

Megatrends

The EY megatrends
framework helps EY predict
the future – it exposes
business leaders to trends
and forces far outside their
usual scope of analysis,
reducing the risk of missing
out on, or being sidelined by,
the 'next big thing'.

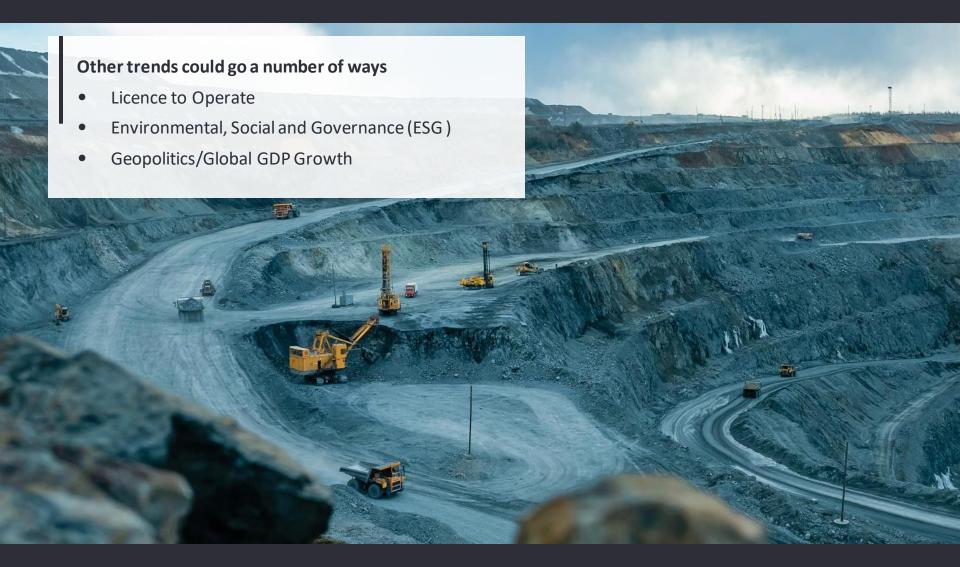
A number of megatrends will influence what Mining looks like in 2040

Some of these are, in our opinion, easy to predict

- Depleting Assets & Resources
- Growth & Capital
- Digital & Technology
- New demand due to adoption of energy transition
- Purpose & transparency in production, trade and agreements



Other trends impacting the sector





What sort of an environment could we be facing in 2040?

Intense public scrutiny and internationally coordinated regulatory environment

Regulation 0000000 Survival of the **New Economy, New Miners Fittest** Demand for commodities **Pushing the Global** Race to the Lowest **Frontiers**

Global economy with strong demand for commodities

Uncoordinated regulatory environment with societies and government prioritising development over sustainability



Slow global

depressed

growth leading to

commodity prices

Scenario 2 is most likely: New Economy New Miners

An environment of high demand and high level of regulation.

- A changing political climate sees governments play an active role in regulating the industry and spurring investment in clean technologies.
- License to operate will be tougher to obtain on rising pressure from society 'to conform'
- Mining companies will need to critically assess what gives them the right (license) to extract minerals and manage relationships with an increasing number of stakeholders.

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Key considerations

Scenario plan for the different future as current trends, risks and opportunities evolve

Slow global

growth leading

to depressed

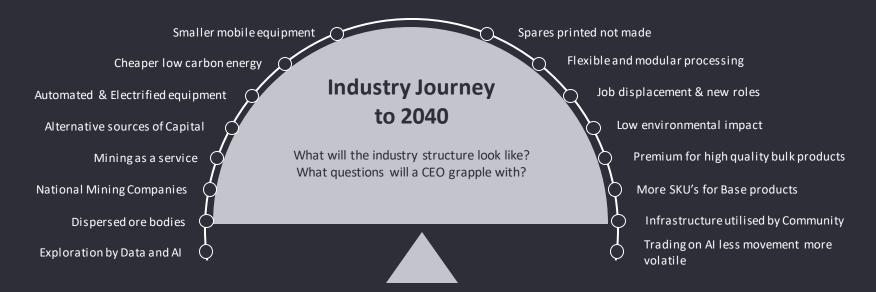
commodity

prices

• Take a long term view of the sector



Next wave mining — industry journey to 2040



Transformation - Increasing complexity is going to be a key driver

Miners will have to move from Mine to Mill (Now - 2020) to Market to resource (2040)

