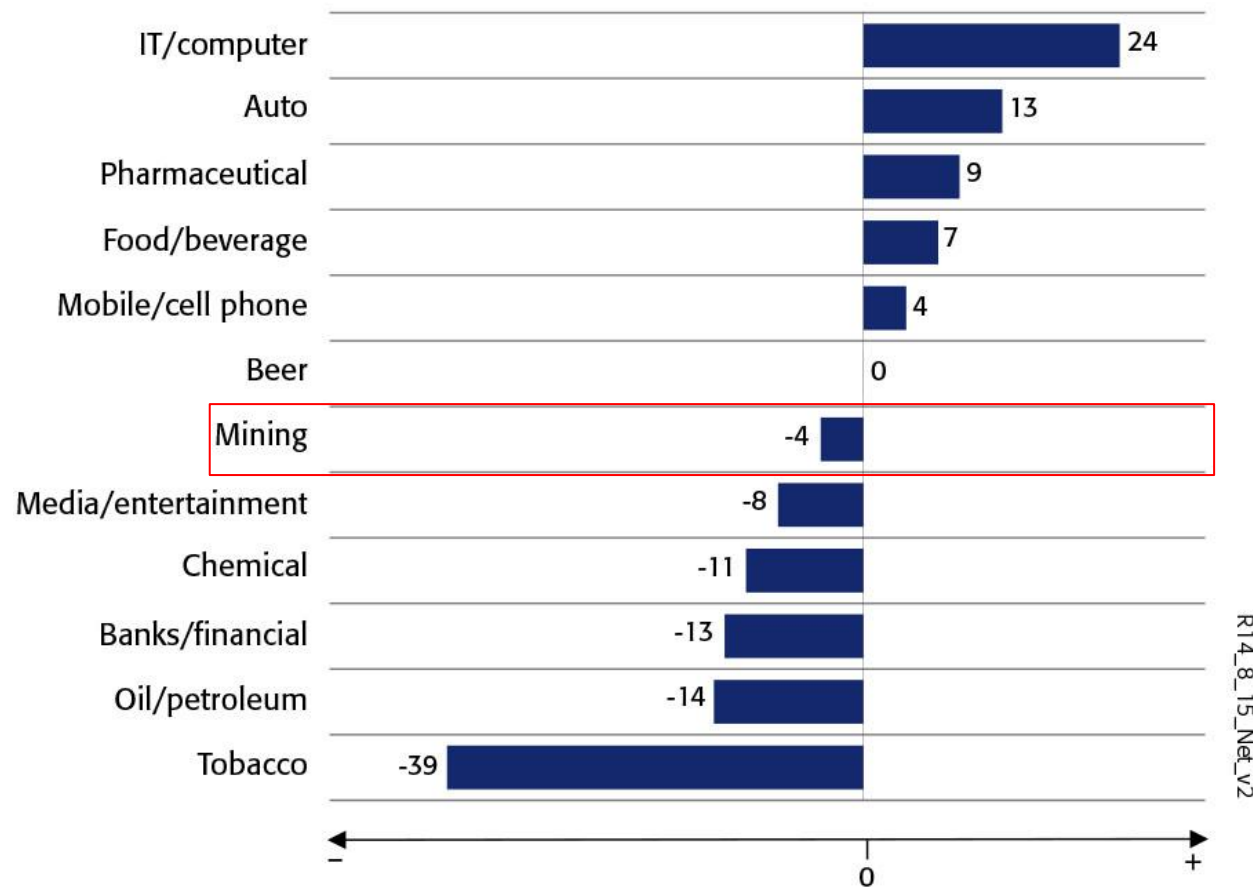
- Mining is not trusted very much but more so than other heavy industry sectors. Trust in mining companies tends to be notably higher in developing countries than elsewhere. Trust levels in Europe and North America are low.
- Mining is facing high levels of safety and health regulatory pressure globally, lower than only oil and tobacco. Pressure for mining has remained stable since 2012.
- Mining companies tend to face especially high regulatory pressure from the public in developed countries. However, regulatory pressure is even higher in China and Chile. Shifts in demand for more regulation of the mining industry vary across countries, with increases in China and Spain and decreases in Germany.
- According to the global public, environmental issues are the most important concern for this industry to address, followed by poor working conditions. The importance of poor working conditions has been decreasing since 2011. Worker safety is especially important to North Americans but much less so to people in developing countries.

Mining is not trusted very much but more than other heavy industry sectors



Net Trust* in Industry Sectors

Average of 24 Countries, 2014



Mining has a slight net negative trust rating, with more people distrusting the sector than trusting it globally. It is the most trusted of the heavy industries tested and is more trusted than banking and the media/entertainment sector.

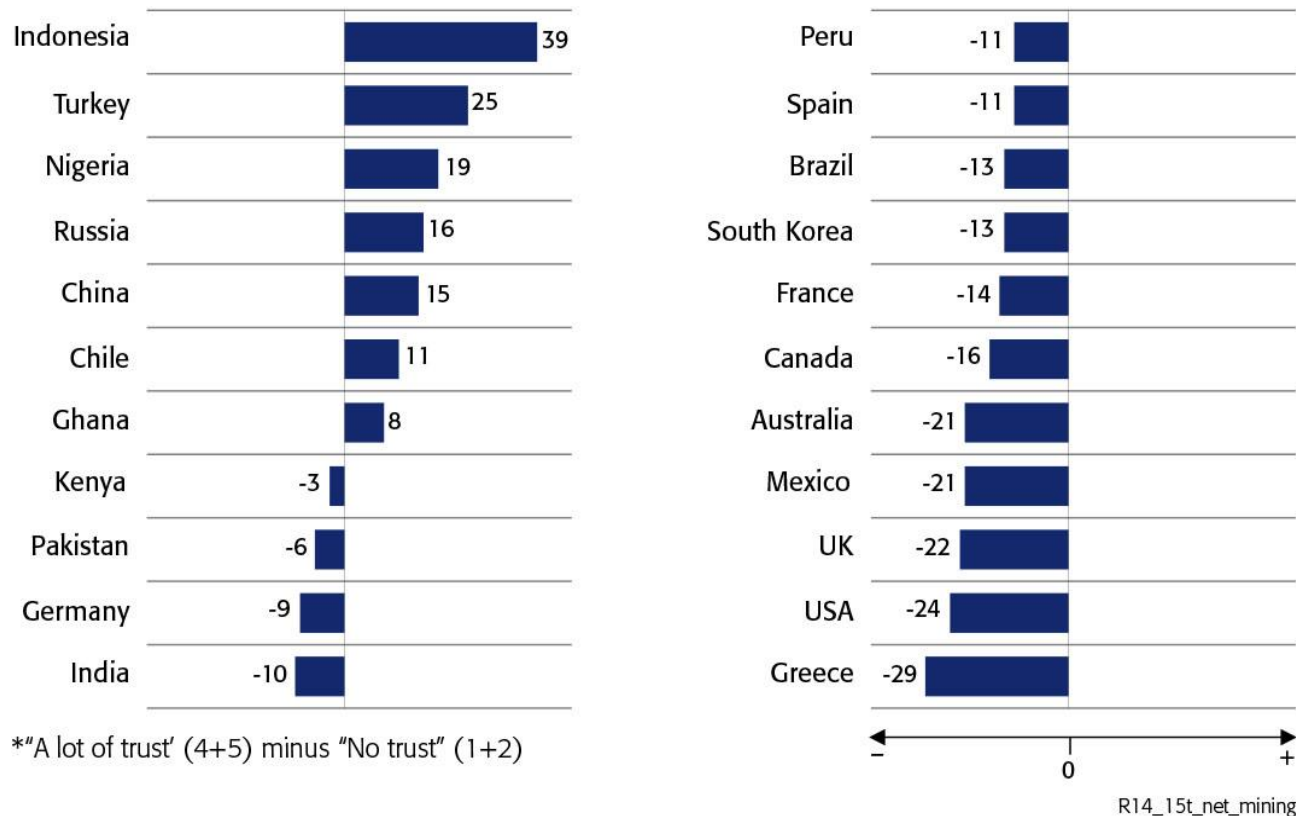
*"A lot of trust" and "Some trust" minus "Not much trust" and "No trust at all"

Developing countries tend to trust the mining industry far more than developed countries do



Trust in Mining Companies

Net Ratings,* by Country, 2014



**"A lot of trust" (4+5) minus "No trust" (1+2)

Trust in mining companies is notably higher in developing countries than elsewhere in the world. The highest levels of trust are seen across a range of developing countries. Germany has the most trust in mining among developed countries but it is still net negative.

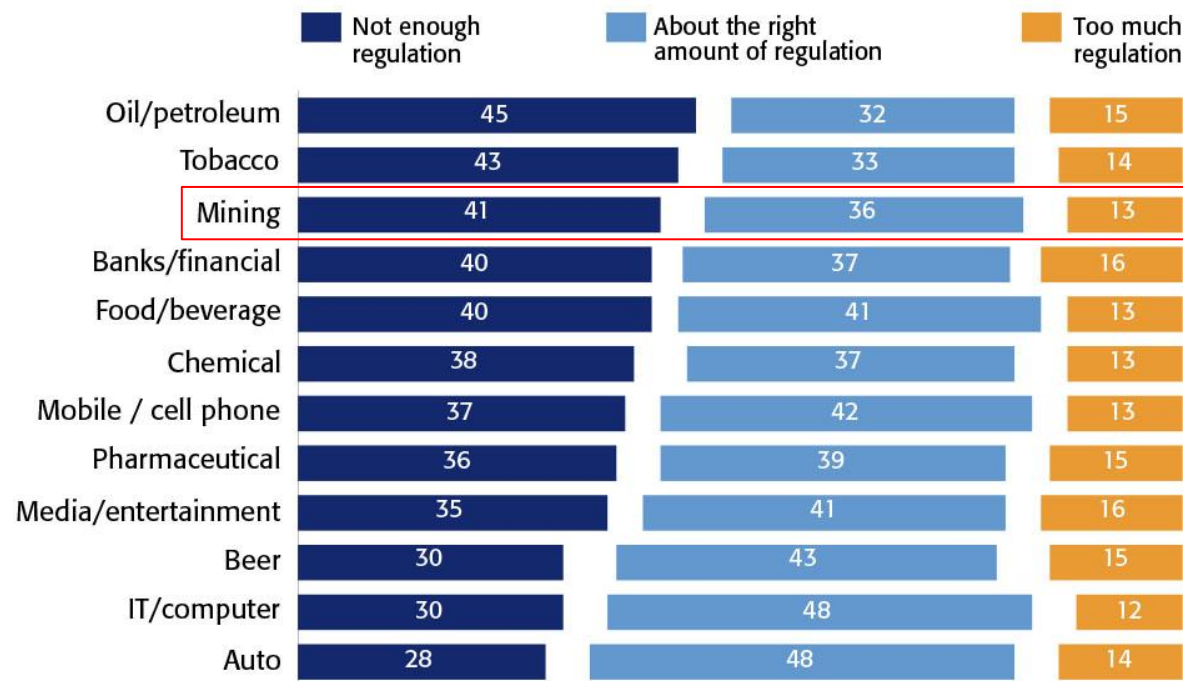
Mining companies are least trusted in Greece, USA, UK, Australia, and Mexico (the only developing country to show such low trust).

Mining is among sectors with the highest levels of regulatory pressure



Assessment of Government Regulation of Industry Sectors

Average of 20 Countries,* 2014



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Mining is under high levels of safety and health regulatory pressure globally, behind only the oil and tobacco industries. Just under half of respondents say the current level of regulation is either sufficient or excessive.

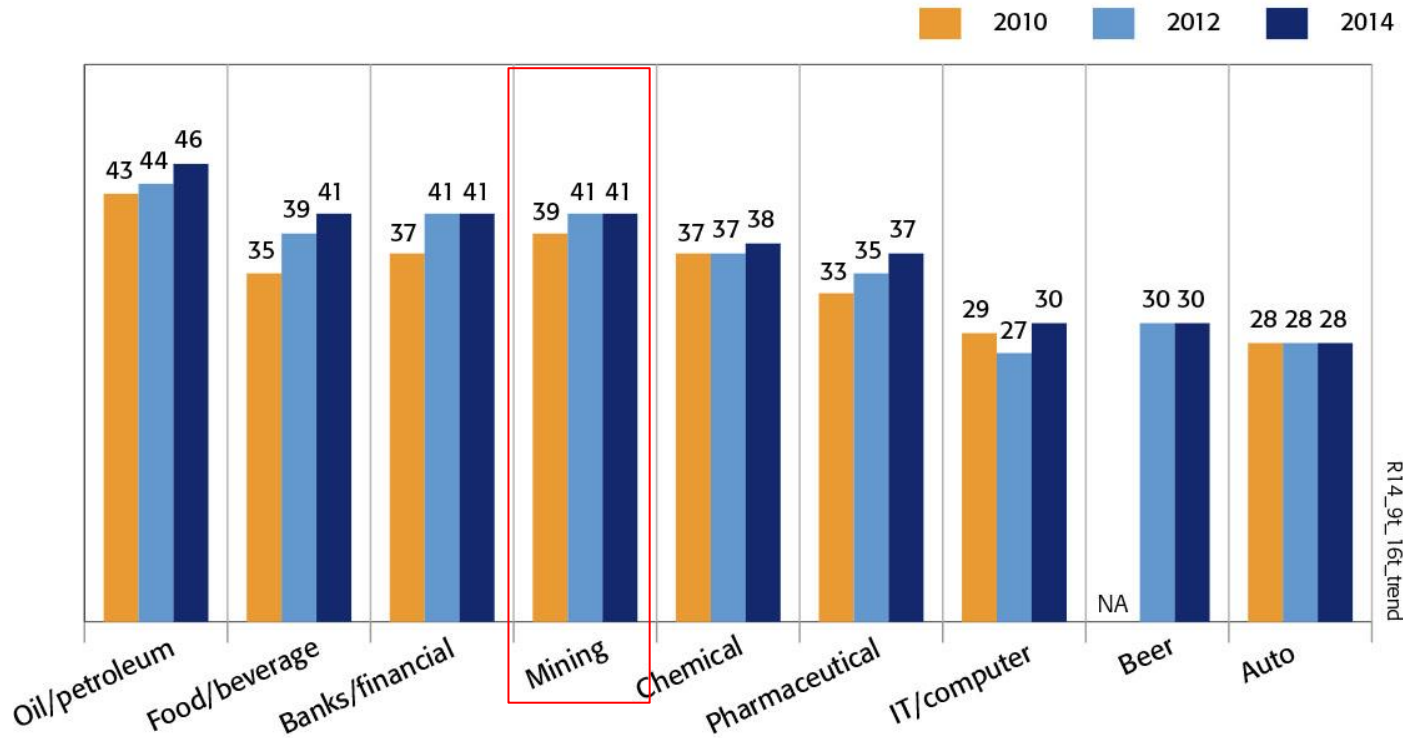
*Includes Argentina, Australia, Canada, Chile, China, France, Germany, Ghana, India, Indonesia, Kenya, Mexico, Nigeria, Pakistan, Peru, Russia, Spain, Turkey, UK, and USA

The white space in this chart represents "DK/NA."

Regulatory pressure for mining has remained essentially stable

“Not Enough” Regulation of Industry Sectors

Average of 20 Countries,* 2014



Regulatory pressure for mining is essentially stable, with only a slight increase since 2010. Pressure has increased more on banking, food/beverage, and pharmaceutical sectors.

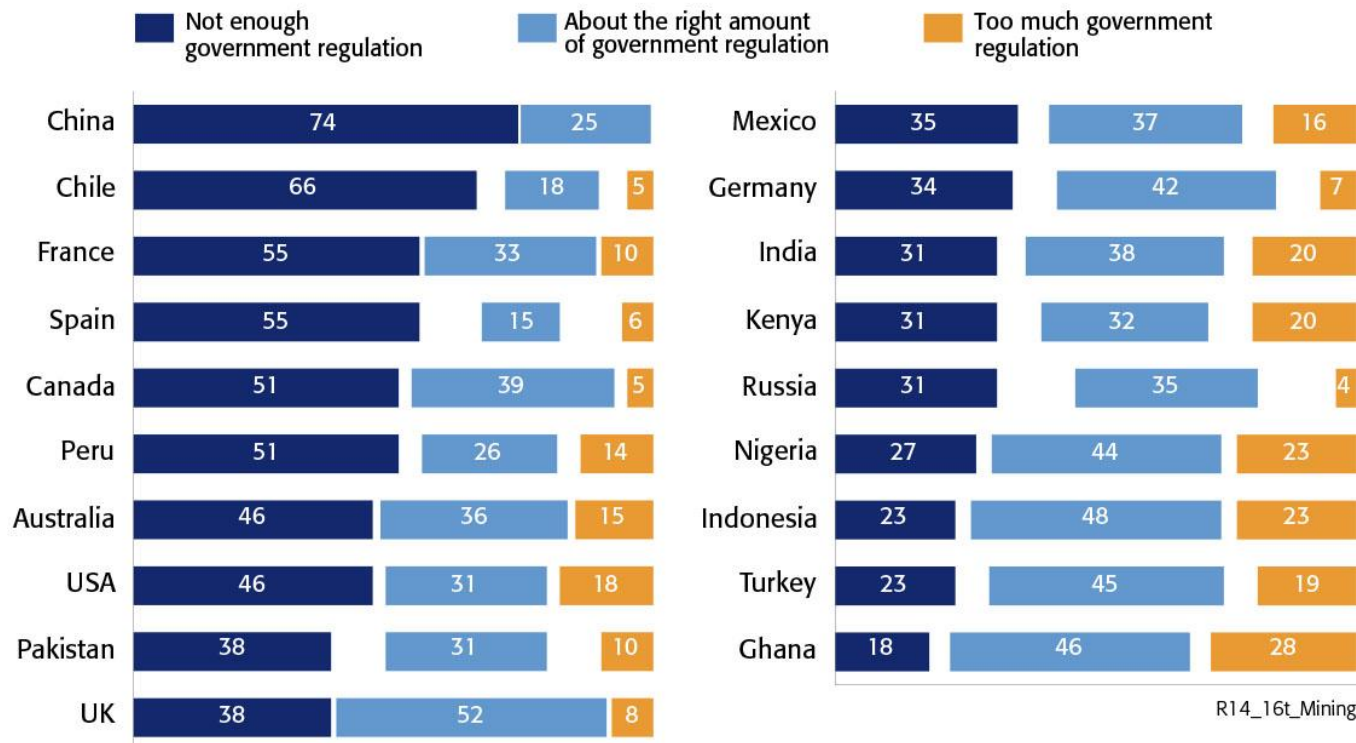
*Includes Argentina, Australia, Canada, Chile, China, France, Germany, Ghana, India, Indonesia, Kenya, Mexico, Nigeria, Pakistan, Peru, Russia, Spain, Turkey, UK, and USA

Mining companies tend to face especially high regulatory pressure from the public in developed countries and in China and Chile



Assessment of Government Regulation of Mining Companies

By Country, 2014



Although China and Chile have the highest regulatory pressure for the mining industry (and Peru among the highest), it is generally the developed countries that place the most pressure on it, most notably France, Spain, Canada, Australia, and the USA.

Ghana, Indonesia, and Nigeria have the highest proportions of citizens who believe that there is too much regulation on mining.

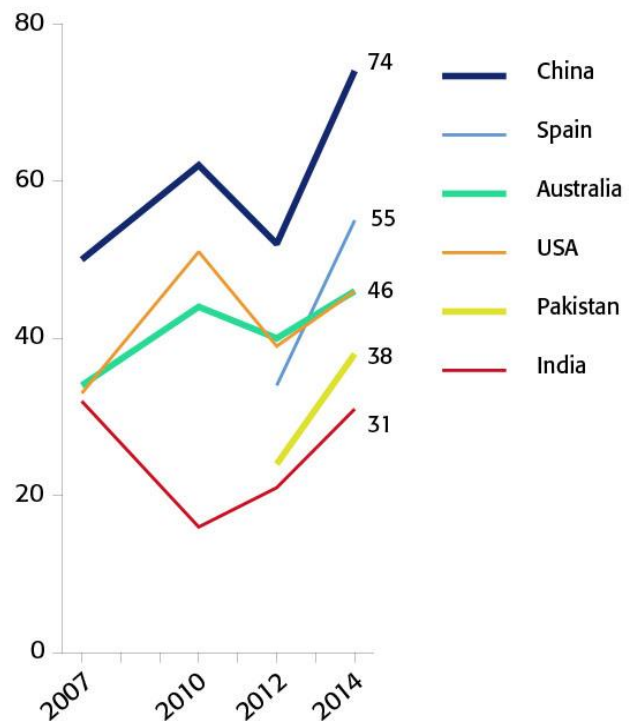
The white space in this chart represents "DK/NA."

Shifts in demand for more regulation of the mining industry vary across countries

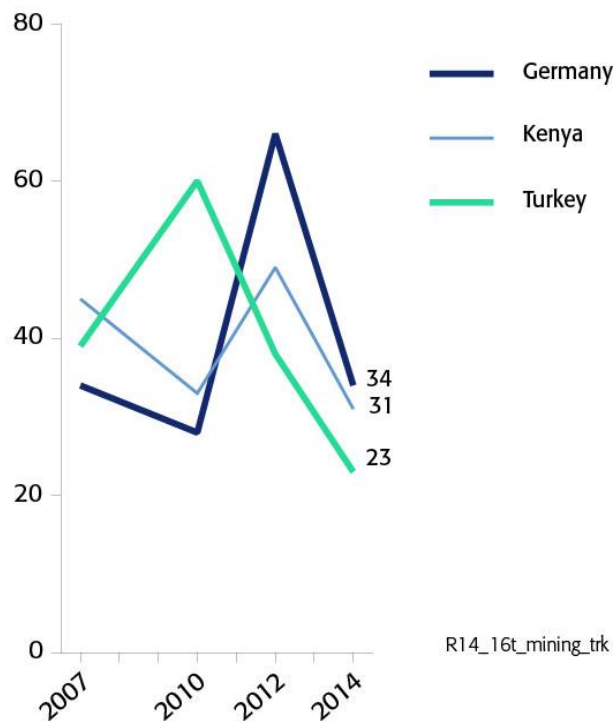
Attitudes toward Regulation of Mining Companies

“Not Enough,” By Country, 2007–2014

Increases



Decreases



R14_16t_mining_trk

Several countries, most notably China and Spain, have seen sharp increases in pressure for increased regulation since 2012. The Chinese mining sector is known for its poor safety record.

However, Germany, Kenya and Turkey have seen significant decreases in regulatory pressure after spikes in previous years

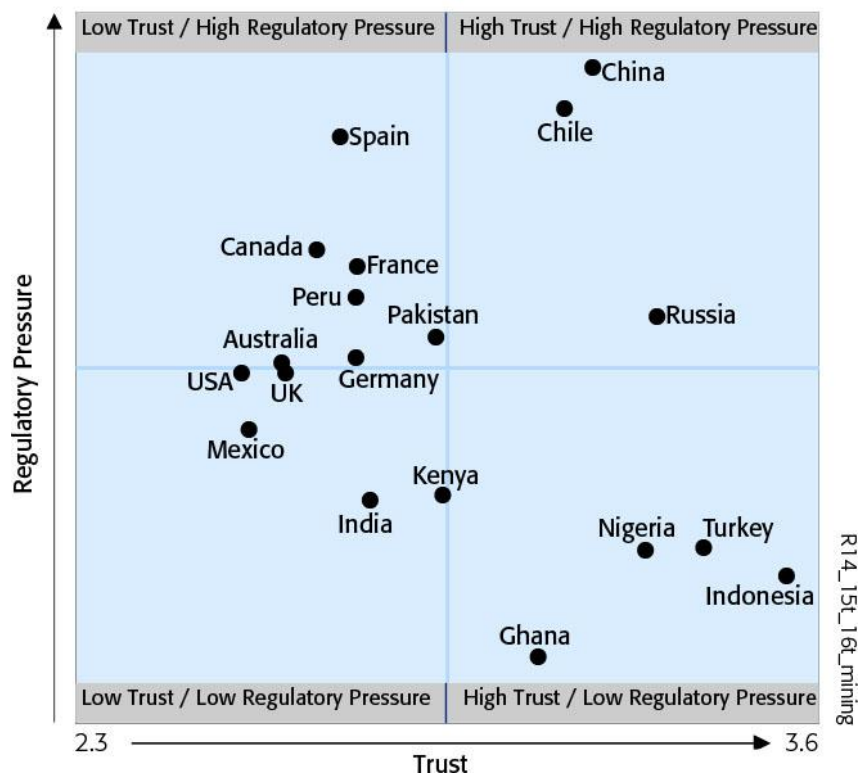
Patterns of increasing and decreasing regulatory pressure do not seem to be informed by a developed/developing world split, and vary across markets globally.

High trust and low regulatory pressure in Indonesia, Turkey, Ghana and Nigeria



Trust vs Regulatory Pressure

Mining Companies, 2014



Countries with both high trust and low regulatory pressure for the mining industry are all developing countries.

China and Chile have the highest regulatory pressure of all countries surveyed, yet citizens in these two countries are also relatively trusting of the industry.

Q15t. Please tell me how much you trust each of the following types of companies

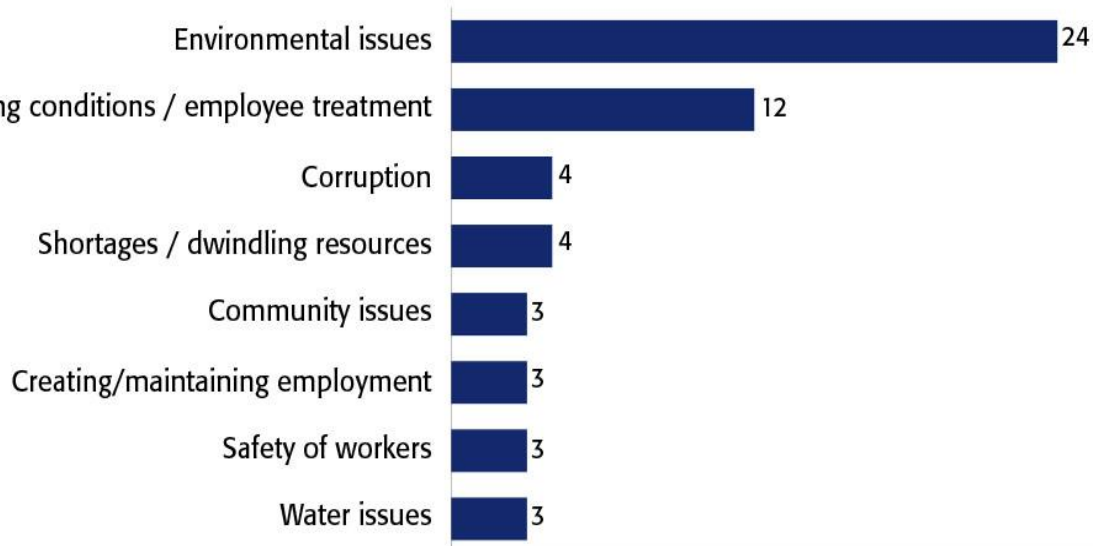
Q16t. For each of the following types of companies, please tell me if you think our government does too much, about the right amount, or not enough in regulating their activities to ensure the health and safety of society.

The global public wants the mining industry to address environmental issues far more than anything else



Most Important Issue the Mining Industry Needs to Address

Unprompted, Top Mentions, Average of 21 Countries,* 2014



R14_19t_Mining

A quarter of respondents globally cite environmental issues as the primary issue for the mining industry to address.

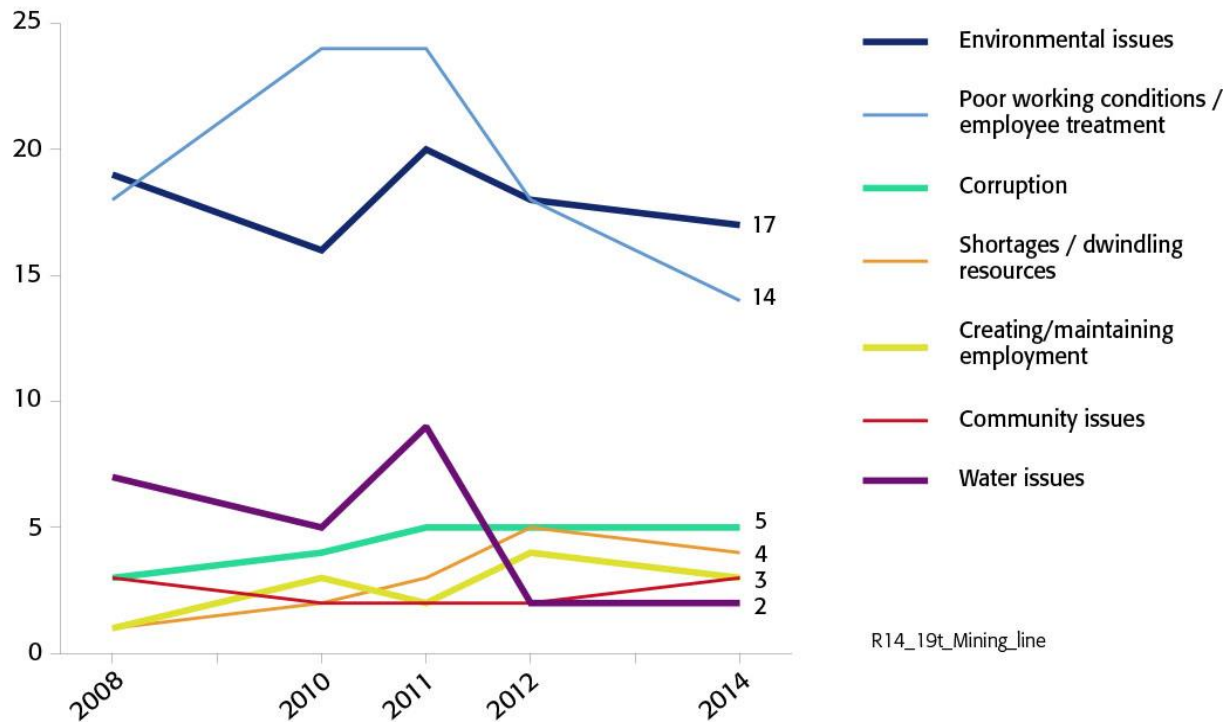
While far behind environmental issues, working conditions and employee treatment far outweigh other concerns. The prominence of working conditions could be explained, at least in part, by increasing visibility around labor relations in the mining sector.

*Not asked in Argentina, Israel, and South Korea

Environmental issues have overtaken working conditions as the most important issue for the mining industry to address

Most Important Issue the Mining Industry Needs to Address

Unprompted, Top Mentions, Average of 12 Countries,* 2008–2014



Environmental issues are now considered slightly more important than working conditions among 12 countries tracked over the past six years.

Working conditions have continued to decline in perceived importance since 2011.

Water issues remain of minor importance to the mining industry since the drop in 2012.

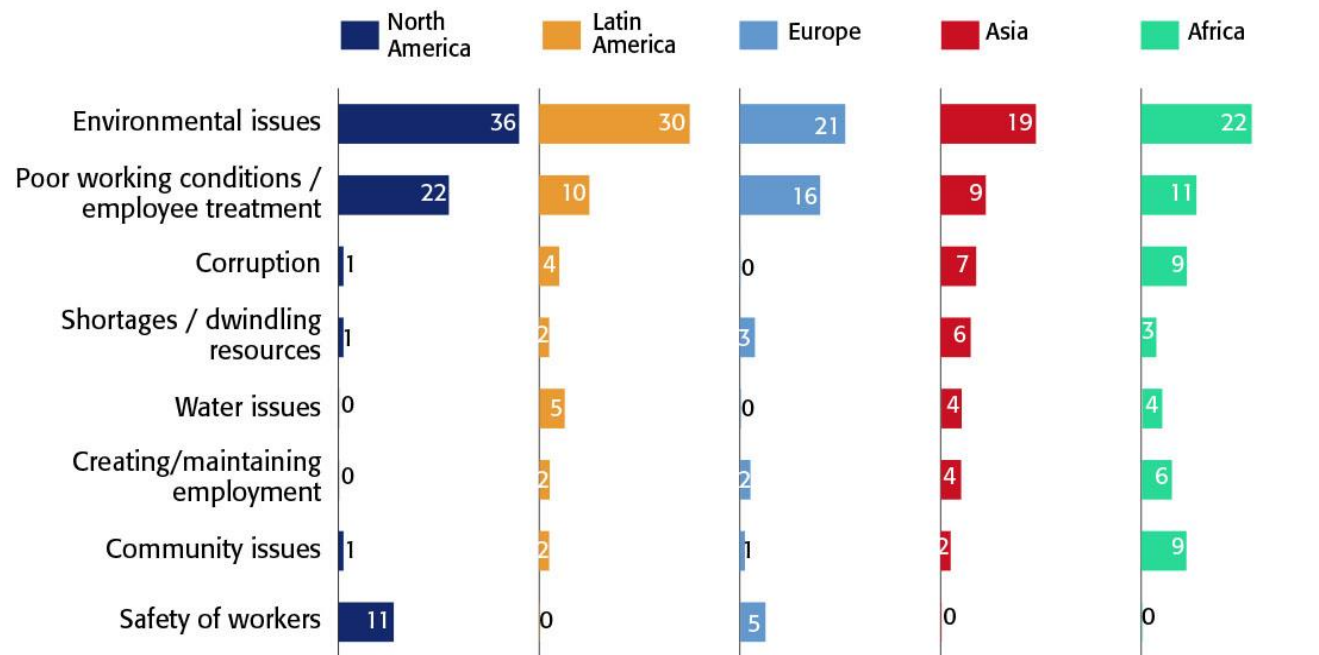
*Includes China, Germany, India, Indonesia, Kenya, Mexico, Nigeria, Pakistan, Spain, Turkey, UK, and USA

Environmental issues are the greatest concern in all regions, especially the Americas



Most Important Issue the Mining Industry Needs to Address

Unprompted, Top Mentions, by Region, 2014



R14_19t_Mining_reg

North Americans and Latin Americans place the most emphasis on environmental issues in terms of importance for the mining industry to address. North Americans and Europeans are also more concerned than others about working conditions and safety.

Corruption and community issues are most emphasized in Africa where these issues are each mentioned by nearly one in ten respondents.

Environmental issues are dominant across most countries

Most Important Issue the Mining Industry Needs to Address

Unprompted, Selected Countries, 2014

	Australia	Brazil	Canada	Chile	China	France	Germany	Ghana	Greece	India	Indonesia
1st	Environmental issues (41%)	Environmental issues (25%)	Environmental issues (46%)	Environmental issues (31%)	Environmental issues (27%)	Environmental issues (20%)	Environmental issues (11%)	Environmental issues (29%)	Environmental issues (44%)	Shortages / dwindling resources & Corruption (10% each)	Environmental issues (43%)
2nd	Paying taxes (8%)	Poor working conditions / employee treatment & Water issues (4% each)	Poor working conditions / employee treatment (14%)	Poor working conditions / employee treatment (13%)	Poor working conditions / employee treatment (13%)	Poor working conditions / employee treatment (17%)	Poor working conditions / employee treatment & Out-dated / dying industry (9% each)	Poor working conditions / employee treatment & Community issues (11% each)	Poor working conditions / employee treatment (6%)	Poor working conditions / employee treatment & Environmental issues (9% each)	Corruption (7%)
3rd	Safety of workers (6%)	Create/ maintain employment (3%)	Safety of workers (6%)	Water issues (6%)	Corruption (8%)	Shortages / dwindling resources (7%)	Mining aftermath (6%)	Corruption (10%)	Quality (2%)	Climate change (8%)	Poor working conditions / employee treatment (6%)
	Kenya	Mexico	Nigeria	Pakistan	Peru	Russia	Spain	Turkey	UK	USA	
1st	Environmental issues (17%)	Poor working conditions / employee treatment (14%)	Environmental issues (21%)	Rescue of trapped miners (8%)	Environmental issues (54%)	Environmental issues (15%)	Poor working conditions / employee treatment (37%)	Poor working conditions / employee treatment & Environmental issues (11% each)	Environmental issues (23%)	Poor working conditions / employee treatment (30%)	
2nd	Poor working conditions / employee treatment (13%)	Environmental issues & Corruption (8% each)	Corruption (11%)	Poor working conditions / employee treatment (7%)	Poor working conditions / employee treatment (8%)	Water issues (12%)	Safety of workers (11%)	Human rights issues & Corruption (6% each)	Safety of workers (14%)	Environmental issues (26%)	
3rd	Create/ maintain employment (7%)	Rescue of trapped miners (5%)	Community issues (10%)	Environmental issues (6%)	Water issues (5%)	Poor working conditions / employee treatment (10%)	Environmental issues (7%)	Rescue of trapped miners (5%)	Poor working conditions / employee treatment (13%)	Safety of workers (16%)	

Environmental issues are most frequently mentioned in 15 of 21 countries surveyed, especially Peru, Canada, and Greece.

Poor working conditions are the most important issue in Mexico, Spain and USA.

Worker safety is rarely mentioned in developing countries.

R14_19_Mining_Table

Q19t. Thinking about the Mining industry - what is the most important issue it needs to address?



evidence and ideas. **applied**

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