

Biodiversity

For Oyu Tolgoi, biodiversity refers to the variety of life on earth – the different animals, plants and micro-organisms, and the ecosystems they inhabit. Oyu Tolgoi’s approach aims to minimize the mine’s operational impact and contribute to biodiversity conservation so that the region ultimately benefits from the mine’s presence.

Oyu Tolgoi LLC also works with international non-government organisations (“NGOs”), consultants and university researchers to ensure a net positive impact on biodiversity of the mine area. The annual biodiversity monitoring programs

provide information to assess the effectiveness of the mitigation strategies that have been incorporated into the Oyu Tolgoi LLC operational management plans.

The Core Biodiversity Monitoring Program (“CBMP”) contract was renewed for an additional five years to 2024. Despite the COVID-19 pandemic, overall CBMP activities have progressed well in 2020 although travel restrictions have impacted the Khulan collaring program. Despite the challenges, 28 satellite GPS collars were deployed to Khulan providing insights into the movements and habitat use of Gobi Desert hooved animals and critical information for planning and assessing mitigation action.

Oyu Tolgoi LLC has implemented several biodiversity offsetting projects that contribute to making a net positive impact on biodiversity and ecosystem services in the region. An example of this is the anti-poaching offsetting project in which Oyu Tolgoi LLC is collaborating with local government agencies. This project started in 2015 as a pilot and continues to be a successful initiative. A Multi-Agency Team and a Mobile Anti-Poaching Unit were formed to improve and solve the difficulties that patrols face. The Anti-Poaching Unit consists of East, Central and West teams and patrol the Omnogobi and Dornogobi aimags. In addition, the rangers of the Small Gobi Strictly Protected Area A and B also carry out patrols in the protected areas close to Oyu Tolgoi.

Another important component of the anti-poaching project is the implementation of the Spatial Monitoring And Reporting Tool (“SMART”) software package that is used to plan patrol efforts, monitor patrols, and document the location of carcasses found by the patrols. The information collected in the SMART system can then be used to assess patrol effectiveness. The effectiveness of the SMART system has enabled the Government of Mongolia to develop a working group that is examining the expansion of SMART into other protected areas in Mongolia. To support the anti-poaching programs and overall management of endangered species in the region Oyu Tolgoi also conducts khulan carcass assessments. The khulan carcass survey runs every year to provide the project with relevant information regarding poaching and natural death rate of khulan within a 50,000 square kilometres area of Oyu Tolgoi. The main goal of this survey is to determine the density of poached carcasses in areas believed to be

experiencing high rates of poaching and to use this information in planning anti-poaching patrols.

Other offset projects include powerline insulation in order to reduce bird mortality, development of sustainable cashmere and modification of railroad fencing to lower the impact on fauna. Although COVID-19 impacted many offset projects in 2020, the powerline offset initiative proceeded particularly well with technical requirements for avian friendly powerlines approved by the Science and Technology Committee of the Ministry of Power and Energy in December 2020. As a result Oyu Tolgoi is now in a position to show a net gain from the powerline offset project.

The biodiversity team has organized stakeholder consultation workshops with significant input from local government officials, which helped it to gain a greater understanding of the underlying goals of offset programs and the necessary support to continue these programs.



Camel Herd grazing near Oyu Tolgoi Mine Site Complex, Khanbogd soum.