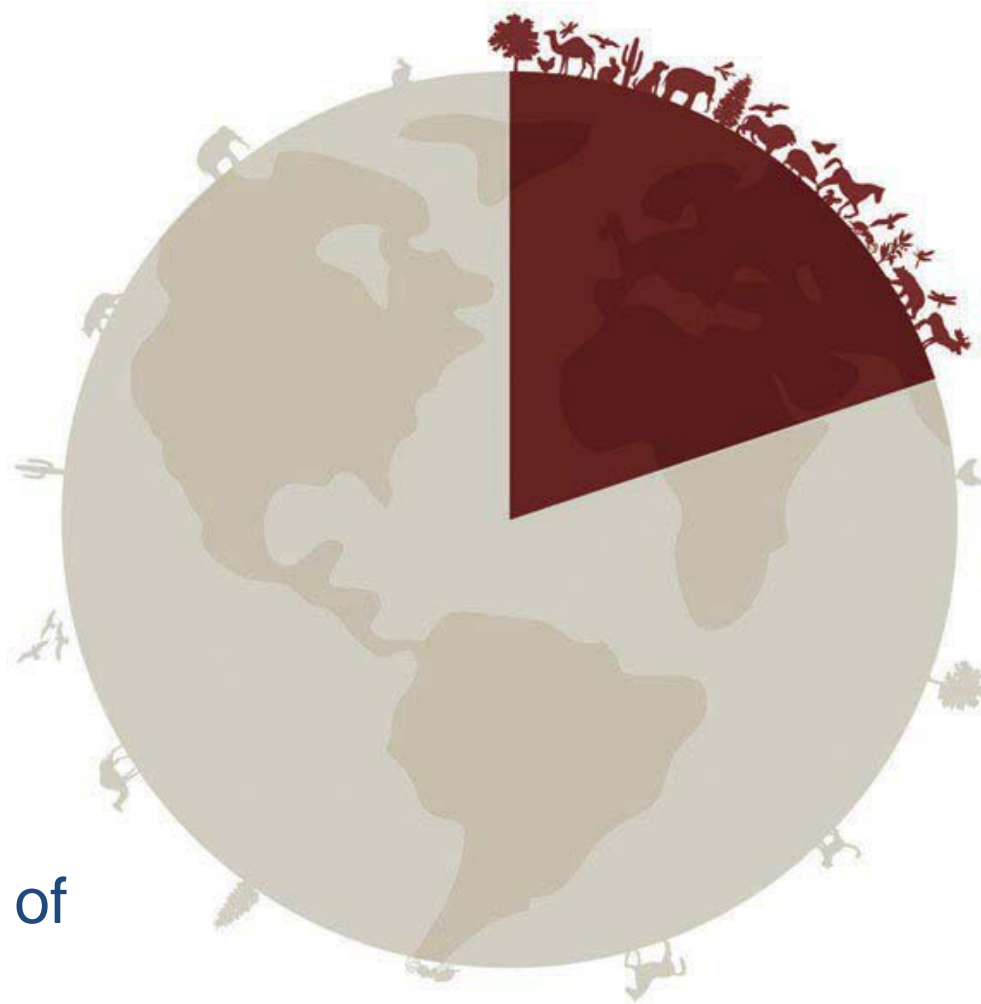


NAFA

April 13, 2016



Indigenous territories constitute 20% of the Earth's land mass



But that land harbors 80% of the Earth's remaining biodiversity

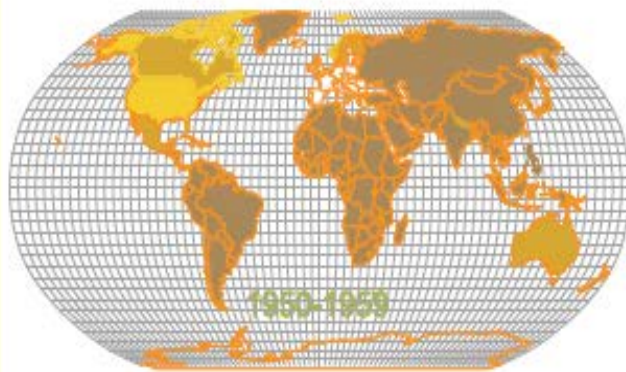
In 2009, EIRIS found that
250 companies worth \$2.7 trillion have
HIGH to **MEDIUM**
Indigenous rights risk exposure...

Less than 10 had Indigenous Peoples policies

#1:

The political, legal and
financial trajectories for
Indigenous Peoples' rights are
global

TRENDS IN INDIGENOUS SECURITY OF TENURE: 1950 - Present

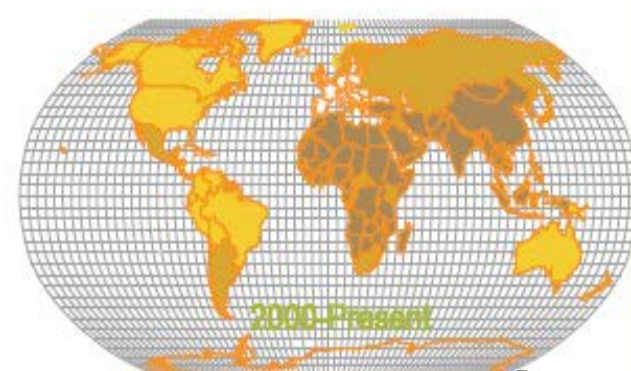
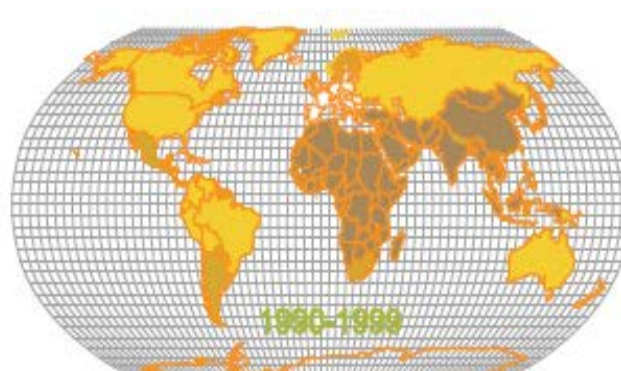
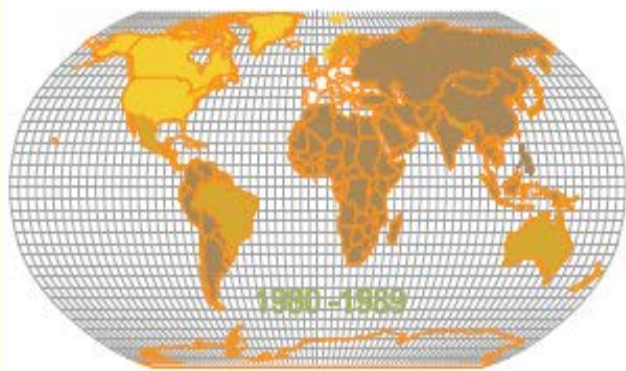


CHANCES OF GAINING RECOGNITION OF INDIGENOUS TENURE

Countries have been roughly classed according to the apparent chances for gaining recognition of indigenous territories or community lands.

- Reasonable chance ■
- Possible chance ■
- Unlikely chance ■

Sources for this map are listed at <http://www.firstpeoplesworldwide.org/mapping.asp>



FPIC

(Free, Prior, and Informed Consent)

**Companies need to build
their internal capacity to
engage with
Indigenous Peoples.**

“We don’t do consultation, we do communication. Consultation is you have a concept and seek feedback. That’s not what we do. We already have the plans. We communicate but without an opportunity to change our plans.”

Tale of Two Companies

“We work within their culture and we support them. Its not whether we can give or take or whether we receive but how can we learn with the Indigenous Peoples.”



\$25 billion in mining projects tied up or stopped

Social license to operate is 3rd greatest risk to mining





Extractives don't identify or understand the costs of conflicts with communities

Why do Indigenous Peoples Matter?

- International legal framework for FPIC
- Indigenous rights movement is getting stronger
- Corporate overlap with Indigenous land is growing

Oil, Gas, and Mining on or near Indigenous Land

39%

production

46%

reserves

Turning Risk into Opportunity

Tools and Resources

- Indigenous Rights Risk Report
- Shareholder Advocacy Leadership Training
- True Costs Collaboratory

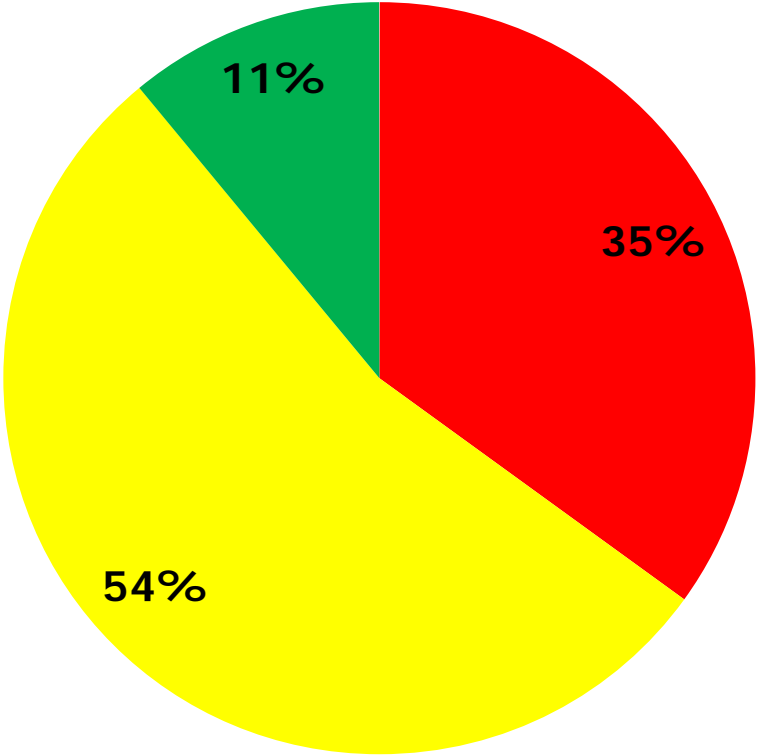
Indigenous Rights Risk Report

- A tool for investors to assess social risk
- Identified 52 US extractive companies' projects on or near Indigenous land
- Rated 330 projects' risk exposure to violating Indigenous rights

Methodology

- Country Risk (20%)
- Reputation Risk (20%)
- Community Risk (25%)
- Legal Risk (5%)
- Risk Management (30%)

Findings



■ High risk projects (35%)

■ Medium risk projects (54%)

■ Low risk projects (11%)

Shareholder Advocacy Leadership Training (SALT)

- First training curriculum on shareholder advocacy for Indigenous Peoples
- Connect Indigenous leaders with shareholders in companies on their lands



Thematic: All rights to Community

-
-
-
-

Thematic: All rights to Community

-
-
-
-

SALT Centers

- Treaty 8 Tribal Association (British Columbia)
- Matawa First Nations (Ontario)
- International Mayan League
(Guatemala/Mexico)
- More TBD

True Costs Collaboratory

- Bottom up metrics using citizen science and communities to identify social indicators
- Provides data on social costs to improve transparency and social risk analysis
- Community solutions to social problems caused by “boom and bust” extraction

10 Key Questions to Ask

#1: Ask for an Indigenous Rights Policy

Companies with policy commitments to FPIC and/or UNDRIP

Apache, ConocoPhillips, ExxonMobil, Freeport-McMoRan, Newmont

Companies with policy commitments to Indigenous rights

Chesapeake, Chevron, Cliffs, Devon, Hess, Kosmos, Marathon, Noble, Occidental, Spectra, Walter, Williams

Companies with none of the above

Allied, Alpha, Anadarko, Cabot, Cimarex, Cobalt, Compass, Concho, CONSOL, Continental, Denbury, Energen, EOG, EQT, EXCO, Intrepid, Kinder Morgan, Laredo, Molycorp, Mosaic, Murphy, Newfield, Peabody, Pioneer, QEP, Quicksilver, Range, Royal, Sandridge, SM, Southern, Southwestern, Ultra, Whiting, WPX

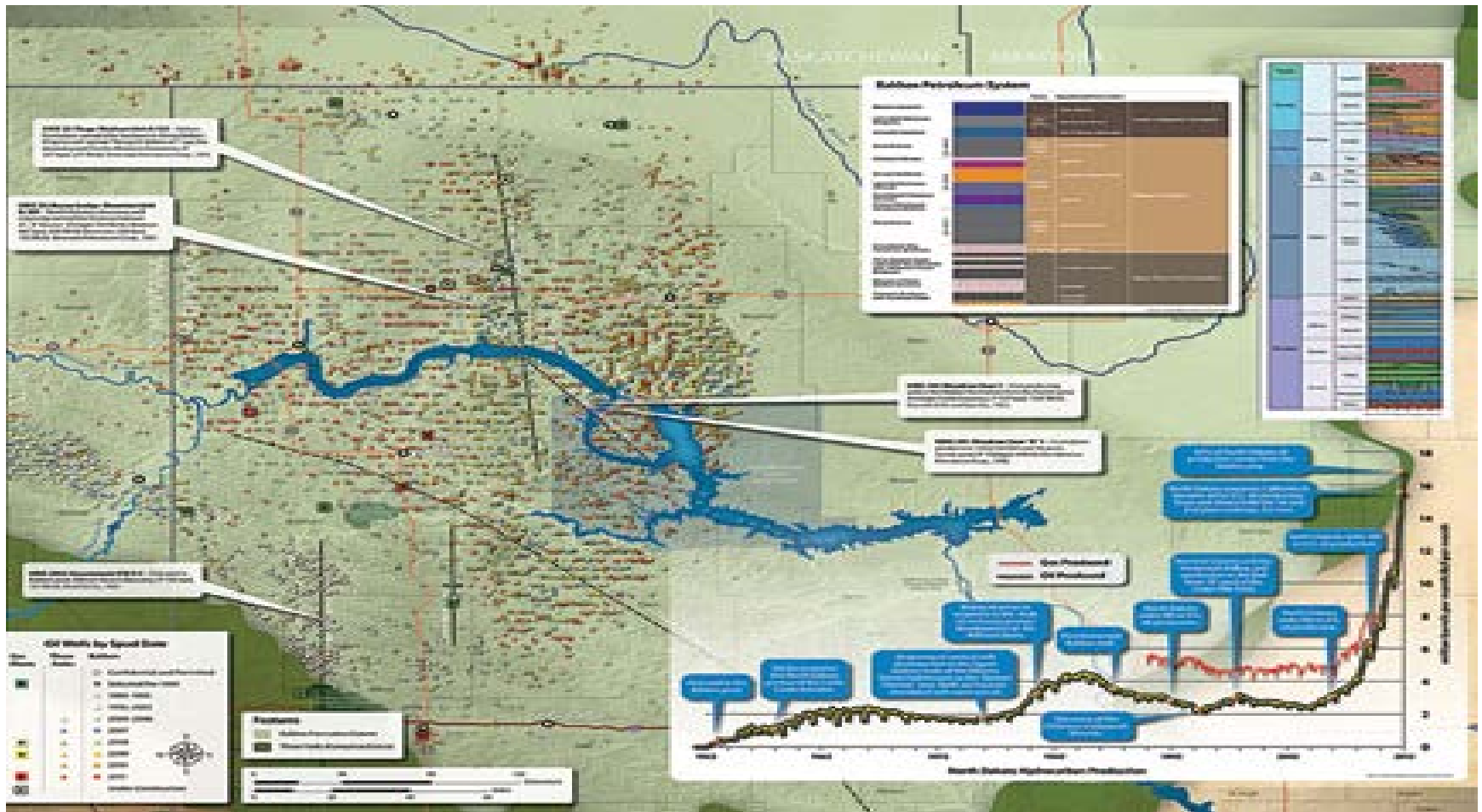
#2: Ask for a report on implementation of Indigenous Rights Policy

- Performance metrics
- Career incentives
- Reporting chains
- Allocation of resources and decision making power

#3: Ask for board oversight of social performance

- Of 52 companies, only 4 address social performance at the board level (ConocoPhillips, ExxonMobil, Freeport-McMoRan, and Newmont)

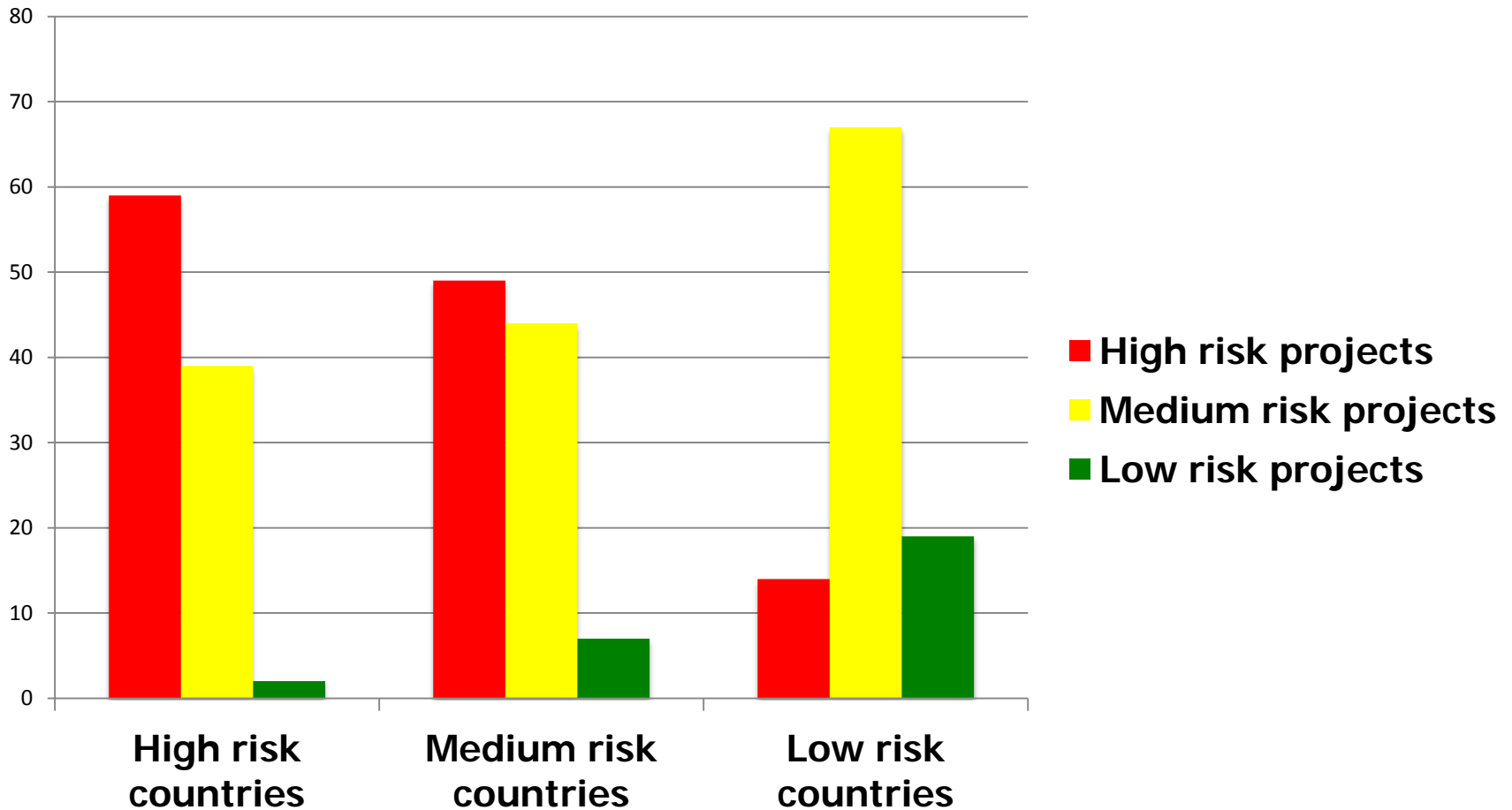
#4: Ask for inclusion of cumulative impacts in SEIAs



#5: Ask for inclusion of impacts on women in SEIAs



#6: Ask for a report on how country risk is affecting their social license



#7: Ask about the sustainability of their social investment strategy

- Benefits should flow throughout and beyond project life cycle
- Research on corporate funded community foundations

#8: Ask for disclosure of project level tax payments

- Communities need project level tax payments to make informed decisions about resource extraction
- Statoil and Tullow have done so

#9: Ask for disclosure of information related to shutdowns or delays caused by social risk



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#10: Ask for a Statement of Significant Audience and Materiality

- How the board identifies significant audiences and time frames
- How the board defines the role of that corporation in society
- The foundation for the company's integrated report