



SUSTAINABILITY REPORT 2021

A member of:

ICMM
International Council
on Mining & Metals

**MINING WITH
PRINCIPLES**



WE MINE FOR PROGRESS

Cover Image: Participant of Kinsevere agricultural project, receiving seeds for farming season.
Internal Cover: Las Bambas mine



At MMG, our vision is to be the world's most respected mining company. To achieve this, we are committed to positively contributing to our host regions while also effectively managing the risks to people, heritage and the environment.

We recognise that the sustainable development of our host countries and communities is the result of many shared steps. Over time these steps lead to real and lasting improvements in the quality of the lives of those touched by our operations. Transforming natural resources into sustainable development is how we mine for progress.

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ABOUT OUR REPORT

REPORT BOUNDARY AND SCOPE

In this report, 'MMG' refers to MMG Limited and its subsidiaries, unless explicitly stated otherwise.

The report covers the activities of MMG's Head Offices in Melbourne, Australia and Beijing, People's Republic of China, and all MMG's mining, exploration and associated activities. Except where specifically stated, our Hong Kong and Vientiane (Lao People's Democratic Republic) offices are not included in this report due to the immaterial nature of their sustainability impacts.

All data listed in this report refers to the period from 1 January 2021 to 31 December 2021. Data relating to the previous reporting period has been included where it is comparable and adds useful context. All people numbers are accurate as of 31 December 2021.

All data is reported on a 100% equity basis.

REPORTING APPROACH

This report has been prepared in accordance with the Global Reporting Initiative's (GRI) 2016 Sustainability Reporting Guidelines (GRI Standards): Core option, GRI 303 (2018) and GRI 403 (2018), as well as specific GRI indicators as they relate to each of our material issues. The GRI Content Index can be found in the Appendix to the Sustainability Report at www.mmg.com.

Our water reporting is aligned with the International Council on Mining and Metals' (ICMM) - A Practical Guide to Consistent Water Reporting; and we report in line with the Minerals Council of Australia (MCA) Water Accounting Framework.

Currency is reported in US dollars, unless stated otherwise.

This report has been reviewed and approved by our Disclosure Committee.

MATERIALITY ASSESSMENT PROCESS

We periodically conduct a materiality assessment process to ensure we are reporting on the issues that matter most to our stakeholders. We review feedback from stakeholders through interviews, Executive Committee and Board papers, investor feedback and media reports.

To build on this insight, in 2020 Deloitte was engaged to conduct an external materiality assessment and stakeholder engagement process.

This process identified a slight shift in MMG's material issues and the need to incorporate additional topics in order to fully represent the risks and opportunities facing the Company. For more information about MMG's approach to materiality assessment and stakeholder engagement, refer to page 8.

Information and data about emissions to air, water usage, energy usage and waste produced can be found in the 2021 Annual Report at www.mmg.com.

EXTERNAL ASSURANCE

CECEP (HK) Advisory Company Limited carried out an independent limited assurance procedure over elements of this report, guided by the ICMM Assurance Procedure as per the Independent Assurance Statement on pages 75-79. This included assurance of our alignment with the requirements of the GRI Standards: Core option.

MMG rotates its third-party validation through all its operations so as to have a more comprehensive understanding of their alignment to our sustainability practices. For the 2021 year, Kinsevere was chosen to complete assurance of the four sites.

The limited assurance focused on three of the 12 material sustainability issues identified through our materiality assessment process. The three issues selected were chosen through an independent process without MMG participation and include:

1. Grievance Mechanisms
2. Artisanal and Small-scale Mining (ASM)
3. Closure Plans

For more case studies about our sustainability initiatives throughout 2021, visit our website

wemineforprogress.com 

CHIEF EXECUTIVE OFFICER'S MESSAGE

Dear MMG Shareholders,

I am pleased to present our 2021 Sustainability Report and my first as interim CEO.

COVID-19 PANDEMIC RESPONSE

In 2021, managing the impacts of the COVID-19 pandemic continued to be a primary focus for our sites and offices as we worked to mitigate risks whilst delivering production, driving development and providing employment.

Our focus has been on promoting COVID-19 vaccinations and following all relevant regional Government strategies to help protect our people and provide support to the communities in which we live and work.

I am proud of our team for their commitment and resilience in very challenging circumstances, particularly our safety and health teams who have worked tirelessly to implement and update protocols to protect the health and safety of our people and communities.

SAFETY

At MMG, the health and safety of our people is our first value. We work hard to embed a company-wide safety mindset reinforced by our leaders, behaviours and culture across all our sites and offices. Nothing is more important than ensuring our people can arrive home safely at the end of each day.

I am pleased to report that our full year Total Recordable Injury Frequency (TRIF) has reduced by 21% to 1.09 for the full year 2021. In 2021 we also saw a drop in the number of Significant Events with Energy Exchange (SEEE), which shows that we are improving our understanding of risks and ensuring that the right controls are in place.

Concerningly we saw an increase in the number of high potential recordable injuries, this is a reminder to all of us to keep a safety-first mindset, look out for each other and stop and think before completing any task.

Tragically, I regret to report that on 27 August 2021, a vehicle transporting 18 contractors from Cusco to the Las Bambas mine left the road in the Huallpachaca area located in the Cotabambas province causing the death of 16 passengers and leaving two people injured. This is a tragic loss that has impacted many of us at MMG and Las Bambas and we extend our deep sympathies to the families and friends of those lost.

We are committed to eliminating injuries in our business and we remained focussed on understanding the root causes of all incidents, sharing our learnings and updating our procedures to prevent them from happening again.

WE MINE FOR PROGRESS

At MMG, we consider stakeholder feedback to be a valuable indicator that helps our operations to anticipate community concerns and proactively manage social risks. Feedback, whether it is a suggestion, compliment or complaint matters to MMG and we are always proactively seeking opportunities to improve and ensure we are living our value of "We Want to be Better."

In 2020, we undertook a review of our corporate Stakeholder Grievance Management processes to ensure alignment with the ICMM's updated guidance document "Handling and Resolving Local-level Concerns and Grievances: Human rights in the mining and metals sector (2019)," as well as the International Labour Organisation Declaration of Fundamental Principles and Rights at Work, the Extractive Industries Transparency Initiative and the UN Global Compact. Throughout 2021 we have worked with all site teams to better understand local grievance processes and launched a common self-serve platform to automatically record confidential grievances.

MMG understands the lasting impact we can have on the lives of the communities where we work and live, which is why at Kinsevere we have committed to supporting new bridge construction, road rehabilitation, health facilities, water pumps, schools, markets, depots and administration offices over the next five years.

And while we do not always agree on development priorities, we are committed to peaceful and proactive dialogue to build sustainable solutions.

During 2021, Las Bambas operations continued to be disrupted by a series of ongoing community blockades on public roads between the Las Bambas operation and the port. These disagreements centre on benefit sharing, local business and employment opportunities and compensation issues.

The use of road disruption as a means of facilitating solutions presents significant challenges to the operation of Las Bambas, with the site losing over 400 days of transport as a result of the ongoing blockades. MMG is committed to finding enduring and peaceful solutions but acknowledges that we can't do this without the ongoing and proactive support of regional and national governments.

SETTING ENVIRONMENTAL, SOCIAL AND GOVERNANCE TARGETS ACROSS MMG

As a company we are proud of our reputation as a business that is serious about sustainable development and managing impacts to people, heritage and environment. Our standards of performance and disclosure on environmental, social and governance (ESG) issues must continue to expand to meet rising expectations from our stakeholders and investors.

To ensure we can meet this challenge and the growing reporting and compliance requirements, we have created ESG focus indicators designed to target our efforts towards the most material issues for our business and our stakeholders. It is intended that these performance metrics will be integrated into each site's annual targets in 2022 and then will be integrated into our performance incentive programs from 2023.

These metrics include a sustained focus on reducing our carbon footprint and maximising our contribution to an emerging low carbon economy. Copper and zinc produced by our operations are essential inputs to low carbon technologies including solar panels, wind turbines, electric vehicles and large-scale batteries to name just a few.

MMG has set itself a number of near, and medium term targets as part of our Climate resilience Strategy. They include a commitment - along with International Council on Mining & Metals' (ICMM) members - to support measures that will limit global warming, targeting net zero emissions by 2050.

MMG has also set a near-term science-based target of a net reduction in greenhouse gas emissions of 40%, by 2030 based on our 2020 levels. This is an ambitious target and sets MMG on a pathway to sourcing energy in new ways. As a first step on that journey in 2021, MMG's Dugald River mine has entered into a 15-year renewable energy agreement which will supply solar power to Dugald River from early 2023, reducing its carbon footprint and providing immediate energy cost savings.

BUILDING A SUSTAINABLE FUTURE

As we look ahead to 2022, we are working to build momentum on the solid foundation for sustainable development and business growth we have built throughout the year.

MMG Rosebery will be continuing planning for rehabilitation post-closure as well as extending the life of the operation that supports 500 local jobs. Extending the life of Rosebery will require a new tailings storage facility with works ongoing in determining the

best location. We recognise that there are elements of valuable biodiversity of the local area where the mine has operated for over 85 years and are committed to working to preserve it in partnership with our local community.

I am also excited to further develop and deliver on our strategic growth opportunities in Peru via the Chalcobamba development and the Kinsevere Expansion Project in the DRC, strengthening our commitment to these critical regions.

I extend my thanks to our employees, shareholders and host communities for your continued support. I want to particularly recognise our people for the dedication and contribution to our sustainability performance in such a challenging year. I look forward to the coming year as we continue to mine for progress.



LI LIANGANG

CHIEF EXECUTIVE OFFICER (INTERIM)

OUR MATERIAL ISSUES

Our material issues include a broad range of sustainability issues, including economic risks and opportunities that have the potential to affect our performance or reputation, as well as our ability to create value and deliver progress over the short, medium and longer term.

MMG recognises that sustainability issues can become material to the business either gradually or rapidly and in 2020, the business engaged Deloitte to conduct an external materiality assessment and stakeholder engagement process in order to validate and/or update the existing material issues.

Deloitte’s preliminary view on MMG’s material issues was informed through a market scan of ESG trends in MMG’s operating context including global megatrends such as the transition to a low carbon future, industry issues, stakeholder views and peer disclosures. A total of 16 individual material issues were identified, categorised into seven themes and presented to MMG management for consideration, review and validation.

Throughout 2021 a comprehensive review and update of the suggested material issues was performed by Head Office Functional Discipline Leads (FDLs). The below material issues were endorsed by the Executive Committee and approved by the Board to be monitored as of 1 January and disclosed in MMG’s next Sustainability Report.



CATEGORY



MATERIAL ISSUES to be reported as of 2022

ETHICAL BUSINESS CONDUCT	Business ethics and transparency Trust and sovereign risk Privacy and cyber security
HEALTH, SAFETY AND WELLBEING	Zero harm and safety culture Mental health and wellbeing
CLIMATE CHANGE ACTION	Impacts of climate change Transition to a lower carbon economy
MANAGING ENVIRONMENTAL IMPACTS	Natural resource stewardship Impacts of mine closure Tailings and waste management
SOCIAL ENGAGEMENT AND INVESTMENT	Community engagement Local and regional development
TALENT ATTRACTION AND RETENTION	Diversity and inclusion Employee value proposition
SUSTAINABLE VALUE CHAINS	Value chain sustainability Supply chain resilience

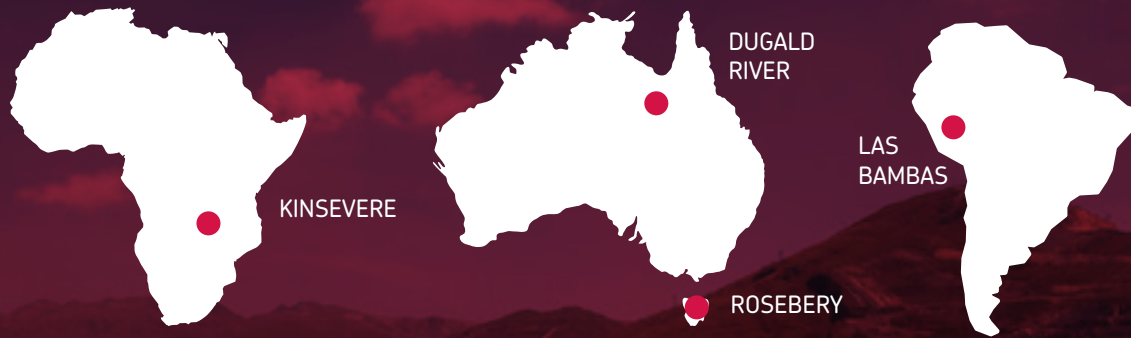
A set of 52 performance indicators allocated across the 16 material issues were developed to be implemented into business planning for progress to be reported in MMG’s 2022 Sustainability Report.

MMG's 2021 Material Sustainability Issues remain consistent with previous years as provided below. Where possible, we have included information regarding MMG's approach to the updated material issues in preparation for associated data and analytics to be disclosed as of 2022.

2021 MATERIAL ISSUE	DESCRIPTION	STAKEHOLDERS AFFECTED	MORE
Strategy and growth	The role of brownfield development and near-site exploration in driving our growth objectives, and the role of asset divestment and acquisition as a platform to underpin future growth.	Employees, communities, suppliers, government, investors, media and industry	p.19
Corporate governance and business ethics	Maintaining strong corporate governance and business ethics in the context of operations in complex jurisdictions.	Employees, suppliers, government, investors, non-government organisations, media and industry	p. 29
Compliance and conformance	Regulatory compliance and acting responsibly across our operations, in line with our values and external commitments.	Suppliers, government, investors, non-government organisations, media and industry	p. 31-32
Safety and health	Maintaining workforce safety and health.	Employees, suppliers, non-government organisations and industry	p. 32-40
Sovereign risk and government relationships	Managing sovereign risk that impacts our business and maintaining positive government relationships in the context of significant change in the political and fiscal environments for our operations.	Government, investors, non-government organisations, media and industry	p. 40
Community engagement	Community engagement and participation in planning and decision-making across life of asset.	Communities, government, non-government organisations, media and industry	p.40-45
Human rights	Managing the impacts of our operations on human rights. This includes labour, Indigenous rights and the rights of women and children.	Communities, government, non-government organisations, media and industry	p.45-49
Social development and investment	Working with communities, governments and other partners to measurably support development and economic livelihoods.	Communities, government, non-government organisations, media and industry	p.53-58
Water access and use	Recognising that water is an asset with social, economic and environmental value. Managing water access, freshwater withdrawal, water inventory and discharge quality.	Communities, government, non-government organisations and industry	p.62-66
Tailings and waste rock management	Managing acid mine drainage and tailings infrastructure.	Communities, government, non-government organisations, media and industry	p.66-69
Social and economic impacts of mine closure	Managing the impacts of mine closure on community employment and economic development. Exploring opportunities for economic transition and the ongoing use of mining-related infrastructure.	Communities, government, non-government organisations and industry	p.72-73
Land management and rehabilitation	Managing land holdings effectively over the life of the operation, including their progressive rehabilitation and relinquishment, and provisioning for closure.	Communities, government, non-government organisations and industry	p.72-74

OUR OPERATIONS

MMG has four operating sites across the world and employs over 10,000 employees and contractors.



AUSTRALIA - Includes Dugald River, Rosebery and Australian Operations office

PRODUCTION

249,767 tonnes of zinc in zinc concentrate **45,414** tonnes of lead in lead concentrate **1,567** tonnes of copper in copper concentrate

ECONOMIC CONTRIBUTION (US\$ '000)

\$90,366 Total tax incl. royalties	\$114,936 Total wages and benefits**	\$98,862 Total capital investment
\$397,530 Total local supply procurement	\$276 Social development spend	

2021 WORKFORCE

1,169 Total workforce	
10.66 % female	96.5 % national

DEMOCRATIC REPUBLIC OF THE CONGO (DRC) - Includes Kinsevere, Lubumbashi and Johannesburg offices

PRODUCTION

48,017 tonnes of copper cathode

ECONOMIC CONTRIBUTION (US\$ '000)

\$89,409 Total tax incl. royalties	\$54,295 Total wages and benefits	\$22,420 Total capital investment
\$101,910 Total local supply procurement	\$1,089 Social development spend	

2021 WORKFORCE

1,867 Total workforce	
15.48 % female	94.50 % national

PERU - includes Las Bambas and Lima office

PRODUCTION

290,097 tonnes of copper in copper concentrate **4,985** tonnes of molybdenum in concentrate

ECONOMIC CONTRIBUTION (US\$ '000)

\$247,755

Total tax incl. royalties

\$128,414

Total wages and benefits

\$452,294

Total capital investment

\$1,174,250

Total local supply procurement

\$31,574

Social development spend

2021 WORKFORCE

5,667

Total workforce

98.6

% national

12.13

% female

CORPORATE OFFICE* - includes Melbourne, Beijing, Hong Kong and Vientiane offices

2021 WORKFORCE

165

Total workforce

49.37 % female

Note: For information on royalties and income tax, procurement and employment taxes and benefits, refer to the Tax and Community Contribution section (**page 59**) of this report.

% national = the percentage of the workforce with the same nationality of the country where the operations are located.

% female = the percentage of women in the MMG workforce. This does not include contractor numbers.

* MMG Corporate includes Melbourne and Beijing Head offices, Hong Kong office and Vientiane.

** Total wages and benefits for Australia include expenses where the role may report into but take place outside of the country.

OUR OBJECTIVES AND TARGETS

The 12 objectives listed in the ensuing pages represent aspirational goals with measurable targets. These specific targets have been monitored, with progress tracked as part of MMG’s sustainability reporting since 2019.

OBJECTIVES	TARGETS	COMMENTS/PROGRESS TO DATE
<p>Safety and health</p> <p>We are committed to ensuring our employees go home from work in the same physical and mental health every day.</p>	<ul style="list-style-type: none"> • 100% implementation of fatal risk controls at all sites. • Full implementation of our Safe Task Management approach. 	<ul style="list-style-type: none"> • Critical controls from the Fatal Risk Standard in place, resulting in a reduction of SEEE (Significant Events that had Energy Exchanged). • Safe Task Management approach embedded in the Safety, Security, Health and Environment (SSHE) Performance Standard resulting in a reduction in TRIF (total recordable injury frequency). • Safety Culture Survey completed at three operations identifying safety improvement opportunities.
<p>Sovereign risk and government relationships</p> <p>Constructive relationships with our partners in national, regional and local governments enable us to proactively manage sovereign risk and change.</p>	<ul style="list-style-type: none"> • Develop or maintain relationships with key government and department stakeholders in the regions in which we operate. • Actively engage in the political process to inform government decision-making on material issues to MMG. • Contribute to the relevant public policy debates to develop and enhance human capability in the regions in which we operate. 	<ul style="list-style-type: none"> • Las Bambas works closely with the Government of Peru to manage community concerns regarding land acquisition and social compensation for the public road used for transporting Las Bambas concentrates. • Kinsevere continues to work with the Democratic Republic of Congo (DRC) authorities regarding the implementation of aspects of the 2020 Revised Mining Code.
<p>Strategy and growth</p> <p>Consistent performance enables us to grow a pipeline of development projects by acquisition.</p>	<ul style="list-style-type: none"> • Deliver our growth strategy through doubling the size and value of MMG, and to double it again by 2030. 	<ul style="list-style-type: none"> • Advanced permitting of the Chalcobamba pit expansion and early work in progress for the Kinsevere Development Project.
<p>Land management and rehabilitation</p> <p>We effectively manage our land holdings over the life of the operation and seek to protect future land use options.</p>	<ul style="list-style-type: none"> • Mitigation Management Plans and Biodiversity Offset Management Plans are developed, implemented and verification processes are in place to track control effectiveness – where these plans are required across the Group. • Mitigation hierarchy embedded within the site land clearance and disturbance processes across MMG. 	<ul style="list-style-type: none"> • Biodiversity offset and management plans continue to be fully implemented and verified as per our SSHE Performance Standard. • The site land clearance and disturbance mitigation hierarchy continue to be embedded and verification is ongoing at all operations.
<p>Social and economic impacts of mine closure</p> <p>We seek to help diversify the local economic base of our communities to manage the impacts of mine closure on community employment and economic development.</p>	<ul style="list-style-type: none"> • End-of-life land use planning and diversification opportunity identification commenced for all sites within five years of closure. • Social impacts of closure integrated into life-of-asset planning and social investment strategies. 	<ul style="list-style-type: none"> • In Australia, MMG became a partner in the Cooperative Research Centre for Transitions in Mining Economies (CRC TiME), which aims to drive transformational change in the mine closure sector. • Rosebery community project completed – gaining an understanding of local readiness for closure including potential economic diversification opportunities. • The social impacts of closure continue to be integrated into annual life-of-asset planning and social investment strategies at all operations. • The Dugald River Progressive Rehabilitation and Closure Plan was revised.
<p>Tailings and waste rock management</p> <p>We effectively manage the safety and environmental risks of tailings infrastructure, acid and metalliferous mine drainage.</p>	<ul style="list-style-type: none"> • Non-acid forming (NAF) and potentially acid forming (PAF) criteria are agreed for all sites and a process established to validate criteria. • Implementation of independent Dam Review committees, engineers of record, and independent third-party reviews at all sites. • Review all site dams by year end. 	<ul style="list-style-type: none"> • Independent Dam Review committees, engineers of record, and independent third-party reviews have been implemented at all sites, including reviews for major revisions to tailings infrastructure. • All dams were reviewed by year end. • All sites followed their specific waste rock management procedures. • Las Bambas is finalising dump design work for potential new sites.

OBJECTIVES	TARGETS	COMMENTS/PROGRESS TO DATE
<p>Water access and use</p> <p>We effectively manage our water intake, inventory and discharge to minimise our impacts on other users within the catchment, including upstream and downstream communities and the environment.</p>	<ul style="list-style-type: none"> • Trigger Action Response Plans (TARPs) developed and implemented across all sites. • Updated and calibrated site-wide water balance model and water management plan to optimise water management/consumption for each site. 	<ul style="list-style-type: none"> • All sites have developed TARPs for water management, tailored to site-specific risks and management concerns. • All sites have a water balance model and all models have been updated within the last 12 months. • Strong focus on minimising the impact to other users in the catchment.
<p>Social development and investment</p> <p>Our activities and investments measurably support development and economic livelihoods in the communities and regions in which we work.</p>	<ul style="list-style-type: none"> • Investment strategies at sites aligned to regional and national social objectives. • Investments deliver measurable positive impact against United Nations (UN) Sustainable Development Goals (SDGs) 1–6 indicators. 	<ul style="list-style-type: none"> • All social spend in 2021 is being reported under the relevant SDGs 1 – 6. • Sites working collaboratively with local stakeholders, including regional and national governments and non-government organisations (NGOs), to identify shared social investment opportunities.
<p>Community engagement</p> <p>We effectively engage communities and local leadership, and encourage participatory planning and decision-making for our life of asset.</p>	<ul style="list-style-type: none"> • Affected communities effectively engaged in material project modifications, extensions and expansions. • Application of free, prior and informed consent (FPIC) in line with the requirements of the ICMM Position Statement on Indigenous Peoples. 	<ul style="list-style-type: none"> • Ongoing engagement with community stakeholders, including Kinsevere’s participatory planning sessions, Las Bambas’ land access and community dialogue and participatory environmental monitoring. • FPIC built into MMG’s site-specific engagement strategies. • Community perception survey and TSF3 engagement program completed at Rosebery site.
<p>Compliance and conformance</p> <p>We are committed to environmental regulatory compliance and to operating in alignment with our organisational values.</p>	<ul style="list-style-type: none"> • No environmental non-compliances identified by third party. • No repeat significant environmental events (as per MMG definition of significant). • Establish a mandatory annual environmental audit that fulfils environmental regulatory requirements and provides annual assurance on status of compliance. 	<ul style="list-style-type: none"> • All environmental non-compliances were reported to regulators on time. • No repeat significant events were reported. • Site-level audits carried out annually, with Second Line of Defence reviews conducted regularly. • Monthly review of each sites environmental monitoring and compliance presented to the Executive Committee.
<p>Corporate governance and business ethics</p> <p>Our business ethics underpin the way we work as we grow and develop our operations in complex jurisdictions.</p>	<ul style="list-style-type: none"> • Full compliance with all applicable obligations under Hong Kong Exchange (HKEx) listing requirements. • 100% of relevant MMG employees trained in anti-bribery and corruption policies and obligations. 	<ul style="list-style-type: none"> • MMG aims to comply with its obligations under the HKEx listing rule requirements and was not aware of any material breaches in 2021. • All relevant MMG employees were provided access to anti-bribery and corruption training in 2021.
<p>Human rights</p> <p>We recognise, respect and will remedy the impacts of our operations on the human rights of our employees and the communities in which we work.</p>	<ul style="list-style-type: none"> • Accepted as an active participant in the Voluntary Principles Initiative (VPI). • Grievance management processes at all sites compliant with UN Guiding Principles on Business and Human Rights. • Ensure all complaints relating to the International Labour Organization’s (ILO) four fundamental principles and rights at work, namely freedom of association, elimination of forced labour, child labour and discrimination at work, are reviewed and improvements or action taken where required. 	<ul style="list-style-type: none"> • MMG published the second VPI Annual Report as an Engaged Member of the VPI in February 2022 (available here). • Grievance mechanisms at all sites are compliant with core remedy requirements of the UN Guiding Principles on Business and Human Rights. • Grievance management process was updated, launching an external facing Stakeholder Feedback Portal. • Modern slavery training completed by supply and legal teams, human rights working groups and various operational functions at all sites.

OUR RESPONSE TO COVID-19

As a global organisation, MMG has been affected by the spread and impacts of the COVID-19 pandemic. Safety is our first value and to this end, the health and safety of our employees, contractors and the local communities remains at the forefront of our management approach.

Our dedicated teams across all global locations monitored impacts and advice from local authorities. We worked collaboratively with local communities to ensure they had sufficient resources available, while continuing with day-to-day operations at each site, to the extent it was safe to do so.

OUR EMPLOYEES AND CONTRACTORS

In 2021, due to the sustained COVID-19 outbreak, MMG maintained a range of safety controls that were implemented in 2020. The MMG Crisis Management Team maintained oversight of the corporate and site-based responses to COVID-19, and each of our operations retained their emergency management teams to develop site-level plans.

For different periods during the year, many of our people based in our Melbourne, Lima, Hong Kong, Vientiane and Johannesburg offices worked from home for extended periods to ensure they were safely able to continue their duties. All employees were provided with Employee Assistance Program support service contact details in their countries and local languages, available to use for themselves and their families.

Given the nature of mining, working from home is not an option for the majority of our people. Those who are based at our operations are critical to the success of our business, and we worked hard to support them and to ensure their workplaces are as safe as possible.

In addition to the COVID-19 protocols for protection, self-isolation and reporting established in 2020, additional preventative safety measures were triggered including:

- Following all local government and health department directives including contact tracing.
- Ongoing communications about COVID-19 vaccines including benefits, availability and access.
- In Peru and the DRC, regular assessment of symptoms and COVID-19 testing before, during and after departure from site.
- In Peru, a 24-hour quarantine period was established prior to site access, allowing for COVID-19 testing and health checks .
- In the DRC, quarantine is required for returning travellers prior to returning to site.
- In Peru a teleconsultation service, including a medical team is available to employees and their families requiring any support related to the COVID-19 pandemic.

All sites have plans in place in the event of a positive case being identified and we will continue to follow local government and health department guidelines and review sites implementation as required.

MMG promoted a strong vaccination campaign as the best way to maintain a healthy workforce, prevent the spread of COVID-19 and its possible long-term complications, and reduce absenteeism due to COVID-19. This messaging was provided through posters, emails and other methods highlighting the benefits of protecting yourself and your family, your fellow workers and the community, building trust in COVID-19 vaccines.

As the need for remote working increased, the following actions were taken to support a healthy work environment for our people at home:

- Awareness-raising: Employees and their families were provided information on preventative measures to take at home.
- Psychological assistance was available in some circumstances, through the Employee Care Program.
- Active breaks were implemented to reduce the stress caused by work.
- Virtual meetings focused on the well-being of all our employees while working on site or at home.
- Support and flexible roster arrangements were initiated for people and families affected by COVID-19 or other health concerns.

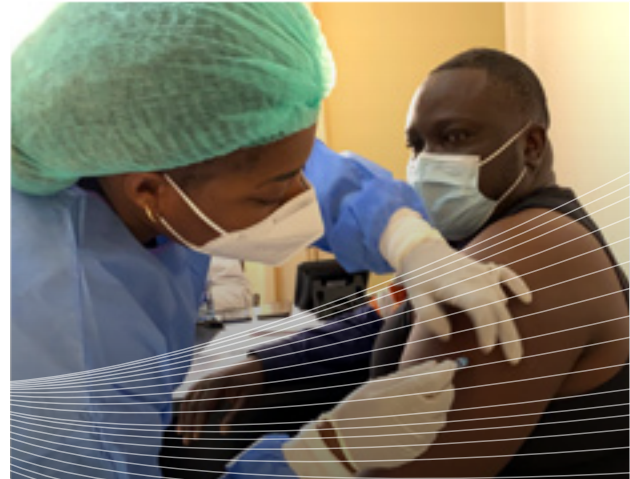
OUR COMMUNITIES

The health and safety of our host communities is vital, especially during these uncertain times.

We continued to work with our local communities and stakeholders and implemented initiatives to support local and national government efforts. We worked to manage risks arising from workforce transportation (fly-in, fly-out and bus-in, bus-out) and continue to work with regional governments, communities and other stakeholders to ensure their concerns are included in our continuity plans.

In addition to ongoing dialogue with all communities, local and regional stakeholders, and the programs put in place in 2020, we continued to execute community support initiatives including:

- Additional funding and support for local and regional health directorates, including sourcing critical PPE, oxygen plant and additional medical equipment donations, training and coordinating with the national government on their behalf (as required).



CASE STUDY

COVID-19 PREVENTION STRATEGY AT KINSEVERE

At our Kinsevere operation, 'We Do What We Say' is a central plank of a strategy that has kept our employees and their families safe during the COVID-19 pandemic.

MMG Kinsevere developed several measures to help our people and our communities access fact-based and credible COVID-19 health information.

The Kinsevere medical team is also overcoming misconceptions related to the vaccine by profiling people who have received two vaccine doses. Vaccine hesitancy continues to present a major challenge to the site and across the DRC, where only 0.1% of the population of 105 million is vaccinated, as of the 31st of December 2021.

Kinsevere will continue to work hard to encourage COVID-19 vaccination uptake as an additional layer of protection for our people and their families.

To learn more about Kinsevere's approach to COVID-19 safety on site, visit wemineforprogress.com.

OUR RESPONSE TO COVID-19

CASE STUDY

MANAGEMENT OF COVID-19 AT LAS BAMBAS

COVID-19 continues to be an extremely contagious virus and a risk to our people. The Las Bambas health team worked hard in 2021 to continue implementing preventative measures to comply with MMG and Peruvian protocols to help protect our people and prevent the spread of the virus.

There was an ongoing focus on adapting our way of work to ensure our people had the necessary equipment to protect themselves and others. The team developed a modified transportation mobilisation procedure, and encouraged preventative health measures including hand washing, regular disinfection of vehicles and equipment, and the mandatory use of face masks.

Other improvements made include upgrades to ventilation and air conditioning systems, barriers in common areas and revised eating and shift times to reduce the movement of people. The site also has a dedicated COVID-19 health team, tasked with providing critical follow-up care to positive cases.



- The communication of national public health and vaccination advice in both official and indigenous languages. This is especially important in the DRC where access to quality healthcare and reliable information about COVID-19 including vaccination remains a challenge.
- Provision of medical equipment and supplies to local communities and hospitals during supply shortfalls.
- In the DRC
 - » collaboration with UNICEF, supporting local schools with virus protection kits including hand wash stations, liquid soap, masks, buckets and thermometers.
 - » the provision of a PCR machine assigned to Kinsevere's partner hospital – Medpark, significantly increasing testing rates for the region.
 - » Creating a COVID-19 forum with credible medical advice from respected bodies including the World Health Organisation and Centre for Disease Control and Prevention to combat the strong anti-vaccine sentiment in the country.

- In Peru
 - » donation of thousands of food and basic necessity packages
 - » providing COVID-19 tests for 17,780 local business employees and caring for 400 contractor employees with health personnel at a temporary care centre hired by Las Bambas.

We acknowledge COVID-19 continues to impact the regions where we operate, and we will support our people, communities and stakeholders throughout the pandemic. We will also continue to monitor advice from governments across our operating jurisdictions and will assess and communicate any changes to the current arrangements as required.

For information on how we work to protect and support our employees, local stakeholders and communities during the COVID-19 pandemic, visit wemineforprogress.com.

OUR COMMITMENT TO THE ICMM

As a member of the ICMM since 2009, MMG has aligned its performance and external commitments to the ICMM's Sustainable Development principles for over 12 years.

In 2018 the ICMM undertook a global public consultation to review the need for a comprehensive set of performance expectations to build on its 10 principles of Sustainable Development – at the corporate and site level. The result was the 2020 launch of the Mining Principles which serve as a best practice framework for the mining and metals industry, and are further supported by eight additional position statements. They provide a comprehensive set of environmental and social requirements, including issues such as labour rights, resettlement, local engagement, gender, access to grievance mechanisms, mine closure, pollution and waste.

In line with the above and in order to meet our membership requirements, in 2021 MMG undertook a company-wide self-assessment. The objective was to validate the Mining Principles at the Corporate level as well as at each operation to inform potential future assessment and alignment planning across operations at the asset level.

A baseline review of MMG's Corporate Policy and Reporting Framework for alignment against the 10 ICMM Mining Principles and corresponding Performance Expectations was undertaken in 2020 and 2021 and it incorporated the following tasks:

- Desktop review of all corporate documentation.
- Development of desktop review / test plan and gap assessment based on ICMM Validation Guidance for ICMM Mining Principles.
- Policy commitment alignment.
- Document content alignment mapping.
- Collation of detailed comparative assessment of MMG Sustainable Development Framework and key public performance reports.

All MMG sites also undertook their own self-assessments against the Mining Principles as well as developing their own action plans to address gaps. Those action plans are regularly revised according to progress.

The ICMM validation criteria have a total of seven sections which specifically request member companies to have policies that demonstrate the business commitment to the Mining Principles. The findings at a corporate level have now become MMG's benchmark for future alignment work to take place across all our sites. MMG has met all validation criteria where a policy commitment is explicitly referenced as an expectation.

In 2021, in line with ICMM requirements, we also engaged an external assurance provider to undertake an external validation of one site's compliance and progress to date on the implementation of the Mining Principles. The findings from this review will be prioritised at the site level and the same process will take place at another of our sites in 2022.

Our Chief Executive Officer is a member of the ICMM Council, and we participate actively in various working groups.

MMG's sustainability policies and standards are in alignment with the ICMM Mining Principles and mandatory Position Statements as disclosed in the Sustainability Report Appendix found at www.mmg.com.

1 WHO WE ARE



With headquarters in Melbourne, Australia and Beijing, China, MMG is a mid-tier, global producer of base metals, including copper and zinc and is listed on the Hong Kong Stock Exchange (HKEx:1208).

We operate and develop copper, zinc and other base metal projects across Australia, the DRC and Peru.

WHO WE ARE

GROWTH STRATEGY

At MMG our ambition is to double the size and value of MMG, and to double it again by 2030.

Our strategy is enabled by:

- building on the strength of China, the world's largest customer and producer, and the second largest economy.
- providing a safe, healthy and secure workplace, and a culture of collaboration, accountability and respect.
- operating and developing our assets to their full potential with a business owner mindset.
- being valued for our commitment to progress, long-term partnerships and experienced management.
- embracing the advantages of a distributed operating structure, supported by a core group of disciplines and common values.

We have built a strong foundation in attractive commodities in some of the world's most prospective mining regions. Our business is based on a commitment to international standards, coupled with an operating philosophy of simplicity and efficiency.

The support of our major shareholder, China Minmetals Corporation (CMC), is fundamental to our success. Together, we are building capability and a reputation as China's premier international mining growth platform.

Fundamental to our success is maintaining strong relationships with our people, local communities, regulators and host nations, as well as sharing the benefits that flow from our investments and operations.

OUR OPERATING MODEL

MMG's vision is to build the world's most respected mining company. We mine to create wealth for our people, host communities and shareholders.

We have established strong foundations that support future growth and development. MMG has four strategic drivers that are embedded into our corporate planning and decision-making processes:

1. **China Champion:** Building on the strength of the world's largest consumer of metals and mineral resources to create a sustainable competitive advantage.

2. **Business Miner:** Adopting a mindset that leverages excellence in owning and operating mines to generate superior returns on investment, enhancing our ability to fund and deliver future growth.
3. **Federation of MMG:** Embracing the advantages of an empowered and diverse operating structure with core group disciplines and guiding values that drive a unique way of working across our international footprint.
4. **Delivering Progress:** Taking pride in mining's role in driving social progress through local, regional and national contributions and delivering materials for a changing world.

Aligned with achievement of its ambitions, MMG is structured as follows:

- **Operations:** largely self-sufficient sites, with regional offices driving local efficiencies.
- **Operations and technical support:** a limited number of experts in areas critical to the operation of the global asset base.
- **Global services:** lowest cost delivery of truly global and shared activities.
- **Corporate:** lean corporate offices, based in Melbourne and Beijing, focused on only what is needed to operate and govern a listed business and support growth.

A key requirement of our operating model is the implementation of common standards across operations to manage material risks, support compliance with our external commitments, and deliver and maintain competitive advantage. In this way our operating model enables our sites to focus on continuously improving operational performance, and our service and support hubs to focus on the ongoing improvement of the services and support provided to sites.

MMG AND CHINA MINMETALS

Our commitment to sustainable development is supported by our major shareholder CMC.

CMC is China's largest metals and minerals conglomerate, and has a strong relationship with overseas institutions, and resource and construction projects in more than 60 countries. In 2021, it ranked 65th in the Fortune Global 500 list of companies – the 15th consecutive year of being listed.

WHO WE ARE

CMC operates across the industry value chain, from resource acquisition and exploration to project design, construction, operation, marketing, distribution and further processing in the global metals and minerals sector.

With a commitment to using natural resources sparingly, CMC has achieved a series of technological innovations related to resource efficiency.

The corporation's sustainability philosophy is based on a firm commitment to create the greatest possible integrated value for the economy, society and the environment. This is achieved by operating with integrity and aligning competencies to the goals of stakeholders based on local economic and social needs.

CMC employees uphold the philosophy of sustainable development through the careful use of limited resources. CMC is striving to play the role of a leading state-owned capital investment company in the metals and minerals industry. Their goal is to build a world-class metals and minerals business.

VALUE CHAIN

Our value chain extends from the initial work to identify prospective deposits through to managing the responsible closure of operations, this includes:

- Geoscience and discovery: project generation, near-mine exploration and extending mine life.
- Project development: evaluating geoscience and discovery results, mine design, planning and development, environmental and social impact assessments to determine the feasibility of developing a mineral deposit into an operating mine.
- Operations:
 - » Extraction of mineral deposits utilising different metallurgy techniques suitable for our mineral deposits.
 - » Processing of extracted mineral deposits separating commercially valuable minerals from their ores to produce a saleable product.
- Road and rail transport: delivering raw materials from our mines in-country to export ports.
- Sea transport: dispatching raw materials via charter vessels in order to deliver our product to overseas customers.
- Marketing: working closely with our customers to deliver value.
- Economic transition and closure: We prepare for closure throughout the life cycle of a project. Closure involves maximising the potential value of infrastructure and land-based assets



We seek to minimise the negative impacts of our operations and maximise the benefits we can provide to our host communities, regions and, through the products we produce, consumers and the general public.

by considering alternative economic uses, coupled with the monitoring of environmental and social impacts and land restoration for future use.

SUPPLY CHAIN

MMG sources goods through a global supply chain to satisfy the requirements of our operating sites. Our suppliers are essential to our business and we value our relationships. In 2021, we engaged approximately 3,000 suppliers, of which over 90% were in Peru, Australia, the DRC, South Africa and China. Our total spend in 2021 was over \$2,190 million.

We purchase goods and services related predominantly to site and mining services, energy, logistics and activities associated with fixed plant and mobile assets. We assess suppliers throughout the contract award process to ensure they are aligned with our Supplier Code of Conduct and other relevant policies and procedures.

SUPPLY CHAIN MANAGEMENT

As part of our supplier engagement and contract award process, we undertake a comprehensive assessment, including a risk-based due diligence assessment across a range of criteria including commercial, quality and technical capabilities. When selecting suppliers, we also assess a range of non-financial criteria including:

- compliance with laws; protection of human rights and avoidance of forced labour and inhumane treatment of workers, child labour;
- provision of fair wages, benefits and working hours;
- freedom of association; avoidance of discrimination and harassment; promotion of diversity and inclusion, status protected by applicable laws;
- protection of health and safety, environmental compliance and ethical business practices; and
- employee development and training and social contribution and commitment to local employment.

MMG's supply chain, legal and risk functions are in the process of engaging a third party for supplier credit and compliance assessments.

As part of our supplier engagement process, we seek formal agreement from suppliers to be aware of and comply with our Supplier Code of Conduct and Anti-Corruption policies as well as other relevant Company standards, policies and procedures, including those related to human rights, health and safety and the environment.

Approximately 685 supply contracts were entered into or renegotiated in 2021, with a total value of \$1.3 billion.

In 2021, we regularly reviewed and reported on agreed contract performance measures, as well as identifying and actioning improvement opportunities. We also worked to expand our due diligence processes emphasising the risks of human rights abuses and modern slavery practices, policies and compliance.

MMG has developed a Modern Slavery Escalation Protocol, and Remediation Guidelines, to provide guidance to MMG people on actions to take should MMG become aware of any suspected or actual issuance of modern slavery connected to MMG's operations or supply chains. In preparing these documents MMG has referred to and drawn on the Guidance for Reporting Entities published by the Australian Department of Home Affairs.

In 2022, we will continue to strengthen our processes to ensure responsible sourcing by introducing additional external resources for the gathering of third-party data, to help us identify the potential risks of engaging, renewing or extending a relationship with a supplier.

To read more about MMG's supply chain management and the controls put into place during 2021, visit [mmg.com](https://www.mmg.com) to view our 2021 Modern Slavery Statement, which will be released in the second quarter of 2022.

[mmg.com](https://www.mmg.com) 

OUR CUSTOMERS

We sell our products to a global customer base, and we work closely with our customers to deliver value. The copper concentrate produced at Las Bambas is predominantly sold to customers in Asia, with China being the largest market. Las Bambas molybdenum concentrate is sold to customers in Chile and Asia. Copper cathode produced at Kinsevere is delivered to copper consumers in Europe, the Middle East and Asia. Zinc and lead concentrates produced at our Australian mines (Rosebery and Dugald River) are delivered to smelters in Australia and Asia.

PRODUCT STEWARDSHIP AND RESPONSIBILITY

The commodities we mine at MMG are critical to realising the global Sustainable Development Goals (SDGs) set out by the UN. Many of the minerals and metals we produce are essential building blocks for the technologies, infrastructure and agriculture required to ensure the world can continue to meet the needs of a growing population and the transition to a green economy while also delivering products in a way that minimises our impact on future generations.

MMG supplies products that consistently meet our customers' quality expectations and are safe for people and the environment. We operate in accordance with processes and procedures that guide us in identifying and managing significant risks to human health, and the environment during the transportation, storage, handling and processing of our products.

We are a member of the International Zinc Association (IZA) and a regional member of the International Copper Association (ICA), through which we contribute to the development of new applications for our products that are safe, efficient and beneficial to the world at large.

OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT

We seek to minimise the negative impacts of our operations and maximise the benefits we can provide to our host communities, regions and, through the products we produce, consumers and the

WHO WE ARE

general public. This approach has been endorsed by our Board of Directors and senior management team and is executed across our Company through our organisational policies and standards.

MMG's commitment to operating in line with the ICMM's 10 Mining Principles is set out in our Safety, Security, Health and Environment Policy (refer to our Appendix for the ICMM Mining Principles on www.mmg.com). Our approach to sustainable development is also guided by our:

- Sustainable Development Framework;
- Corporate Governance Policy;
- People Policy;
- Quality and Materials Stewardship Policy; and
- Shareholder Communication Policy.

We are active members of leading industry organisations, including:

- Chamber of Mines of the DRC/Mining Progress Initiative of the DRC;
- International Council on Mining and Metals;
- International Zinc Association;
- International Copper Association;
- Queensland Resources Council;
- Peru Sociedad Nacional de Minería, Petróleo y Energía (Peru National Society of Mining Petroleum and Energy);
- Tasmanian Minerals, Manufacturing and Energy Council; and
- Voluntary Principles Initiative (Engaged Member).

We support the Extractive Industries Transparency Initiative (EITI) across all participating jurisdictions.



CASE STUDY

MMG KINSEVERE PRAISED FOR ITS COMMITMENT TO SUSTAINABLE DEVELOPMENT

MMG Kinsevere is committed to sustainable development and understands the potential for the operation's positive impact on the local community, our people, their families and future generations. In November 2021, the site hosted delegates from the Belgian Development Agency (ENABEL), the Federation of Businesses of Congo (FEC), the Ministry of Education and non-government organisations overseeing children's rights and education.

The aim of the visit was to learn more about youth employment and training, education, agriculture, health and gender-based matters. The 25-strong member delegation saw how Kinsevere is working to fulfil its corporate social responsibilities including:

- Financial support for teachers and the impact of free education in rural schools
- The operation of the health centre after the project was handed over from the mine
- The support farmers receive from Kinsevere and the public service
- Sewing workshop development assistance and financial benefits to local tailors

To learn more visit: wemineforprogress.com



We are committed to building lasting partnerships with our people and ensuring they have the right capabilities and development opportunities to deliver on our strategy.

OUR STANDARDS, RISK MANAGEMENT AND ASSURANCE

Our business-wide standards outline MMG's requirements in managing material risks, meeting legal and external obligations, and creating and preserving competitive advantage and organisational effectiveness. These standards provide the basis for sustainable operations and are aligned to the ICMM's Mining Principles and the eight ICMM Position Statements. MMG's Risk Management Procedure is based on ISO 31000:2018, which is the international risk management standard.

MMG's Risk Management Procedure outlines the process to identify, analyse, control and evaluate risks within the Company. Risks are assessed against consequence criteria to determine the maximum foreseeable losses that would arise in the absence of existing controls. This process helps determine the material risks for the organisation. Material risk information is presented to the Audit and Risk Management Committee and the MMG Board to ensure active oversight and involvement in risk management is maintained at a high level within the Company.

MMG's assurance program focuses on verifying that the critical controls required to manage material risk events are implemented and effective. We apply a 'Three Lines of Defence' assurance approach to our standards.

The First Line of Defence involves standard implementation by the business, and routine testing and reporting of the effectiveness of critical controls for material risks.

The Second Line of Defence is undertaken by Group Functions. It involves periodic review of the design of the control framework described by the standards, and validation of business conformance with the standards.

The Third Line of Defence is MMG's internal audit program, which tests the design and effectiveness of our standards, critical controls regarding material risks, and the effectiveness of the first and second lines of defence. Internal audit also reviews key process areas highlighting good practices and areas that management may consider for further improvement. The internal audit program is managed by MMG's Audit, Risk and Assurance team.

In 2021, the annual internal audit plan was approved by the Audit and Risk Management Committee. The focus of the internal audit program is on material risks to the business, encompassing both financial and non-financial risks.

OUR PEOPLE

We are committed to building lasting partnerships with our people and ensuring they have the right capabilities and development opportunities to deliver on our strategy.

MMG has one standard governing people and employee benefits globally – the People Standard, which was reviewed and updated in 2021. This standard is supported by Work Quality Requirements, systems and processes to ensure global standards and local requirements are met, including those related to people availability and onboarding, remuneration and benefits, performance and development management, equitable treatment and inclusion and travel approvals.

We are also aligned with all national and provincial statutory requirements in the countries where our operations are located. MMG, through rigorous selection processes, selects the best people for each position and rewards them competitively with remuneration and benefits that are in line with market conditions and their contribution to our overall business success. We are committed to sharing our successes with our communities through

WHO WE ARE



CASE STUDY

PROMOTING WOMEN IN THE DRC

In 2021 Kinsevere promoted Ursule Ntumba to the role of Senior Mine Engineer, the first Congolese woman to hold this senior position on site. Ursule commenced her career at Kinsevere as a Graduate Engineer in 2014 and has since held various engineering roles within the company. This promotion was recognition of Ursule's talents and capabilities, as well as site-specific training initiatives that acknowledge the role diversity and inclusion plays on site.

"I would ask the new generation to exceed what my generation has achieved. Set yourself a plan and aim high by graduating from university – and not just for a first level mine position. But for those who don't have access to higher education and who have struggled to get ahead in life, on-the-job training can be a pathway. The important thing for any woman working in mining to say is 'I have the skill and I can do this,' and then to go and demonstrate this in the field!"

Visit wemineforprogress.com to read her views on how we can advance more diverse talent within the mining industry.

local employment opportunities, and by investing in training and education that helps local residents to transition to careers in our business operations.

MMG provides its people with opportunities to develop their skills, expertise and experience. Our 'My Progress' process aligns our people with the business plan and identifies areas for development. This process ensures our people know what is expected and are supported to fulfil the requirements of the role, contribute to the business plan and further develop skills to close capability gaps that may exist within MMG. We provide vocational training and competency verification to drive safety, efficiencies and to assist with the management of material business risks.

In addition, we enable employees' professional development to enhance leadership capabilities and support career pathways. Capability planning sessions with the executive committee are conducted as a commitment to MMG's approach to develop from within, and ensure we have behaviours and skills to deliver on our strategy.

We also work to bring people into the industry through a number of programs, including trainee roles (including traineeships and apprenticeships) and support for tertiary graduates in mining-related disciplines. These programs include our work with the Kalkadoon People, including the apprenticeship program at our Dugald River operation, graduate programs for young professionals and traineeships and apprenticeships provided for local community members near our Rosebery and Kinsevere operations, graduate and training programs for local community members with the Peruvian national training provider SENATI, as well as support for Monash University's Mining Engineering course.



In addition, the following training, development and engagement initiatives were implemented in 2021:

- Presentation Skills training delivered for all Melbourne office employees.
- Leadership Development program in partnership with the Sustainable Minerals Institute, University of Queensland. The residential component of the course will be run in early 2022 as it was postponed due to COVID-19 restrictions.
- Leadership program for Chinese leaders delivered by AsiaLink.
- Annual 'My Performance' process was maintained, comprising of objective-setting, monthly discussions, annual performance discussions and development planning.
- Employee keynote and paper presentations at technical conferences.
- Introduction of a quarterly recognition program, with annual CEO awards.
- Four Capability Planning sessions held with the executive committee to review succession plans and development actions.

- The list of critical roles and core competencies were updated throughout MMG to ensure business continuity across its most specialised areas.
- The Biannual People and Culture survey was distributed to gather employee feedback and develop action plans with an improvement in the engagement index result of 4.7% in 2021.

MMG seeks to recruit talented people from diverse backgrounds, particularly from the communities and regions in which we work. We are committed to supporting and encouraging our employees to develop both professionally and personally.

In 2021, the following group-wide diversity and inclusion initiatives were developed:

- Updated MMG Diversity and Inclusion Strategy to include greater focus on:
 - » increasing female representation rates across all areas.
 - » flexible working arrangements.
- Sexual harassment and appropriate workplace behaviour training delivered across all sites.

MMG PEOPLE AS AT 31 DECEMBER 2021

SITE	PERMANENT	TEMPORARY	TOTAL
Dugald River	271	378	649
Kinsevere	788	1,079	1,867
Las Bambas	2,672	2,995	5,667
Rosebery	342	153	495
Corporate	158	7	165
Australian Operations	25	-	25
MMG	4,256	4,612	8,868

Note: Data represents MMG permanent and temporary employees, including contractors.



WHO WE ARE

- Fiona Vines, BHP's Head of Inclusion and Diversity and Workforce Transition presentation to MMG's Executive Committee on BHP's diversity journey
- Regional Diversity and Inclusion Committees were set up at all operating sites to drive local diversity and inclusion initiatives
- Flexible working arrangements implemented in Melbourne head office as a transitional arrangement following the hybrid working model arising from COVID-19 measures
- Female representation targets were developed for implementation in 2022
- A plan to review, update and deliver all relevant training in 2022 such as Code of Conduct, equitable treatment and sexual harassment awareness.

In 2021, MMG employed 4,256 employees, which was largely consistent with 2020 numbers. Contractors remain an important part of our business model for the execution of short and medium-term projects and to ensure flexibility in a changing economic environment.

Our 2021 annual turnover (voluntary and involuntary) increased slightly from 5% to 6%.

MMG undertakes workforce and community engagement with, and offers support to, individuals affected by any changes to business decisions. We acknowledge the impact organisational changes and restructures can have on mental health and wellbeing, and we work to support our people through a range of programs including out-placement support for those made redundant as well as counselling and wellbeing support services.

MMG recognises the role that unions play in ensuring a constructive workforce and we are committed to engaging in the negotiation of collective agreements in line with local laws, processes and legislative bodies. In January 2021, the Rosebery collective agreement was approved and the Dugald River and Kinsevere collective agreement negotiations progressed.



CASE STUDY

DUGALD RIVER WOMEN'S INSPIRING CAREER ADVICE

MMG Dugald River is committed to inspiring younger generations to undertake STEM studies and pursue a career in mining. This is particularly true in supporting female miners to grow and thrive in our industry.

Molly Stanistreet, a Mine Geologist, said from the moment she stepped foot underground she knew it was exactly where she wanted to be.

"Whether it's mineralogy, exploration geology or any number of other exciting career paths, geology is so much more than just the study of earth science," she said.

"There really is no limit to what can be achieved when diversity is introduced into the fields of science and engineering, and luckily, the mining industry strongly advocates for female equality and equal opportunity employment. It's such an exciting time to be a woman in science and to be able to guide girls into a career that inspires them and allows them to make a difference."

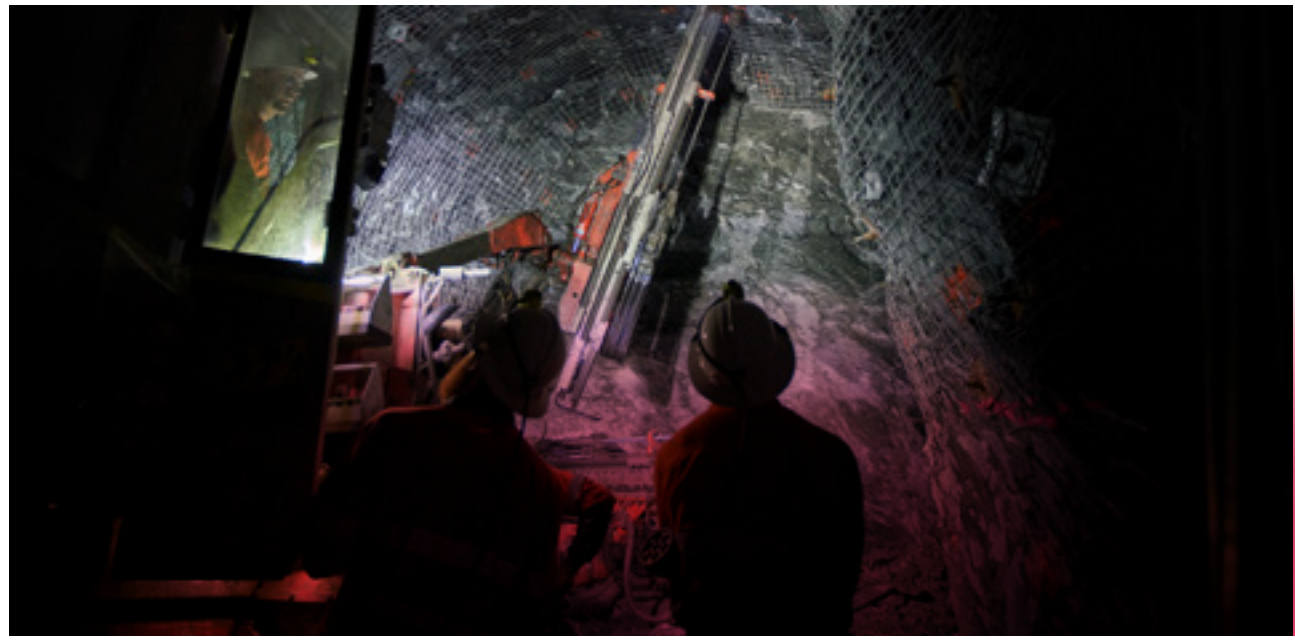
To learn more visit wemineforprogress.com

In 2021, we continued the establishment of the Beijing office and put in place initiatives to ensure close communication between the Beijing and Melbourne offices, including monthly information sharing sessions and regular functional team meetings.

MMG PEOPLE BY EMPLOYMENT TYPE AND GENDER

SITE	FULL TIME		PART TIME		LIMITED TENURE		CASUAL		TOTAL
	Female	Male	Female	Male	Female	Male	Female	Male	
Corporate	58	50	3		17	30			158
Kinsevere	112	637			10	29			788
Las Bambas	257	2074			62	279	5	11	2672
Australian Operations	57	520	3	1	8	33			638
TOTAL	484	3281	6	1	97	371	5	11	4256

Note: Data represents MMG permanent employees, not including contractors.



2 THE WAY WE WORK

The way we work at MMG is central to enabling us to contribute positively to the shared global goals of sustainable development.

THE WAY WE WORK

MMG's Board of Directors (Board) is accountable for the Company's sustainability performance. This includes health and safety, security, environment, social performance, governance, human rights and other sustainability-related issues, as well as the MMG Sustainable Development Framework.

The MMG Board regularly reviews and discusses sustainability-related issues at its meetings, and decisions are delegated to the Executive Committee for management of these issues. The Board also reviews the quarterly Executive Safety, Health, Environment and Community (SHEC) report.

The following principles underpin the way we work at MMG:

- We value the role of our major shareholder in supporting us with access to international capital, helping us develop relationships to work in challenging jurisdictions, and the commitment we share to the development of people and communities.
- We operate in complex social and political environments; however, despite the differences in legislative and social contexts, we maintain the same company aspiration to mine for progress while operating in alignment with our corporate values.
- Legal compliance forms the basis of the way we work. Beyond this, our continuous improvement effort is aligned to key business risks and opportunities, and we adopt international frameworks to ensure consistency in our approach.
- We always operate ethically and transparently and encourage others to follow our lead.
- We take a life-of-asset approach, planning with the end in mind to maximise the value of the development of our natural resources and to secure enduring community benefits.
- We recognise the value of using existing business decisions to leverage broader development outcomes, as this will enable us to ensure communities and governments see value in our presence in their communities, regions and nations.
- We are supported by a 'Federated' organisational structure – providing accountability for whole-of-business performance as close as possible to the operations, while maintaining a core of shared values, standards and governance.
- We seek to partner with organisations that share our values and commitment to human progress and development. We recognise that involving knowledge, delivery and funding partners enables us to leverage greater outcomes from our investment.

CORPORATE GOVERNANCE

We are committed to upholding a high standard of corporate governance practices through a quality Board, sound internal controls, and transparency and accountability to all shareholders. We understand that good governance is not just a matter for the Board and it is equally the responsibility of Executive Management to embed governance practices throughout the organisation. MMG applies the principles of good corporate governance as set out in the Corporate Governance Code of the Hong Kong Listing Rules, and those of the ICMM.

Our Audit and Risk Management Committee and the Governance, Remuneration and Nomination Committee operate under clear terms of reference. We also have a number of Executive management committees, including the Executive Committee, the Disclosure Committee, Investment Review Committee, Mineral Resources and Ore Reserves Committee and Code of Conduct and People Committee. A function of the Executive Committee is to review safety, health, environmental and social performance in order to improve efficiency and effectiveness. Specific SHEC matters to be discussed by the Board include identification, review and governance of SHEC-related material issues, significant incidents, remediation/mitigation strategies and any specific areas of focus as identified by the Board.

In accordance with the Company's Sustainable Development Framework, owned and endorsed by the Board and implemented across the Company, the Board carries out identification, review and governance of SHEC-related material issues consistent with this framework. The framework aligns with the ICMM's Mining Principles. The Company's approach is informed by our Corporate Governance Policy, People Policy, Shareholder Communication Policy, SHEC Policy, and Quality and Materials Stewardship Policy.

MMG endeavours to ensure that all applicable transactions are in compliance with the Hong Kong Listing Rules.

More information on our committees and our Corporate Governance Statement is available in our 2021 Annual Report at www.mmg.com.

THE WAY WE WORK

Managing cyber security risk is a priority across MMG as we operate internationally across many different jurisdictions.

BUSINESS ETHICS

Our Values and our Code of Conduct underpin our commitment to establishing and maintaining long-term meaningful relationships with our stakeholders, including governments and employees. We aim to act with integrity in all situations and to provide formal structures to review and respond to any potential behavioural, ethical or cultural issues as they may arise.

The MMG Code of Conduct sets out the standards of behaviour expected from all MMG employees, contractors and suppliers. We expect MMG people to integrate these standards of behaviour into their work practices.

The Code of Conduct covers areas such as conflict of interest, fraud, anti-corruption and legal compliance. Matters relating to the Code of Conduct are overseen by our Code of Conduct and People Committee, chaired by the Executive General Manager, Corporate Relations. MMG engages an independent confidential whistleblower service. The Whistleblower Framework is an integral part of MMG's Corporate Legal Compliance Standard. In 2021 MMG launched an external facing Stakeholder Feedback Portal to capture, monitor and respond to any grievances discussed in the External Stakeholder Feedback Portal Case Study, page 43. MMG also has an Anti-Corruption Standard and Framework.

All MMG employees including management and directors are informed of and required to comply with the Code of Conduct and Anti-Corruption Standard and Framework as a condition of their employment. An online training module is made available to employees and directors, and face-to-face training is conducted from time to time. As part of the new sustainability performance indicators in effect as of 2022, progress against targets relating

to the percentage of employees required to complete anti-bribery and corruption training modules as well as grievance response and resolution times will be monitored by the MMG Executive Committee quarterly.

We recognise that some of the jurisdictions in which we work present unique challenges with respect to transparency and individual freedoms. Because of this, we seek to match good governance with a commitment to transparency initiatives, such as the Extractive Industries Transparency Initiative (EITI) as well as open and reciprocal discussion with our host communities.

PRIVACY AND CYBER SECURITY

Managing cyber security risk is a priority across MMG as we operate internationally across many different jurisdictions. All MMG employees are required to understand and adhere to the acceptable use guidelines outlined in the MMG Technology Work Quality Requirement (WQR). The WQR sets a standard of safe use of MMG technology to help protect its people and its data from the risk of cyber security attacks which could compromise MMG systems and services. The WQR for mobile phone and USB drive use was reviewed and updated in 2021.

MMG technology security operations are supported by an outsourced professional cybersecurity organisation who provide a monthly threats report. Throughout 2020 and 2021, five audit activities have been performed across the business including Internal Audits, SAM SAP Audit, FM Global Risk Assessment, Deloitte Audits, and Assessments by external provider The Missing Link. A set of core security functions are in place including:

- Fortinet – Firewall
- Proofpoint – Email security and training
- FortiClient – VPN
- UpGuard – Vendor and partner assessments
- Secret Server – Password Management
- AISID – Ad server Monitoring
- Symantec – Anti-virus
- Pro Shield – Web Security

In 2021, three additional security functions were introduced including Forescout for Operational Technology security, Rapid 7 for vulnerability management and the deployment of CarbonBlack (to replace Symantec Endpoint Protection). A Cybersecurity incident response desktop exercise was also conducted for all sites as well as a Phishing campaign across the entire business.

The annual companywide training campaign focused on data security awareness and education is set to continue in 2022.

COMPLIANCE AND CONFORMANCE

The Governance, Remuneration and Nomination Committee is responsible for developing and reviewing the Company's policies and practices on corporate governance, the Code of Conduct, and monitoring MMG's compliance with the Listing Rules and other applicable laws.

Our Executive Committee monitors our performance in line with the Company's policies, standards and regulatory requirements relating to safety, health, environment and community.

In 2021, MMG had no significant events that took place relating to environment, health and safety or material regulatory enforcement (excluding tax matters).

MMG's Dugald River operation received a warning from the Department of Environment and Science in relation to an environmental incident and is currently reviewing this matter.

The Kinsevere site received a minor environmental infringement regarding high copper concentration and low pH from October 2021 to December 2021. Corrective actions have been implemented.



CASE STUDY

MANAGING CYBER RISKS ACROSS MMG

In 2021, a project was initiated with key internal stakeholders across MMG and our external partners. The purpose of the review was to understand and propose a method for managing cyber security risk posed by saving materials on USB devices.

The review found that there was a risk to the business of USB massive storage across all MMG user computers, with not only a risk of malware but also a risk of confidential data leakage. In 2021 alone, 15 potential security incidents had been raised. To manage the potential cyber security risks going forward, the business developed a new Group Policy to disable USB massive storage, with only limited special exemptions to be granted. A process is currently underway to gradually block MMG user access and encourage storage and transfer via MMG network systems. Once complete, this project will be another step to help better protect MMG's important and confidential information online.

THE WAY WE WORK

This report considers environmental and safety material sanctioning procedures with final administrative decision on fines of fines of \$1 Million or above and those related to safety incidents resulted in a fatality. Hence, in 2021 there were no significant administrative fine-related processes on safety or environmental matters at our Las Bambas operation that had a material impact on the MMG Group.

SAFETY AND HEALTH

At MMG, safety is at the core of everything we do. We are working hard to embed a company-wide safety mindset with supporting leadership, behaviours, cultures and processes in every area of our business. We believe it is possible to have an injury-free workplace.

We have identified four key elements in developing an organisational culture with a strong and effective focus on safety. The four key elements include:

1. Leadership and culture, with sites aligned to common MMG leadership attributes.
2. Elimination of fatalities (low probability, high consequence events) – consistent with the requirements of our Fatal Risk Standard.
3. Prevention of injuries (high-probability events) – consistent with the requirements of our Safety, Security, Health and Environment (SSHE) Performance Standard.
4. Application of learnings from incidents in line with the requirements of our internal safety and health standards.

SAFETY LEADERSHIP AT MMG

Safety is our first value at MMG and our approach is based on avoiding any harm to our people.

We are committed to continuous improvement in our approach to managing safety. Through our Safety Leadership Program, we strive to develop a culture where safety leadership is supported through:

- a commitment to caring for each other and living our values;
- building safety capability and commitment in MMG people;
- training our people to be competent in all their tasks;
- enabling our frontline leaders to effectively implement MMG standards and processes; and
- continually supporting and enabling safe behaviour.

As part of the journey in 2021, three of our sites developed a Safety Culture Survey to identify opportunities for improvement and to develop specific plans for each operation; including a four-day supervisor focused safety program, leading a safety culture program, additional ongoing safety behaviour training as well as a reward and recognition program. The survey will conclude at our remaining site in 2022. The Safety Culture Survey will be provided each year to measure progress and identify any gaps needing attention particularly for new employees.

The intent of our Safety Leadership Program is to improve safety leadership behaviours in the field. Through clearly defined leadership attributes, leading to improved behaviours by all our people at our operations, we aim for all our employees to return home safely at the end of every shift.



CASE STUDY

LAS BAMBAS RECOGNISED FOR MINE SAFETY

The Mine Safety Institute of Peru (ISEM) announced that MMG Las Bambas had won first place in the XXIV National Safety Competition under the Open Pit category.

This award reflects the high-level and solid safety commitment from our people. The recognition drives Las Bambas to continue working on safety – a core priority for our company. The health and safety of Las Bambas people is fundamental to the company's operation and MMG Las Bambas remains committed to working on consolidating this zero-incident culture into the future.

To learn more visit wemineforprogress.com

SAFETY PERFORMANCE

At the end of 2021, our total recordable injury frequency rate (TRIF) was 1.09 per million hours worked. This represented a reduction from 2020 and highlights a low frequency of injuries. We have now seen a steady year-on-year improvement in our TRIF since 2015 and are committed to doing more as we work towards a target of zero injuries.

Twenty seven people across MMG’s operations in 2021 experienced injuries that required medical treatment, time away from work or resulted in them being unable to perform their normal duties for a period of time.

Driving ongoing improvement in our safety performance remains a key management priority, and we continue to invest time and resources in prevention, empowering leadership and, importantly, learning from safety events.

Our lost time injury frequency rate (LTIF) was 0.41 for 2021.

We believe a key driver of improved safety performance is the reporting of hazards, near misses and incidents. In 2021, we continued to implement and embed our safety standards across the business, including the revised SSHE Performance Standard and Fatal Risk Standard.

Much of our year was spent focused on our people’s safety during the COVID-19 pandemic. For more information about MMG’s health and safety response, and initiatives across the business, please see page 14.

SAFE TASK MANAGEMENT

Our SSHE Performance Standard defines the requirements for conducting work safely, with a particular focus on ensuring our people are trained and competent in identifying and managing hazards and completing tasks safely.

In 2021, in addition to the implementation of the SSHE Performance Standard, our focus was on the understanding and implementation of the Safe Task Management elements of the SSHE Performance Standard including environmental conditions, people and resource availability, the authorisation of all permits, and assignment of tasks to those with skills and the capability to complete the work safely.

All workplace hazards are identified and managed, and tasks are reviewed to identify hazards and verify the effectiveness of task allocation through Field Task Observations (FTO). In 2021, specific FTO targets were implemented at each site, enforcing the importance of the quantity and quality of the observations.

Our people are empowered to stop a task and advise a supervisor if the task cannot be carried out safely or intervene to protect their or others’ health or wellbeing or the environment.

SAFETY STATISTICS BY SITE IN 2021 AND TREND FROM 2020

	TRIF		LTIF	
	2021	TREND	2021	TREND
Dugald River	6.36	✓	0	-
Kinsevere	0.42	✓	0.21	∧
Las Bambas	0.53	∧	0.47	∧
Rosebery	5.48	✓	0.91	✓
MMG	1.09	✓	0.41	∧

*TRIF – total recordable injury frequency per million hours worked (fatalities, lost-time injuries, restricted work injuries and medical treatment injuries)

*LTIF – lost time injury frequency per million hours worked

∧ depicts an increase relative to 2020

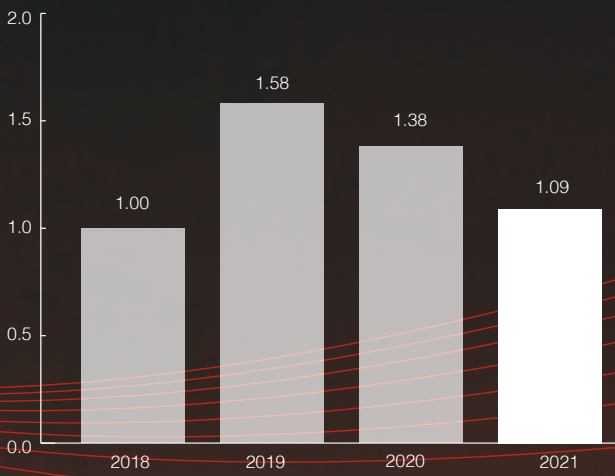
V represents a decrease relative to 2020

– indicates no change relative to 2020

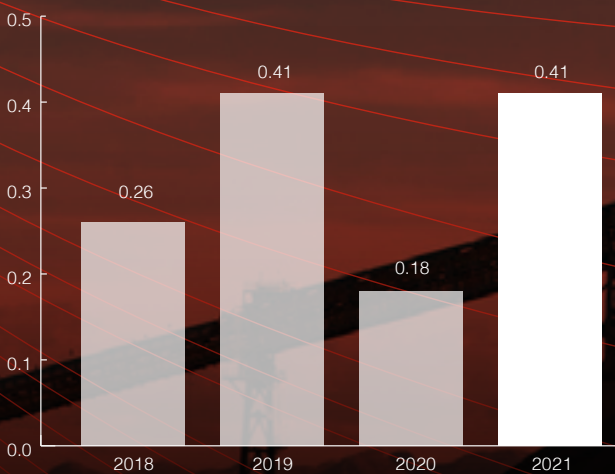
Note: more information about our 2021 safety data, by site and by employment type, can be found in our 2021 Sustainability Report Appendix at www.mmg.com.

THE WAY WE WORK

MMG TRIF



MMG LTIF



Note: The main types of work-related injuries that occur at MMG are largely first aid (161), followed by lost time (10), restricted work (9) and medically treated (8) injuries. All workers including contractors that perform any task or activity controlled by MMG are included in these disclosures as per the SSHE Performance Standard.



CASE STUDY

COOLING SOLUTIONS FOR THE DUGALD RIVER MINE

MMG's Dugald River mine is turning to a 'cool' solution to 'beat the heat' at the underground mine. Consistent temperature control is critical for the safety of our employees and contractors working in north-west Queensland's hot climate.

An AUD\$20 million cooling solution, has successfully produced 9.5MW of bulk air underground to facilitate ongoing zinc extraction. Mine ventilation firm, BBE Consulting, helped to scope options that spearheaded MMG's cooling works, completed at the end of 2021. A number of local contractors and engineering firms were tasked with implementing the project.

Visit wemineforprogress.com to find out more.

FATAL RISK MANAGEMENT

MMG's Fatal Risk Standard describes the minimum requirements for the identification, assessment and mitigation of specific fatal risks. These risks have been identified as common across all our operations, and we work continuously to ensure all MMG people are aware of the risks – and the controls that should be in place to manage them. We manage all our material risks using our Risk Management System.

The 12 fatal risks identified across MMG are:

- Aviation
- Carcinogens
- Clearance to work, isolations and permits
- Explosives and blasting
- Ground control
- Guarding
- Hazardous materials
- Land transport of people
- Lifting operations
- Lightning
- Vehicles and mobile equipment
- Work at height

Site-specific fatal risks not covered by the Fatal Risk Standard are identified and managed using MMG's Risk Management System. During 2021, as part of the site activities to ensure the Fatal Risk Controls were always in place, the compliance against Critical Control Executions and Critical Control Verifications were closely monitored.

SAFETY AND HEALTH REPORTING AND INVESTIGATIONS

Effective reporting creates opportunities to make informed decisions, undertake timely intervention or corrective action and prevent fatalities, significant events and repeat incidents. Accordingly, the SSHE Performance Standard outlines the minimum requirements for managing health and safety and events and achieving accurate and consistent recording and reporting of authorised and meaningful health and safety data. MMG uses a centralised electronic Incident and Event Management system (IEM) to manage events and corrective actions. These include incidents, near misses, high-risk hazards, legal non-compliances, inspections and audits.

We use the Incident Cause Analysis Method (ICAM) as our common approach to incident investigation. ICAM enables us to assess the underlying causes of incidents and to look at the latent organisational factors such as communication, training, incompatible objectives and change management processes. As part of the ICAM process, MMG uses a 'Work as intended versus work as normal versus work as done' investigation methodology to better understand the causes of significant incidents. During 2021, all operations implemented the ICAM Training.



CASE STUDY

FIREARM INCIDENT

The health and safety of MMG people remains our first value. We work hard to embed a companywide safety mindset across our people, sites, offices and communities. This means ensuring each day that our people can return home safely and to their families.

In May 2021, there was a firearm incident on site at MMG Kinsevere. A DRC mine police officer about to begin a shift accidentally discharged a firearm in a vehicle injuring the driver who was outside the vehicle. The driver was treated at the scene and then transported to hospital. The driver made a full recovery and was able to return to work. Following this incident, the site reviewed and revised all safety standards around the use of firearms on site and worked with the mine police to ensure all police officers and security contractors are adequately trained in the use of firearms and how to react to an incident.

THE WAY WE WORK



CASE STUDY

MANAGEMENT OF CRITICAL HYGIENE CONTROLS AND AIR QUALITY AT LAS BAMBAS

At Las Bambas, new approaches in managing occupational hygiene and controlling critical hygiene risks have been developed on site. The change in approach was designed to promote the centralised and consistent management of occupational hygiene risks and controls.

The site engaged with the leadership team to promote the implementation of critical hygiene risk controls. By raising awareness of the risks and controls in place, Las Bambas is creating a culture where everyone on site understands the potential health impacts that could be caused by carcinogenic agents in work environments.

Las Bambas also standardised many occupational hygiene management processes by preparing procedures to manage critical hygiene risks and occupational exposures, and to control carcinogenic agents. To help manage these risks, the site developed a digital transformation tool to monitor and track the potential risks.

A Health and Hygiene committee was established to review progress and to follow up on action plans. This work will continue in 2022, with a focus on ensuring the safety of our people.

We require the sharing of learnings from incident investigations across all MMG sites to prevent repeat incidents within our business. It also ensures we continuously challenge the effectiveness of control design and control execution for our fatal risk critical controls.

EMERGENCY MANAGEMENT AND PEOPLE AND ASSET PROTECTION

We work across our operations to ensure the required controls are in place to protect MMG people, our assets and our communities. All operations are required to develop and maintain site-specific Emergency Management Plans to mitigate the risk of all material risk events and potential infrastructure failings, with the required protocols, resourcing and regular testing drills for continuous improvement. Sites are also required to develop a Security Management Plan based on site-specific security risks and require all private security companies to be signatories to the International Code of Conduct for Private Security Providers and the Voluntary Principles on Security and Human Rights (VPSHR).

During 2021, regular drills were performed according to plan, with only minor impacts due to the COVID-19 pandemic.

OCCUPATIONAL HEALTH AND HYGIENE

In the SSHE Performance Standard, MMG defines the requirements for the management of exposure to harmful agents, exposure to endemic disease, fatigue management and employee health and wellbeing. Health and hygiene management includes health surveillance and hygiene monitoring.

The key processes for the planning and management of Health Exposure Risk are the annual review and update of each operation's Exposure Assessment (Health Risk Assessment).

Following the annual Exposure Assessment, Similar Exposure Groups (SEGs) are reviewed and the annual Occupational Hygiene Monitoring Plan is developed and executed. In addition, health surveillance requirements are reviewed and updated. In 2022, sites will be required to identify critical controls for exposure to Type 1 carcinogens.

Those controls will be implemented and included in the updated overall Risk Management process.

Our operations are also required to develop and maintain site-specific endemic disease and pandemic management plans, as well as ensure ongoing induction, training and education for employees and contractors regarding health and hygiene factors on site.



CASE STUDY

EMERGENCY RESPONSE TEAMS TEST CRISIS PLANNING SKILLS

Simulating crisis situations puts emergency crews on the front foot should real life events occur. The Rosebery mine's emergency response skills were recently put to the test together with TasFire Service, Tasmania Police and Tasmania Health Services, overseen by Ironside Risk.

The 'mock emergency' was based on sodium cyanide, a chemical used in on-site gold production. A large forklift, carrying scaffold, simulated travelling too fast down a steep driveway. Unable to stop, it made contact with a small forklift, carrying sodium cyanide.

The response exercise took about three hours and was followed by a debrief. Ironside Risk will issue a further report to assist with continuous improvement and to anticipate how to respond to potential on-site events.

To learn more visit: wemineforprogress.com

We concentrate on higher-level controls with the view to eliminate, control or mitigate, as close as possible to the hazard source, our people's potential exposure to carcinogens.

Some examples include:

- Sulphuric acid mist: polypropylene balls added to chemical tanks to breakdown bubbles, reducing likelihood of releases into air
- Diesel particulate matter: low sulphur fuels, engine selection and ongoing preventative maintenance, exhaust filtration systems
- Respirable crystalline silica: ongoing site dust suppression via watering or sprayings, enclosed cabin plant and equipment, exhaust ventilation systems, vacuum usage instead of blowing compressed air
- Mandatory respiratory protection including training for dealing with welding fumes
- Surface lead testing programs in conjunction with atmospheric testing programs

We operate in regions where the prevalence of HIV/AIDS, tuberculosis, malaria, typhoid, dengue fever and other tropical diseases is high. All our workplaces are required to maintain and implement risk-based Exposure Management Plans.

In 2021, our Dugald River operation engaged an external medical consultant to assist with the roll out of updated medical surveillance processes in accordance with amendments to the Queensland Mining and Quarrying Safety and Health Regulation. As of September 2022, employees will be required to undertake periodic medicals to identify any changes in lung function or to identify early signs of lung disease. The change requires the Site Senior Executive to arrange respiratory health surveillance for workers prior to commencing work, and then at least once every five years. The medical examinations for respiratory health surveillance must include:

- a chest X-ray dual-read by qualified radiologists to the International Labour Organisation (ILO) standard
- spirometry tests and comparisons with previous spirometry tests where available
- any examination deemed necessary by an appropriate doctor to support the early detection of injury or illness to the person's respiratory system (e.g. high-resolution computed tomography scan)

This update has been communicated to the entire workforce including contract partners.

Las Bambas has also implemented an annual occupational medical exam for all employees at our designated Antawasi Medical Centre facilities. Occupational health surveillance is an ongoing

THE WAY WE WORK

CASE STUDY

SUPPORTING MEN'S MENTAL HEALTH AT DUGALD RIVER

Following results from a local community survey conducted by the Cloncurry Shire Council, in 2021 MMG Dugald River teamed up with the Sisters of the North and Cloncurry Council to host an interstation cricket match at the Burke and Wills Roadhouse. The event saw local men from stations across the region connect by taking part in cricket matches and fun activities.

MMG Dugald River was proud to support the event with the 'small conversations make a big difference' theme aligning with the Good Health and Well Being Sustainable Development Goal.

To learn more visit: wemineforprogress.com



process that consists of caring for the health of our employees, using identification, assessment, analysis, interpretation and communication methodologies and techniques. To prevent risks, accidents and occupational diseases, we have developed an occupational health surveillance system called SIVISO that involves the following:

- Surveillance of the occupational health management of our strategic partners.
- Audit of occupational medical exams at standardised occupational clinics.
- Occupational medical certificates of fitness in less than 24 hours.
- Occupational health statistics for appropriate epidemiological surveillance.
- Follow-up of medical cases.

As part of the progressive improvement and timely healthcare, we have implemented support medical units at the XP and Charcascocha camps.

BLOOD LEAD EXCEEDANCES

At both our Rosebery and Dugald River operations in Australia, we produce lead as a by-product. We take the monitoring of blood levels very seriously and enforce strict protocols to reduce the risk of exposure to lead in the workplace. This is done to protect the health and wellbeing of our employees and to comply with national and state requirements. We have strict hygiene protocols, as outlined in our blood lead management procedures and conduct ongoing monitoring – adjusting work practices and work environments as required. As a result of our ongoing monitoring, we are confident that our management of lead exposures is highly effective.

We follow the National Standard for the Control of Inorganic Lead at Work (NOHSC:1012) and the National Code of Practice for the Control and Safe Use of Inorganic Lead at Work (NOHSC:2015) as a guide for the control of blood lead levels in our people.



CASE STUDY

MANAGING MENTAL HEALTH IN A GLOBAL PANDEMIC

The pandemic has had a huge impact on the lives of millions of people around the world. This has led to many feeling uncertain about the future and worried for their health and those around them. To help bring a focus to mental health during a pandemic, the team at Las Bambas have launched the “L-Mental” Emotions Program.

The program promotes mental health, helping employees and their families recognise and manage their emotions in the context of the COVID-19 pandemic. The guide includes various tools to assess psychological well-being, recognise and control emotions, and other tools to deal with stress. The program also includes the Las Bambas family mental health program, developed with the support of our medical, nutrition and psychology teams.

These initiatives helped support not only the physical but also mental health of Las Bambas employees and their families during a very challenging year.

FIT FOR WORK

Our commitment is to provide a safe work environment where all individuals are fit for work. Paramount to achieving this commitment is to ensure that all employees, contractors and visitors are in a condition that enables them to perform their work competently, and in a manner that does not threaten the safety or health of themselves or others. This includes not being fatigued or adversely affected by substances, drugs or alcohol. Our operations are required to develop, implement and maintain site-specific fatigue and drug management plans based on site-specific fatigue risk assessments and MMG’s commitment to zero tolerance relating to alcohol and drug use in the workplace.

We provide fatigue monitoring technology in all high-risk fatigue roles and engage in random drug and alcohol testing. As part of our work in continuous improvement, some of our sites reviewed existing Fatigue Detection Technologies to identify potential improvement opportunities, which will be implemented in 2022.

Our employees are also encouraged to notify us of any changes in their personal circumstances, including their mental health, that could affect their fitness for work.

MENTAL HEALTH

Good mental health and wellbeing is a priority for MMG. A mentally healthy workforce has clear business benefits, and we recognise that we are in control of certain things that can positively or negatively impact the mental health and wellbeing of our people.

Our Mental Health Framework describes the broad actions that we take to promote good mental health practices in the workplace, and to support employees experiencing mental illness, such as depression and anxiety.

Our approach focuses on three key areas: awareness and prevention, capacity building, and support and recovery.

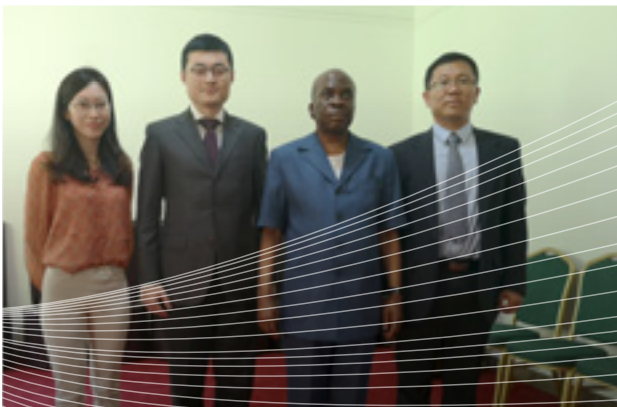
In 2021 we implemented a number of initiatives to support mental health awareness. These included R U OK Day workshops, mental health awareness sessions and training for mental health first aiders at Head Office, and ongoing work with Mates in Mining at our Dugald River operation. Las Bambas also launched the “L-Mental” Emotions Program as discussed in the adjacent case study.

Our operations also spent considerable time working with employees and contractors on the mental health impacts related to the COVID-19 pandemic. This included tips to support those working from home, how to deal with health and safety controls on site, how to manage the emotional toll of uncertainty and additional support for those isolated for significant periods of time during nationwide lockdowns. For more information about our response to COVID-19, see page 14.

THE WAY WE WORK

INJURY MANAGEMENT AND REHABILITATION

MMG recognises that helping people to stay at work or make an early and safe return after an injury, minimises the impact of injury on them and their families. MMG supports injured employees by having a system of workplace rehabilitation and by providing suitable duties for them while they are recovering. MMG expects that all injured people will return to work on suitable duties as soon as it is medically safe for them to do so.



CASE STUDY

STRONG MINING TIES FORGED BETWEEN KINSEVERE AND THE DRC

MMG Kinsevere is committed to maintaining and building strong ties with our local communities and government representatives. In July 2021, the site was honoured to take part in a meeting at the Beijing embassy between the DRC and representatives of the mine. This was an opportunity to discuss the inclusive social investment opportunities that have been brokered between both countries and to discuss the longer-term sustainable investment initiatives of the mine including the site's projects around improved agriculture, education and public health infrastructure projects.

To learn more about this meeting and Kinsevere's commitment to sustainable development, visit wemineforprogress.com.

SOVEREIGN RISK AND GOVERNMENT RELATIONSHIPS

At MMG we strive to deliver sustainable benefits for our stakeholders and prioritise actions and behaviours that are valued by the communities, regions and nations in which we operate.

We take both a relationship and a country-level planning approach to the management of these exposures. This includes dedicated roles and structures led in-country, supported by assessment of country-specific issues and relationships from the Group's functional experts. This approach increases our awareness and understanding of social, economic, governance and non-technical risks and provides the relationships, analysis and policy advocacy to shape and manage responses.

Material risks include security; political stability and protest activity, fiscal and regulatory change; and amendments to concessions, licences, permits and contracts.

Pressures on government revenues may lead to increases to corporate tax, value added tax and royalty rates – often coupled with increased audit and compliance activity. This is also accompanied by governments' fiscal inability to pay tax and duty refunds owed to operating companies.

Changes in mining or investment policies, shifts in political leadership or attitudes, or deterioration in business and security conditions may adversely affect the Group's operations, reputation and profitability.

Maintaining constructive relationships with host governments and effectively managing sovereign risk is important to our success. Failure to identify and manage relationships, risks and opportunities can negatively impact our reputation; social, operational and financial performance and limit future growth.

STAKEHOLDER AND COMMUNITY ENGAGEMENT

At MMG, we recognise that strong stakeholder and community engagement at every stage; from exploration through to closure, is critical for making business decisions that are responsive to the needs and expectations of our host communities and their governments. MMG aspires to be a trusted member of each of the communities that host our operations. Our ambition is to develop relationships based on regular and open dialogue, transparency and mutual respect.

We recognise that ongoing intergenerational engagement is critical to managing the impacts and opportunities for both current and future generations. We also recognise the need to take account of gender-based differences in our engagement and community decision-making processes.



CASE STUDY

LAS BAMBAS SUPPORTS THE DEVELOPMENT OF LOCAL SCHOOL

Las Bambas taxes are funding the \$3.3 million reconstruction of the largest secondary school in the Mara district, benefiting 276 students in the Cotabambas province, Apurímac region.

The project involves constructing and equipping 11 classrooms - including three laboratories, a library, a sports facility, bathrooms and dressing rooms.

The 14-month initiative is part of a group of projects related to the commitment the operation has undertaken to assist with the development of Cotabambas, improving local communities' quality of life. Thanks to the 'Works in Exchange for Taxes method (WxT)', Las Bambas will be able to reconstruct more schools in the area. Las Bambas is proud to be working with the Mara community to deliver this vital infrastructure.

To learn more visit: wemineforprogress.com

We work in complex jurisdictions and across numerous cultures and geographies, often in communities that have limited or negative experience with mining development. Our approach to stakeholder engagement is guided by our commitment to the ICMM Mining Principles. This includes the commitment to community dialogue and free, prior and informed consent (FPIC) regarding Indigenous peoples. Our dialogue with communities varies depending on the nature of the community and the issues being discussed, but the objective remains constant – to ensure these conversations are conducted in a way that respects the cultures, languages, values and customs of the communities.

STAKEHOLDER AND COMMUNITY ENGAGEMENT RELATIONSHIPS

MMG mines for progress with benefits that extend beyond its employees and shareholders. Business decisions factor in the needs and expectations of host communities and governments in countries where MMG operates. MMG achieves this by:

- **Backing** local economies and supply chains: where possible, MMG's local mine operations find opportunities for local enterprises to join its supply chain or enter other regional and national markets.
- **Delivering** employment, business development, healthcare, education, food programs and COVID-19 protection by supporting vaccination programs rolled out by governments.
- **Developing** relationships based on regular and open dialogue, transparency and mutual respect for the cultures, languages, values and customs of host communities.
- **Sponsoring** and participating in local cultural events, grievance management options and environmental monitoring. MMG consistently invites or seeks out valuable information to improve decision making.

The suggestions, feedback and issues that matter to our stakeholders matter to MMG. This year, MMG launched a new public Stakeholder Feedback Portal in order to create an additional avenue to invite and seek out valuable information to improve decision making. This upgrade to the existing grievance management framework aims to capture a more complete view of stakeholder concerns and has created a more transparent stakeholder experience, making interactions more easily identified and actioned for both MMG and our stakeholders.

At Las Bambas, our community relations and social development teams maintain strong relationships with over 80 communities to ensure our ongoing dialogue opportunities continue to meet the needs and expectations of local stakeholders. In 2021, the teams engaged on topics that included COVID-19 impacts and support with a focus on increasing vaccination rates, land access,

THE WAY WE WORK

commitment and project execution, sponsoring and participating in local cultural events, grievance solutions and participatory environmental monitoring.

Las Bambas also communicates regularly through Radio Surphuy, its community radio station, and established the *Willana Wasi* webpage, which was designed to support the community liaison centres and provide information to communities in both Spanish and Quechua about upcoming events and Las Bambas.



CASE STUDY SIGNING OF THE KINSEVERE CAHIER DE CHARGE

MMG Kinsevere's support for several local district projects continues to receive encouraging government oversight following the Cahier de Charge (community agreement for corporate social investment) signing in July 2021.

Bridges, road rehabilitation, health facilities, water pumps, schools, markets, depots and administration offices are some of the local projects that will benefit our host communities in the DRC over the next five years.

In early September, the Permanent Commission delivered feedback to Kinsevere's Social Development team. The Head of the Rural Development Division was joined by 10 other members from different sectors in the public administration, where they met with community leaders, village chiefs and local development committee members.

The President of the Commission confirmed that the Cahier de Charge was well designed and received.

To learn more visit: wemineforprogress.com

As part of many local community initiatives in 2021, Las Bambas provided a number of educational support programs including a digital education project, environmental awareness programs, and providing internet access for six communities from the sites direct area of influence. The Las Bambas Educational Resources Program also continued where students learned about water conservation and management, climate change, safety, governance and eco-systemic services.

Dugald River works with its local stakeholders including local landholders, local government and traditional landholders specifically the Kalkadoon People to ensure their expectations regarding employment and local supply opportunities are being met, as well as to support various community programs and initiatives. MMG is engaged in an agreement with the Kalkadoon People to ensure development and employment opportunities for their people. During 2021, we engaged with our stakeholders about COVID-19 related impacts, employment and local business opportunities and events within the community.

Rosebery maintains regular dialogue with local communities on issues including mine operations, tailings facilities, water use and employment opportunities. Despite the community liaison centre being closed to physical visits during most of 2021 due to COVID-19 restrictions in Tasmania, community members were still able to reach employees through a dedicated telephone line or by visiting the main entrance of the operation.

Rosebery continues to produce a regular community newsletter and has a presence on local radio. In addition to community consultative committee meetings, targeted engagement sessions were also held with local stakeholders about the ongoing tailings storage facility (TSF) projects.

Kinsevere's community development team worked with its nearby communities and local government representatives on a range of issues in 2021. These included developing sustainable investment programs and initiatives. The site has implemented many engagement and development projects in the local communities as discussed on pages 53-56. Kinsevere finalised a five-year community investment plan including agreements with the surrounding communities known as the Cahier de Charge. Twenty community projects are now in planning, including access to electricity, transport infrastructure including bridge and road construction, the development of health facilities, education initiatives including new schools and scholarships, water pump installations, support to agriculture and fish farming and other economic development projects.

A matrix of our broad stakeholder groups, their areas of interest and our engagement process is available online in the Sustainability Report Appendix at www.mmg.com.

Our Las Bambas operation is located in the Cotabambas district in Apurimac province in Peru, approximately 700km from the port of Matarani. This includes a 438km road that passes through parts of the Cusco province from Las Bambas to the Pillones transfer station in Arequipa province, followed by 285km by train to the Port of Matarani.

Including the communities in the direct area of influence around the mine operation and those along the southern road corridor, Las Bambas engages with over 71 communities and towns.



CASE STUDY

ROSEBERY OPEN DAY

Rosebery was pleased to welcome the local community into South Marianoak to provide a first-hand look at the site of a proposed tailings storage facility (TSF).

This informative event provided the community an opportunity to ask questions, see and understand the proposed developments on site. There has been a lot of attention from the community and others about the proposed works and the open day was an opportunity to hear the views of everyone who was interested in learning more about the project.

There is strong support for the Rosebery mine within the local community and across Tasmania and the open day formed just one part of Rosebery's commitment to keeping the local community informed of our plans and proposed developments on site.

The site has a team of over 80 dedicated social performance, community and local government professionals working with these communities to ensure their concerns and feedback are heard, as well as developing shared initiatives for long-term sustainable development, healthcare and education opportunities. Las Bambas seeks ongoing and transparent dialogue with all communities, local, regional and national governments, non-government organisations and other partners to drive sustainable solutions.

While this work is constant, there have been ongoing incidents where a small number of these communities choose to stage road blocks, primarily to demand the presence of national government.



CASE STUDY

LAUNCH OF MMG'S STAKEHOLDER PORTAL

Mining operations have an impact on communities, both positive and negative, and these impacts can at times lead to stakeholder concerns. In 2021 and in close coordination with our operations, we identified the opportunity to add an online platform where grievances can be automatically recorded in our sites' systems. In December 2021, MMG launched the online portal to help MMG capture, follow-up and respond to any grievances received. The portal aims to capture a more complete view of our stakeholders' concerns and provides another way to collect feedback from our host communities, allowing for transparency in how any concerns or feedback is managed.

To learn more visit wemineforprogress.com.

THE WAY WE WORK

GRIEVANCE MANAGEMENT

MMG is committed to dialogue as the primary tool for avoiding the high human and economic costs of conflict. We engage with communities early and through all phases of our operations we empower communities to actively participate in the consultative process, to ensure their views are reflected in decision-making regarding our operations and in the design and distribution of benefits.

We recognise that, as a company, there is always more we can do to listen to the needs, aspirations and opinions of communities, and to guarantee their timely engagement on issues that are important to them. We aim to ensure that, at all times, they have access to information and open dialogue through direct engagement with our community relations teams, many of whom come from the communities in which they work.

We also recognise that our business has an impact and that disagreements on the nature and extent of this impact, as well as our approach to managing it, can occur between ourselves and community members.

Open and transparent dialogue is the best way to manage these disagreements and, if necessary, we involve independent third

parties to obtain lasting solutions that are beneficial to all.

To facilitate the timely, culturally appropriate investigation and resolution of these matters, all MMG sites have a site-specific grievance procedure that aligns with the remedy provisions of the United Nations Guiding Principles on Business and Human Rights. This process is non-judicial, complements existing legislative remedies and provides redress for grievances that are related to:

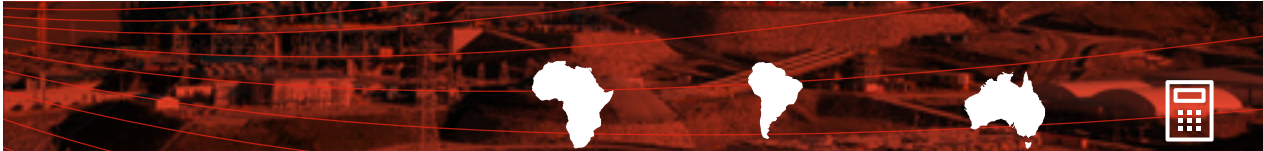
- MMG's impact on stakeholders;
- the conduct of MMG personnel and contractors in local communities; and
- allegations of human rights abuses.

At MMG we consider that stakeholder complaints and grievances provide valuable indicators to help our operations anticipate deeper community concerns and proactively manage social risks. This is just one of the ways that we live our value 'We want to be better' by always looking for opportunities to improve.

In 2021, we received 206 grievances across our operations.

Most of our grievances continue to be related to issues of local procurement (130 cases, up from 111 cases in 2020) at our Las Bambas operation, with fewer grievances (43) being raised about

2021 GRIEVANCES RECEIVED BY CASE TYPE



GRIEVANCE CASE TYPE	KINSEVERE	LAS BAMBAS	ROSEBERY	TOTAL
Community health and safety	0	0	1	1
Compensation and financial benefits	3	0	1	4
Damage to private property	4	43	1	48
Economic – local employment	2	9	0	11
Economic – local supply	0	130	0	130
Environment	5	4	2	11
Operational impact	1	0	0	1
Social investments and commitments	0	0	0	0
Total	15	186	5	206

damage to private property and livestock by local stakeholders along the Southern Road Corridor, where we transport our concentrate and supply logistics.

We continue to apply significant effort to address these concerns at a site and regional level through teams dedicated to local business development, local employment and increased training and upskilling opportunities for community members.

We have dedicated teams working along the supply and logistics corridor for Las Bambas to ensure regular environmental and road monitoring to mitigate any potential impacts arising from our logistics transport.

We have also increased services and presence at our three Las Bambas community offices, including additional training for our employees who work there.

We have continued to experience community concerns relating to the transport of our concentrate along the Southern Road Corridor and associated land tenure and economic benefits. As our concentrate is transported almost 460km by road to the rail transfer station at Pillones, it is an issue that remains front of mind for many. We remain engaged with communities and local and regional governments along this public route and remain focused on improving management of the impact of concentrate transport logistics on local communities along the road.

All our sites have their own specific Stakeholder Grievance Management Work Quality Requirements which are aligned with the ICMM's updated guidance document Handling and Resolving Local-level Concerns and Grievances: Human rights in the mining and metals sector (2019), as well as the ILO Declaration of Fundamental Principles and Rights at Work, the EITI and the United Nations Global Compact.

We remain committed to working with local communities to support their opportunities, both with the operation and in the broader market, and to engage with all communities on issues that are important to them. In 2021, we updated our grievance management process, launching an external-facing Stakeholder Feedback Portal. This portal provides an easy-to-use self-serve online platform for filing grievances, including the option to remain anonymous throughout the entire resolution process, as discussed in the previous case study.

HUMAN RIGHTS

MMG is committed to respecting the human rights of all our stakeholders and the communities in which we live and operate, and to providing access to effective remedies where we make an

impact. We are also committed to the continuous improvement of the wellbeing of communities surrounding our operations through our commitment to the protection of human rights, the ongoing monitoring and improvement of our grievance management processes and our alignment to the UN SDGs.

We recognise that human rights cover a broad range of interrelated issues, requiring an integrated approach across numerous business functions.

At MMG, our Human Resources, Legal, Supply Chain, Social Performance, Stakeholders Relations, Security, Exploration and Project Development functions have specific responsibilities for upholding our commitment to human rights.

Our commitment is outlined in our Human Rights Policy and our approach to managing human rights risk is embedded into our broader risk management framework. We integrate human rights considerations into our Code of Conduct, our Supplier Code of Conduct, employment and procurement processes, whistle-blower framework, risk-analysis activities, engagement, social investment and formal grievance mechanisms. Human rights are considered a material sustainability issue for our business and, as such, is represented at a corporate level on the Code of Conduct and People Committee, which is charged with confirming compliance with our VPI action plan, compliance with Australia's Modern Slavery legislation across our entire business, and reviewing any human rights grievances received through the site-specific grievance mechanisms. MMG Human Rights working groups have been established in Peru, the DRC and Australia to further support this work in collaboration with the Code of Conduct and People Committee. We also seek to make sure our stakeholders, including employees, are confident to report instances of unacceptable conduct without fear of intimidation or reprisal.

We further commit to respecting human rights as outlined by the ICMM Mining Principles.

This commitment has been strengthened through the development of joint industry and civil society guidance on key issues such as FPIC and the rights of Indigenous peoples, and with ICMM's Mining Principles. We also participate in ICMM-convened member discussions and peer learning on a wide range of business and human rights issues, including the role of business regarding civic freedoms and human rights defenders.

THE WAY WE WORK

We operate in accordance with the United Nations Guiding Principles on Business and Human Rights and the United Nations Global Compact principles. We are signatories to the United Nations Global Compact process under the auspices of our major shareholder CMC. Las Bambas is also an active member of the Human Rights Committee of Peru's National Society of Mining, Petroleum and Energy.

Any community-related fatalities and injuries close to our operations are of concern to us, even if they occur outside our controlled activities. We investigate these incidents so that we can learn from them, and they are recorded and treated as significant 'uncontrolled

incidents'. On 4 September 2021, a vehicle incident occurred on a public road near a mine camp near Kinsevere between a motorcycle and a bus transporting employees. The motorcycle overtook and accidentally clipped the front of the bus, resulting in the tragic death of the motorcycle driver. An investigation was undertaken by the Security and SHEC team and communicated to the local community.

On 27 August 2021, a tragic accident involving a bus transporting employees of our contractor partners from Cusco to Las Bambas, resulted in the death of 16 passengers and injury of two others.



CASE STUDY

HUMAN RIGHTS RISK ASSESSMENT TOOLKIT

Las Bambas constantly reviews its human rights risk assessment procedures to ensure our risk assessment toolkits allow for our teams to plan strategies for measuring and understanding community risks onsite. In 2021, Las Bambas developed a Human Rights toolkit using the learnings from the United Nations Voluntary Principles implementation toolkit to enhance our risk assessment process across the business. The project was developed with the participation from teams across Las Bambas including Security, Social Performance, Public Affairs, Legal, Risk Management and Operations. As part of this process, potential human rights risks were identified and through the use of the assessment toolkit mitigation strategies were developed and actioned.

Las Bambas assisted in the search, rescue, police and medical treatment from Cusco, and offered direct support to the family members of those involved in the accident. MMG expresses its deepest sympathies to the families and friends of those involved in this tragic incident.

SECURITY AND HUMAN RIGHTS

We operate in accordance with the VPSHR, as well as the rules of engagement, and the United Nations Basic Principles on the Use of Force and Firearms by Law Enforcement Officials.

Since 2016, we have standardised our security management plans, and these plans reference the VPSHR in relation to the deployment and conduct of public and private security. We also ensure public security forces that support our sites are adequately trained in the use and application of the VPSHR. MMG has been an Engaged Member of the VPI since 2020.

We work with private and public security forces at our Kinsevere

and Las Bambas sites. This work involves ongoing training and mentoring on security and human rights. In 2021, the MMG Peru and DRC human rights working groups consolidated their work by conducting a thorough VPI gap analysis including risk assessments. This analysis informed detailed VPI Action Plans for each site. Further information can be found in our VPI Annual Report at www.mmg.com.

We are aware that many issues that can become security incidents have roots in community concerns built up over time. Often these issues are well-understood by our social performance teams, who are working on strategies to resolve these issues before they become security incidents. In line with this, we take the opportunity, wherever possible, to bring our security and social performance teams together to develop strategies around proactive risk identification and mitigation, grievance management and incident identification processes. We also work collaboratively with other stakeholders to review our human rights exposures and potential risks.

PERCENTAGE OF MMG EMPLOYEES ON COLLECTIVE BARGAINING AGREEMENTS

SITE	2021	2020
Dugald River	43.3	44.0
Kinsevere	93.0	95.0
Las Bambas	42.1	37.8
Rosebery	50.8	46.0
MMG	50.49	52.95

Note: Data represents MMG permanent and temporary employees, not including contractors.



THE WAY WE WORK

We respect human rights, land tenure rights and the rights of local communities and we operate in accordance with national regulations.

LABOUR RIGHTS

MMG recognises the important work of the International Labour Organization (ILO) in defining the basic principles and rights at work. MMG operates in each of its host jurisdictions in line with local labour laws, as a minimum, and with consideration of the eight core conventions of the ILO focusing on human rights that are directly applicable to business.

MMG's People Policy provides an overview of the core MMG principles in relation to the management of company employees. Several of the principles directly support the upholding of basic human rights, specifically:

- People are employed under terms and conditions that are fair and, at a minimum, meet all legal requirements.
- People are provided with safe and healthy conditions of work and, where feasible, assisted to return to work following illness or injury.
- People are treated equitably in the workplace – which values diversity and inclusion in terms of gender, age, cultural and ethnic background, religion, sexual orientation and disability.
- People are provided with a workplace that is free from harassment.
- People are confident to raise concerns that will be addressed in a timely and fair manner.

We support the right to freedom of association across our business and ensure all our employees feel empowered to exercise this right. A significant number of our workforce are covered under a Workplace Agreement, covering 50.5% of employees across the Company, which has decreased slightly from 52% in 2020.

Dugald River commenced negotiations for their Enterprise Agreement in late 2020, which is expected to be completed by mid-2022. Kinsevere have also commenced negotiations for their Collective Bargaining Agreement, which is expected to be completed in 2022. In 2022, Minera Las Bambas is expected to commence negotiations for their Enterprise Agreement.

MODERN SLAVERY

Our global supply chain and operations are located in complex jurisdictions and we recognise the potential that modern slavery exists in our operations and supply chains. Consistent with the ICMM Mining Principles and guided by our commitment to human rights, MMG has a zero-tolerance approach to all forms of modern slavery.

MMG issued its first Modern Slavery Statement for 2020 as required under the Modern Slavery Act 2018 (Cth) in May 2021 and is publicly available at www.mmg.com. MMG's 2021 Modern Slavery Statement is scheduled for release in the second quarter of 2022.

In 2021, mandatory modern slavery training was completed by MMG's Supply, Legal, Operations and Stakeholder Relations teams. The course was designed to familiarise MMG people with modern slavery risks in supply chains, as well as with ways MMG is addressing these risks. Assessments and Q&A sessions have informed additional training and resources that will be developed in 2022, specifically regarding conducting appropriate due diligence to identify modern slavery risks within the supply function.

CHILD RIGHTS

MMG is committed to the protection of the rights of children and adolescents and we do not employ any person under the age of 18 years at our operations. We recognise and support ILO Convention C182, concerning the 'Prohibition and immediate action for the elimination of the worst forms of child labour'. We have worked with organisations including UNICEF and government agencies to ensure children's safe access to health, education and other essential services to support them in achieving their full potential in childhood and adolescence, and in their transition to adulthood.

We support young people to fully understand their legal rights and have worked with communities to address areas that restrict the freedoms of children and adolescents. This includes undertaking child rights' assessments and supporting community education programs on issues such as the impacts of child marriage.

On the 20 and 21 October 2021, the Kinsevere Social Development team attended a two-day workshop held with the International Labour Office project in partnership with NGO PACT, on strategies to reduce child labour in mining activities, primarily focusing on the cobalt supply chain. The workshop included representatives from artisanal mining groups and mining companies. This workshop has created a dialogue table to hold discussions attempting to solve some of the difficulties encountered in mining activities around Lubumbashi, Likasi and Kolwezi. Follow up meetings have been scheduled.

ARTISANAL MINING

Artisanal and small-scale mining (ASM) is widespread in the DRC and Peru and occurs on tenements where MMG holds exploration and mining rights.

In many countries, ASM is pursued as a route out of poverty or an activity to complement insufficient income, particularly in communities where alternative employment is difficult to secure. However, it is also well-recognised that the environmental and safety practices of artisanal miners tend to be poor. Other negative implications include child and forced labour, inequitable distribution of community benefits, illegal trade and heightened security risks.

The challenge of balancing the human right to safe work, the rights of children and environmental responsibility is complex. A key component of the UN SDGs is the provision of job opportunities,

decent working conditions and economic growth while not harming the environment.

Our operations in the DRC and Peru are impacted by the existence of ASM activities on, or near, our tenements and we adopt appropriate strategies to mitigate risks associated with each ASM activity we encounter including, suitable fencing, alarm systems, security management, ongoing surveillance, land access and community and business development plans.

Communication and collaboration with all stakeholders including miners, security personnel, government, local authorities, community organisations and governing authorities is imperative in developing mutually acceptable outcomes.

MMG is committed to managing security in a manner that respects human dignity. MMG's principles for security management ensure that our site-specific Security Management Plans are aligned with the VPSHR and include critical security controls and rules of engagement for MMG-controlled security personnel.

Since 2002, there have been efforts by Peruvian authorities to formalise some aspects of ASM. In December 2021 the formalisation process for registration of small scale and artisanal miners was extended for three years, entrusting the Ministry of Energy and Mines to develop a new General Law for small mining and artisanal mining within the next six months.



THE WAY WE WORK

At our Las Bambas operation, we formally engage with local small-scale miners through participation in community assembly meetings and informal meetings with key stakeholders. There are currently over 450 people from seven communities engaged in informal mining within the Las Bambas tenement, and an additional 15 people illegally mining. The Las Bambas Social Development team continues to look for opportunities to create meaningful engagement and identify opportunities to find a solution, minimise environmental damage and avoid negative impacts to any party.

In the DRC, we are mindful that ASM is a growing sector and there is an increasing demand for minerals such as cobalt, which is present on our tenements. The demand for these minerals has the potential to increase significantly with the expansion of the market for electric cars. The Kinsevere Social Development and Security teams work closely together to monitor and assess ASM with regular meetings held onsite with artisanal mining and community leaders for open and transparent discussion regarding the risks to all parties.

All MMG sites develop annual environmental and social impact assessments, risk assessments, stakeholder engagement registers and community development and investment plans to proactively support local communities and mitigate ASM risks. It is expected that well-considered formalisation initiatives in Peru and the DRC could contribute to better and more equitable socio-economic development. ASM is a difficult and complex issue to manage that is continually assessed to determine the most effective way for MMG to contribute to the solution.

LAND ACCESS, RELOCATION AND RESETTLEMENT

MMG recognises that project-related land acquisition, resettlement and relocation of families and communities, as well as restrictions on land use, can have adverse social and economic impacts on communities and families. Unless properly managed, relocation and resettlement activities, and particularly involuntary resettlement, may result in long-term impoverishment, as well as environmental damage and social stress in the communities of which they have been displaced.

In our land acquisition processes, we anticipate and minimise social and economic impacts resulting from land acquisition and relocation or resettlement. We do this through a land acquisition process that:

- achieves free, prior and informed consent from Indigenous populations, prior to the development of a major project;
- provides enough time for relocation or resettlement planning and engagement;

- involves experienced relocation or resettlement practitioners as early as possible in the process;
- supports open and transparent engagement of communities throughout the relocation or resettlement process, and enables their effective decision-making on relevant issues;
- provides a culturally appropriate and easily accessible dispute resolution process;
- engages relevant stakeholders in the process, including local government and other government agencies that have a critical role in supporting community infrastructure and service delivery; and
- properly resources the relocation or resettlement process, including supporting livelihood restoration, enhancement activities and appropriate monitoring to make sure displaced communities normalise appropriately over time. We respect human rights, land tenure rights and the rights of local communities and we operate in accordance with national regulations. We recognise the need to protect the specific rights and interests of Indigenous peoples, ensure the effective engagement of vulnerable and marginalised groups and account for the gender-specific impacts in any acquisition process.

Our operations avoid and, when not possible, seek to minimise the social, physical or economic displacement of communities by exploring alternative project designs. In instances when involuntary displacement cannot be avoided, our operations provide displaced communities and families with full and fair compensation, along with social and economic assistance packages and programs to restore livelihoods. We make certain resettlement activities are implemented thoughtfully, through a consultative process and with the informed participation of all those affected. We also ensure they operate in line with the ICMM process of FPIC, as outlined in the Indigenous Peoples and Mining Position Statement.

In 2021, our land access activities were focused on exploration tenements close to our Las Bambas and Kinsevere mine sites in Peru and the DRC, respectively.

Our Las Bambas operation has been involved in various activities with nearby communities, giving the team a chance to develop ongoing relationships, learn more about local cultural practices and traditions, and understand the expectations of these communities. We have also reached agreements with some communities to commence environmental monitoring and surface geological exploration activities. This is in addition to our existing agreements with the community of Huanquire, relating to the Chalcobamba site, which included a number of compensation payments and commitments for activities carried out in the community.

The team also executed social commitments, virtual education programs and created casual employment opportunities during exploration works.

Kinsevere continues to work closely with community members impacted by drilling and exploration works being done in the area. This also includes the compensation and relocation of a number of community members, the second step in a process that began in 2018.

In April, representatives from the Kalkadoon community were welcomed onto the Dugald River site to undertake a cultural heritage inspection of land proposed to be used for an additional discharge line into the TSF. The Kalkadoon did not identify any area of significance during the walk but will be in regular consultation throughout the proposed project.

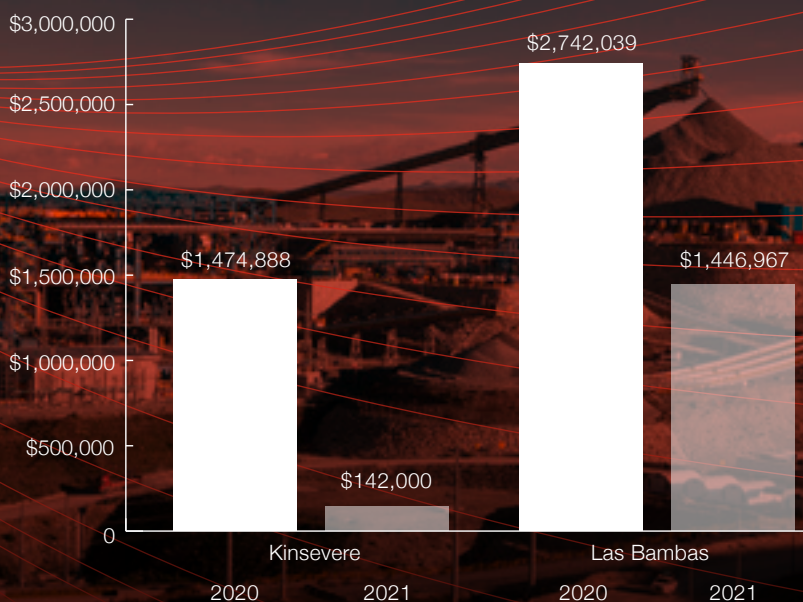
Over the past year, Rosebery has worked in consultation with the Tasmanian Government and our local community to ensure works to determine the location for a new TSF meets all regulatory, environmental and community expectations. Rosebery continues to investigate multiple options and is working in 2022 to develop an offset strategy through re-establishing biodiversity, rehabilitation

and revegetation to reduce any impacts to the local area. For more information see case studies: Rosebery Open Day at Proposed TSF Site page 43 and Rosebery Planning Works for Proposed New TSF page 66.

MMG continues to invest in drilling and exploration to further refine and understand the orebody at each of its mines.

In our land acquisition processes, we anticipate and minimise social and economic impacts resulting from land acquisition and relocation or resettlement.

COMPENSATION PAID IN 2021









3 WE CONTRIBUTE TO DEVELOPMENT

At MMG we mine for progress. For us, that means delivering progress for our people, host communities and countries; progress for economic wellbeing via the products and technologies we support and, most importantly for MMG, progress for broader human development.

WE CONTRIBUTE TO DEVELOPMENT

The social and economic benefits we provide through our operations and their supply chains support our employees, shareholders, communities, regions and host countries to develop and prosper.

This contribution comes through our payment of taxes, royalties, wages and employee entitlements; our purchase of goods and services; and through community compensation, benefit sharing and our direct investment in addressing the UN SDGs 1–6, as listed below:

-  No Poverty
-  Zero Hunger
-  Good Health and Wellbeing
-  Quality Education
-  Gender Equality
-  Clean Water and Sanitation

In addition to improving access and achievement across health, education and livelihood indicators, human development recognises the importance of managing vulnerability and building community resilience.

Communities and countries must be able to withstand ongoing pressures around social and economic security, as well as the impacts of development and political instability. For example, in reducing and eradicating structural factors that lead to poverty, such as the lack of housing and health care, and persistent vulnerabilities, such as food and economic insecurity, communities can prevent impacts that have the potential to hinder development progress. For this reason, MMG is also committed to supporting initiatives such as the EITI, which aligns with UN SDG 16: Peace, Justice and Strong Institutions.

In 2021, we invested just under \$33 million in social investment programs across the business, up from \$23.6 million in 2020.

Our Las Bambas operation saw a significant increase in spend to over \$31 million in 2021. A large percentage of this was related to SDG1: No Poverty, and included infrastructure projects, road and housing maintenance, reforestation and agriculture initiatives using local labour, as well as local business development. Communities were also supported in their own long term (2030) development planning.

Investment in health care increased again in 2021, as the operation supported local communities through the COVID-19 pandemic as well as ongoing commitments to support community health drives, local health clinics and access to medical training.



CASE STUDY SOCIOECONOMIC DEVELOPMENT FOR COMMUNITIES LOCATED ALONG THE SOUTHERN ROAD CORRIDOR

In 2021 the Las Bambas social development team commenced a study of the economic and growth opportunities of the local communities located along the Southern Road Corridor of the mine. The study was designed to measure, understand and assess the opportunity for economic development in the communities located along the Southern Road Corridor, the route travelled by the trucks loaded with the copper concentrate produced at Las Bambas.

Las Bambas will continue its work with the community to progress the study and deliver on its outcomes in 2022, whilst identifying opportunities to support and help the local community to grow and develop.

WE CONTRIBUTE TO DEVELOPMENT

Education efforts continued to focus on ensuring all children had access to the virtual classroom support from the government through improving access to internet, technology, school book and supply distribution and additional training for teachers. Nineteen Las Bambas scholarship students completed their studies in 2021 with a further 119 participating in the program.



CASE STUDY LAS BAMBAS SUPPORTS AGRICULTURAL PRODUCTION

In Peru, tractors are essential for agriculture production and food supply. With the support of a Las Bambas community initiative, about 4,500 people spanning 27 communities across the Coporaque district, in the province of Espinar, Cusco region, have a fleet of tractors, harrows and ploughs to till and plant their land. Throughout 2021, nine tractors have been delivered to the local region. This support represents Las Bambas' ongoing commitment to ongoing dialogue and working together to support the needs of our local community. It also forms part of Las Bambas' broader agricultural program, which includes training, technical support, crop and livestock improvement and access to markets.

To learn more about Las Bambas' agricultural programs, visit: wemineforprogress.com

Although funds were redirected due to the pandemic, Las Bambas continued to support numerous important initiatives such as:

- **The Family Agricultural Project** providing 1,630 families potatoes, quinoa, barley, Andean lupin and garlic crops, greenhouses and guinea pig farms.
- **Strengthening the production chain of cattle and sheep** delivering sheep breeders and technical assistance for the reproduction, installation of pastures and preparation of forages.
- **Support in managing the Yavi Yavi Farm** - 3,610 ha of livestock, farming and planting activities including 504 head of cattle and 4,918 head of sheep, and producing cheese to sell.
- **The Livestock Capital Project** of high Andean people coordinating inter-institutional cooperation agreements signed by various municipalities to purchase veterinarian products to dose and protect the livestock capital, increasing yields in milk, wool and meat.
- **Farmers Market Support** providing goods to strengthen the operation, such as tents, hand wash stations, thermometers, wastebaskets and disinfectants ensuring the markets continued during the pandemic.
- **Bicentennial Tambos**, working with the government to implement initiatives in Cotabambas province including early childhood development modules, agricultural and livestock farming modules and computer equipment.
- **The Regional Youth Employment Plan** financing a specialised consultant to help the Regional Labour Bureau assist young people in Apurímac enter the workforce.
- **Strengthening Local Governments for Development** working with 11 municipalities providing technical assistance to local governments to improve the management of development investments. The municipal administration received training focused on managing prioritised projects that boost investment performance and improves local government access to public funds, sector programs, and grant funds.
- **Inter-institutional Agreement with NGO VIDA Perú** who import medical goods and supplies to be donated by Las Bambas to various hospitals and health centres.
- **The Generation of Knowledge Project at UNAMBA** financing a group of Universidad Nacional Micaela Bastidas de Abancay (UNAMBA) students to complete a thesis.

At Kinsevere, our social investment continued to be impacted by COVID-19, limiting our access to communities and schools due to physical distancing restrictions. The operation invested a total of \$1.09 million during the year, a reduction from 2020 in order to reassess the most effective agricultural investment for the next planting seasons.



CASE STUDY

CELEBRATING OUR TEACHERS IN THE DRC

Supporting education is one of the best ways to reduce long term regional poverty. Since 2006, Kinsevere has invested over \$4.8 million improving access to education for the operation's surrounding communities.

Teachers play an important role in the 26 villages within our area of influence and at MMG we are committed to doing our best to provide them with a suitable working environment. The operation supports ongoing monthly bonus payments to 65 teachers to ensure they are best equipped to support their students and the local communities.

In collaboration with local communities, Kinsevere has also funded the construction of six primary schools, supports regular school infrastructure maintenance work as well as annually funding scholarships for 75 students to complete their secondary education.

MMG Kinsevere remains committed to supporting host communities and is exploring new partnerships to improve access to education for more than 3,000 students together with promoting measures that curb the spread of COVID-19 in schools.

Visit wemineforprogress.com to find out more.

Kinsevere continued to focus on projects designed to support livelihood generation and food security such as:

- **Vegetable growing and supply:** supporting a local farming group to produce and sell 21.3 tonnes of fresh produce to the mine kitchen.
- **Kinsevere sewing workshop** initiated in 2016 as a small business, now supplies the site its MMG uniforms.
- **Farmers assistance program:** involving over 465 farmers, assisted with inputs to grow their crops technical support and infield training. At harvest farmers pay in grain the agreed quantity to sustain the program. In 2021 the harvest produced 2200 tons of grain with 318 tons collected and sent to a storage facility. Kinsevere has invested \$1.05 million to boost crop production for host communities and farmers over the next five years.

Educational support is an ongoing focus for Kinsevere, with the scholarship program for 75 students to continue their secondary school education in Lubumbashi an ongoing success. Healthcare continues to be a priority, supporting the construction of the Kifita health centre and numerous COVID-19 related healthcare initiatives, as per the COVID-19 prevention strategy case study, on page 15. Additional projects in 2021 included power line restorations, Kilongo village bridge construction and reforestation initiatives.

Our Rosebery operation is an active member of community life in North West Tasmania and the site continues to invest in the region, with over \$184,000 spent on community initiatives during 2021. The decrease in spend is related to the COVID-19 restrictions as well as amendments being made to the hospital grant by Tasmania Health. The initiatives during the year included support for a number of local sporting, arts and tourism initiatives as well as traineeship and apprenticeship programs for local community members.

Dugald River's social investment initiatives were also significantly impacted by COVID-19, however the site continues to be an active participant in the life of its local communities. The Kalkadoon Development fund remains a priority, providing educational and training initiatives for the indigenous community. Local Cloncurry events and programs such as the Battle of the Mines, horsemanship clinics, the stockman's challenge, the Quamby Rodeo, Merry Muster, Beat the Heat event, International Women's Day events, Men's Mental Health Summit and school fundraisers are important contributions to the community. The operation continues to support initiatives to increase local supply opportunities for businesses in Cloncurry and Mount Isa, resulting in near-mine spend totalling \$30.8 million for the year.

To learn more about these initiatives visit
www.wemineforprogress.com

WE CONTRIBUTE TO DEVELOPMENT

SOCIAL INVESTMENT IN 2021

INVESTMENT BY SDG	DUGALD RIVER	KINSEVERE	LAS BAMBAS	ROSEBERY	TOTAL
No Poverty	\$9,006		\$19,366,522		19,375,528
Zero Hunger	\$3,753	\$921,880	\$2,903,724		\$3,829,357
Good Health and Wellbeing	\$63,417		\$4,640,652	\$66,028	\$4,770,097
Quality Education	\$4,503	\$167,160	\$4,019,121	\$118,520	\$4,309,304
Gender Equality	\$10,507		\$83,105		\$93,612
Clean Water and Sanitation			\$533,710		\$533,710
Total	\$91,186	\$1,089,040	\$31,546,834	\$184,548	\$32,911,608

COMMITMENT TO LOCAL EMPLOYMENT

We are committed to the regions where we operate. We aim to share our success with our communities by providing local employment opportunities and investing in training and education to help local residents gain valuable and transferrable skills. In 2021, over 94% of our workforce at all our operations were nationals.

We recognise that local employee development programs are a life-of-asset commitment, particularly in host communities where education and training opportunities are limited.

Local employment is a major contributor to socio-economic improvements and is the foundation of positive engagement with local communities. Over time, these programs will establish and develop capability within the local workforce, reduce dependency on non-local employees and build broader community socio-economic resilience.

Dugald River worked closely with, and encouraged, major suppliers to focus on and report local employment as well as local spend. Following on from the Labour Hire panel established in 2020 ongoing meetings were held in 2021 with local labour hire, shutdown labour and service providers to ensure the locally based workforce is fully utilised before engaging FIFO employees.

PERCENTAGE OF NATIONAL EMPLOYEES BY SITE

SITE	2021	2020
Dugald River	98.0%	93.0%
Kinsevere	94.5%	97.0%
Las Bambas	98.6%	99.0%
Rosebery	95.0%	95.0%

Note: Data represents MMG permanent employees, not including contractors.

We are committed to working with Indigenous groups in all regions and our agreement with the Kalkadoon people near our Dugald River operation is focused on increasing participation.

This is an important component of the operation's community initiative, providing an uplift to the economy of the host communities as well as imparting essential skills to the local villagers.

Throughout 2021, 81 offers of employment were made and accepted at Rosebery. The local employment strategy was 100% successful for operator level employees, and for professional roles there was a mixture of both local and interstate candidates.



CASE STUDY

SUPPORTING LOCAL INDIGENOUS SUPPLIERS

In 2021, Dugald River partnered with local indigenous firm Western Labour Hire to help source local indigenous suppliers to provide essential services and suppliers to the site.

Western Labour Hire are 100% indigenous owned and operate with branches across Queensland and in Cloncurry. They focus on supporting Indigenous led and designed employment services to mining, construction and civil companies since their inception in 2009. Given their strong focus on supporting and developing a local indigenous workforce, Western Labour Hire made a fitting partner for Dugald River.

LOCAL SUPPLY

At MMG we are committed to supporting local suppliers in developing sustainable businesses that supply our operations, as well as other customers locally and globally.

Where possible, we aim to source products and services from local suppliers who are able to meet our key selection criteria in safety, environment, quality, technical, social responsibility and commercial viability. Where gaps are identified, we assist local suppliers to meet our standards and support them in building their capability. This process enables them to take up future opportunities to grow their businesses and expand their offering to customers beyond MMG.

- In 2021 Las Bambas supported local supplier resilience, providing training and technical assistance activities on topics related to health protocols, business management, safety, human resources, environment and marketing; achieving the following outcomes:
 - 540 businesses trained in 2021 health protocols;
 - 100 local businesses received business management training;
 - \$63 million in purchases from local businesses as at 31 December 2021;
 - 100 local businesses provide direct services to Las Bambas (maintenance, construction, road watering, services and civil works); and
 - 507 local businesses providing indirect services to Las Bambas (hospitality, restaurants, laundry and personnel transport).

In 2021, MMG spent \$2.19 billion on goods and services excluding taxes and royalties. Our sites spent \$1.85 billion with suppliers in-country. Of this, \$361.5 million was spent with suppliers in the same province or state of our operations and \$223.9 million with suppliers in the immediate near-mine area.



WE CONTRIBUTE TO DEVELOPMENT

PROCUREMENT SPEND IN HOST COMMUNITIES IN 2021 (USD'000)

SITE	NEAR-MINE / DISTRICT LEVEL (ZONE 1)		PROVINCIAL / STATE LEVEL (ZONE 2)		NATIONAL (ZONE 3)		TOTAL
	Value	%	Value	%	Value	%	
Dugald River	30.81	12%	97.57	37%	260.65	98%	265.09
Kinsevere	88.29	66%	95.59	72%	101.91	77%	133.21
Las Bambas	62.98	5%	83.74	7%	1174.25	94%	1254.34
Rosebery	26.44	19%	69.44	50%	136.88	99%	138.11
Corporate	15.36	26%	18.33	31%	45.17	77%	58.55
MMG	223.88	12%	364.67	20%	1718.86	93%	1849.31

Note:

- Local procurement spend is based on the location of the vendor we purchased product from. This does not indicate origin of manufacturer or supplier.
- See Sustainability Report Appendix at www.mmg.com for Local Supply Identification
- Excludes tax and royalty payments. See page 60 for information about additional spend and expenses in regions.



CASE STUDY SECURITY GUARD RECRUITMENT

Our Kinsevere operation is working closely with representatives from our local communities to ensure they play an active role in the security of the local region and mine operation. In 2021, Kinsevere engaged private local security provider WS Insight to help recruit 120 guards from the villages surrounding the operation. To support the development of the local candidates, the site organised workshops and training to ensure applicants understood the security and social development needs onsite as well as MMG's policies and standards. The recruitment process allowed Kinsevere to engage with local communities regarding security and management needs and build a shared understanding and ownership of security issues onsite moving forward.

OUR TAX AND COMMUNITY CONTRIBUTION

As a major investor, taxpayer, employer and purchaser of local goods and services, MMG makes significant contributions to the economies of countries within which we operate. For the financial year ended 31 December 2021, MMG's revenue was \$4,255 million.

Corporate income tax is one of many types of taxation revenue collected by governments and it is a direct tax levied on company profits. Other forms of indirect taxes include value added tax, royalties paid on the extraction of minerals, withholding taxes on the payment of interest and dividends, and taxes paid in relation to employee remuneration and benefits. These additional sources of government revenue are often substantial and represent an important contribution to public finances. Therefore, it is essential to take these government revenue-raising mechanisms into account when assessing the extent to which a company is contributing to public revenue.

Corporate income taxes are paid on profits, not on revenues. Where a company makes little or no profit, it will generally pay less corporate income tax. Without such an approach, companies experiencing periods of low profitability would be faced with disproportionate tax demands and significant disincentives for investment.

The payment of other taxes that are levied on revenue, such as mineral royalties, can decrease the amount of profit a company makes and will, in turn, reduce its corporate income tax liability. The resources sector is capital intensive and, as a result, has high operating costs. Governments seeking to encourage job creation and attract capital investment, such as the development and construction of mining operations, allow companies to claim tax allowances for capital expenditure and on the interest on debt raised to fund investment. The claims for capital allowances and other operating costs will initially be higher than the revenues generated by these operations as they ramp up to full production, resulting in low profits in the early years of operation and lower corporate income taxes paid.

OUR APPROACH TO REVENUE TRANSPARENCY

Corporate revenues and associated tax contributions have had increasing focus from governments and the international public in recent years. In particular, the recent agreement of the international community on a global minimum corporate tax rate of 15 per cent as part of the work by the OECD on Pillar Two is expected to dominate discussion in the public arena as the global economy seeks to recover from the economic impact of the COVID-19 pandemic.

Various frameworks for tax transparency – both legislative and voluntary, are in existence and continue to evolve. Despite varying disclosure requirements across the different frameworks, MMG remains committed to providing the right information in support of the call for global tax transparency. As a multinational company, with operations in Peru, DRC and Australia, MMG adheres to the highest standards of corporate governance in all matters related

to tax. This includes operating under a policy of full transparency and cooperation with all tax authorities and the payment of all taxes properly due under the law wherever we operate.

Transparency on mineral revenues paid to governments is important to regulatory stability and stakeholder understanding of the responsible use of taxes, and the role they play in supporting the provision of citizenship entitlements.

MMG's approach to transparency includes the disclosure of tax and royalty payments, as well as broader social contribution. There are broadly two approaches to tax disclosures. The first discloses taxes effectively paid, that is a company's economic contributions to governments for public expenditure. The second discloses a company's assistance in collecting taxes from third parties in addition to its own contributions. MMG's current approach reflects the former. The following initiatives further support MMG's commitment to transparency:

- Disclosures in line with OECD's BEPS (Base Erosion and Profit Shifting) Action Plan regarding Country-by-Country reporting and transfer pricing documentation
- An anti-bribery and anti-corruption policy through the Company's Code of Conduct
- Public disclosures in line with the Foreign Investment Review Board, Australian Taxation Office and Hong Kong Stock Exchange disclosure requirements, complemented by voluntary disclosure of key payments in annual sustainable development reports for MMG and Las Bambas
- Engagement with the EITI requirements as a reporting entity in Peru and DRC, and a participant in the Australian EITI pilot project
- Membership of Transparency International Australia
- Membership of ICMM and participation in the annual Tax Contribution survey, providing information on MMG's corporate income tax and royalty payments (aggregated in the ICMM members' tax contribution publication)
- Annual voluntary disclosure of tax information under the Australian Tax Transparency Code.

In accordance with the 2015 OECD Report on Transfer Pricing Documentation and Country-by-Country Reporting, China Minmetals Corporation meets the requirements for filing the Country-by-Country Report to the tax authority in Beijing, China by May each year. This report contains information regarding Multinational Enterprises (MNE) on a tax jurisdiction-by-tax jurisdiction basis, which includes - tax jurisdiction per entity, revenues from related and unrelated parties, number of employees and main business activities, amongst others.

MMG pays taxes, royalties and other payments in accordance with the tax regulations and laws applying in the jurisdictions in which we operate.

TAX AND COMMUNITY CONTRIBUTION

MMG (USD'000)	2021	2020
Total taxes paid (excluding royalties)	259,703	187,849
Total royalties paid	167,829	120,539
National supply procurement	1,718,861	1,697,500
Goods and services (excluding taxes and royalties)	2,190,309	1,846,260
New property, plant and equipment	553,000	575,500
Employee benefits	306,333	247,353
Social development programs	32,911,608	23,614

DEMOCRATIC REPUBLIC OF THE CONGO USD'000	2021	2020
Royalties	26,367	24,892
Income tax	32,626	6,046
Employment related taxes*	16,446	14,785
Withholding tax	3,740	3,792
Other Taxes (Disputes, VAT)	10,231	
Total	89,409	49,515

PERU USD'000	2021	2020
Royalties	105,394	72,281
Income tax	50,510	63,015
Employment related taxes*	42,918	37,980
Withholding tax	13,916	20,058
Other Taxes (Disputes, VAT)	35,017	
Total	247,755	193,334

AUSTRALIA USD'000	2021	2020
Royalties	36,068	23,366
Income tax	-	-
Employment related taxes*	42,328	39,950
Withholding tax	820	2,223
Other Taxes (Disputes, VAT)	11,150	-
Total	90,367	65,539

Notes:

1. Paid/accrued in respect of FY2021
2. Disclosure has been made on a cash paid basis.
3. This category includes amounts such as taxes paid in dispute, unrecovered VAT and net GST paid.
4. Components of total tax contribution are all assured on an aggregate level during the 2021 Annual Reporting audit (assured by Deloitte Touche Tohmatsu).

4 WE MINIMISE OUR IMPACT

At MMG we are committed to minimising our environmental footprint through the efficient use of natural resources, management of waste produced and effective life-cycle management.

WE MINIMISE OUR IMPACT

We are focused on managing our impacts and align our environmental and biodiversity activities with our life-of-asset plans.

In late 2020, mining activity was temporarily suspended at Kinsevere. This suspension coincided with the upcoming wet season, which typically impacts mining volumes. While this decision did not impact ore processing volumes, due to significant stockpiles on hand to maintain a steady feed to the mill, the suspension did reduce the sites production of waste rock, energy consumption and emissions.

WATER ACCESS AND USE

OUR WATER MANAGEMENT APPROACH

We use water in both our mining and extraction processes, as well as for use by our people at our operations. Therefore, we need to secure water for the efficient and consistent performance of our operations. We regularly monitor and actively manage the quantity and quality of the water we use and discharge. We are particularly mindful about using water resources that are required for maintenance of environmental ecosystems and that are shared by surrounding communities.

In supporting the ICMM Position Statement on Water Stewardship, we commit to supporting water stewardship initiatives that promote better water use, effective catchment management and contribute to improved water security and sanitation for surrounding communities. We have a company-wide objective to effectively manage our water intake, inventory and discharge to minimise our impacts on other users within the catchment, including upstream and downstream communities and the environment. Targets tailored to site-specific requirements and risks are set against these objectives. In August 2021, ICMM released their Water Reporting Good Practice Guide. All operations have commenced a gap analysis in order to develop an implementation plan to meet ICMM water reporting requirements, to be completed by mid-2022. Reporting on compliance progress will begin in 2023.

We uphold commitments to apply strong transparent water governance, manage water at our operations effectively and efficiently, and collaborate with our communities to achieve responsible and sustainable water use.

We have different strategies for managing water, depending on our site requirements. Some of our operations are located in areas with high seasonal rainfall and abundant water resources, and others are

located in areas where securing water can be more challenging.

Each of our site-specific water balance models predicts water inputs, use and outputs to inform our management of water-related risks. We are increasingly integrating our water balance models and our life-of-asset plans to make structured investment decisions regarding infrastructure, and to align water supply with processing demands and community requirements.

We have established clear accountabilities for regularly reviewing our water balance models and measuring the effectiveness of our critical water management controls.

We report our water inputs, outputs and diversions in line with the Minerals Council of Australia (MCA) Water Accounting Framework.

WATER BALANCE AND MANAGEMENT OF WATER RISKS

We proactively manage water quantity and quality to reduce potential socio-environmental impacts and realise opportunities whilst implementing our mine dewatering plan that is needed to safely operate.

There are several factors that have led to changes in our water balance over the past year, mainly related to operational improvements as well as extreme weather events.

Our Las Bambas mine is our largest asset and it continued to improve its water management approach during 2021. Our staff have worked diligently to improve the operational efficiency of the process water system and increase the volume of water drawn from the TSF for operations by 17%. As a result of this, the volume of raw water drawn from the Challhuahuacho River to top up operations reduced by 66% compared to 2020.

This reduced consumption was due to:

- Clean-up works in the clarification dam for sediment control and ongoing clean-up of the four check dams in the wet season, as well as the addition of flocculant to improve water quality.
- Improvements in the freshwater circuit at the concentrator plant led to more efficient use of water.
- The reduction of the intake from the Challhuahuacho River.

The increased consumption of reclaimed water was on account of:

- The use of thickener which increased the percentage of discharge solids
- Increased recovery of tailings dam water, due to the reduction of water stored in the dam
- Increased reclaimed water use for the grinding and flotation processes required in 2021.

Due to the major water infrastructure program, the generation of suspended sediment loadings (“dirty water”) has reduced significantly, providing both improved water quality and a more natural flow regime to the downstream ecosystem. This led to achieving discharges resulting from a catchment runoff volume of 10,456 Mm³, higher than the prior year, reflecting an efficient management and use of the resource. This increase was due to an annual cumulative precipitation of 1,234 mm higher than that of previous years. Precipitation-runoff and river-creek input volumes increased in accordance with the increase in the annual precipitation. We have ongoing programs to find opportunities for improvements in catchment management at all our operations.

To efficiently manage water resources, solids handling infrastructure must be managed to ensure the quality of the downstream natural ecosystems. To control this risk, 44% of the sedimentation dam at Las Bambas was cleaned in 2021 as well as sediments cleaned from the components of the clarification dams - 100% of Pond D, 50% of Pond C, and 51% of pond B.

Our Dugald River site is located in an area of Australia where the climate is typically characterised by two seasonal extremes, the wet season and the dry season. Each season brings a unique set of operational challenges in managing water across the site. The site’s water management structures are designed to manage the high intensity flow events of the wet season through defined catchment zones and appropriately designed dams. Throughout the dry season an emphasis is placed on balancing water conservation while optimising reuse. In 2021 the TSF return water system was upgraded with more fit for purpose pumping systems.

Our Rosebery mine in Tasmania has been operating since 1936, and the site is therefore affected by a number of historical legacy issues. One of these is the collection and treatment of seepage from historic mining activities. As part of the comprehensive closure studies being undertaken on site, an additional groundwater well was constructed at the Bobadil TSF.



CASE STUDY WATER MANAGEMENT AT LAS BAMBAS

At MMG we use water in both our mining and extraction processes and therefore need to secure water for the efficient and consistent performance of our operations. We regularly monitor and actively manage the quantity and quality of the water we use and discharge.

During 2021 Las Bambas undertook a water management review on site and implemented a series of improvements, to help the site better understand, manage and mitigate any water issues on site.

As a result of this review, the site made a series of improvements to its water management processes, including digitalising daily inspection reports of all dams, reinforced masonry and concrete to improve embankment stability and the development of an improved surface water management plan in the pit and dump to more efficiently direct run offs resulting from rainfall, reducing the suspended solids and improving downstream water quality.

Las Bambas also worked to install a new flow and rainfall measurement state to enable the site to improve the quantification of the water resources in the catchment.

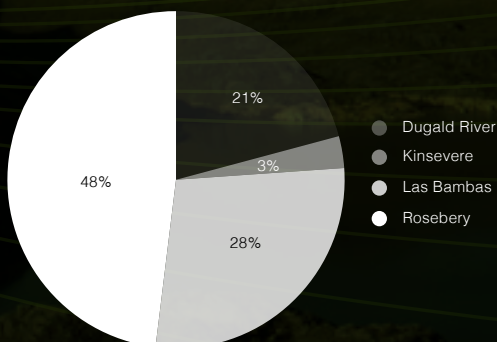
WE MINIMISE OUR IMPACT

2021 WATER BALANCE

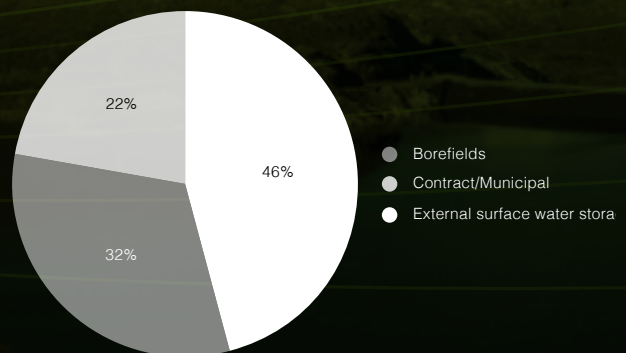
	ML	(%)
DIVERTED WATER	26,575	
WATER INPUTS	39,613	
Borefields	2,654	7%
Precipitation and runoff	15,303	37%
Rivers and creeks	7,896	20%
Aquifer interception	5,178	13%
External surface water storages	4,173	11%
Entrained in ore that is processed	2,608	7%
Contract/municipal	1,801	5%
Third party wastewater	0	0%
WATER CONSUMPTION	20,109	50.76%

	ML	(%)
DIVERTED WATER	43,822	
WATER OUTPUTS	30,326	
Evaporation	7,291	24%
Entrainment	14,537	48%
Discharge to surface water	5,751	19%
Seepage	1,047	3%
Supply to third party	43	0%
Other	1,657	6%

FRESHWATER (CAT 1) INPUTS BY SITE



FRESHWATER (CAT 1) INPUTS BY SOURCE



In 2021 the filter plant project at Rosebery was completed resulting in a significant increase in capacity for collection and pumping of storm water from the site’s disturbed areas back to the Effluent Treatment Plant. The Pieman Pump pipeline upgrade was also completed for water being transferred from Lake Pieman to the Pieman Water Supply Tank. The old line is now available as a contingency in the unlikely event of any line failure. The 2/5 dam is currently operated as a sub-aerial dam, requiring changes in the inventory of water on the dam. Additional water was decanted to change the dam level in order to allow sub-aerial deposition and formation of the tailings beach.

This water was treated through the normal processes at the Effluent Treatment Plant, on the Bobadil Dam and through the polishing ponds.

Our Kinsevere operation in the DRC is located in an area with a high-water table and, as mining progresses and the pit floor lowers, we are managing increasing volumes of water from our dewatering program. This water is either used onsite or released into the river system after appropriate quality testing.

The surface water management system initiated at Kinsevere in 2018 is ongoing. This has been delivering improvements in water quality, reduction in nuisance flooding, diverting water away from entering the pits or recharging local ground water, as well as operational benefits such as reduced risk of geotechnical failure. As part of this project, we have upgraded pit sumps, installed rock tuff pumps and drilled new dewatering boreholes to support pit dewatering. We continued to drill additional production boreholes to reinforce system capacity and provide additional clean water on site in 2021.

We have continued to work with Kinsevere local communities to ensure the supply of clean drinking water and to minimise the risks from waterborne diseases. We now work with 25 different village water management committees, training people to manage and monitor key water projects in their local communities.

MMG does not use seawater at any of its operations. It also does not operate in any areas with water stress, and where water stress is a risk there are plans in place to manage this. For example, Dugald River water purchase is based on water availability, so if there is stress, we do not receive water.



CASE STUDY

NEW TAILINGS MANAGEMENT STANDARD AT MMG

Tailings management is crucial given inadequate management can lead to safety, health and environmental hazards at our sites and in our community. As signatories to the ICMM Tailings Management Standard, MMG works to comply with strict global safety standards and state laws when constructing and managing TSFs. In 2021, MMG introduced and adopted a new MMG Tailings Storage Facilities and Water Storage Dam Standard, based on the requirements of the ANCOLD guidelines and the intent of the ICMM Global Industry Standard on Tailings Management (GISTM). The standard covers all stages of a TSF from design, construction, operation and closure.

WE MINIMISE OUR IMPACT

At Las Bambas, our environmental permit only allows us to withdraw water when the environmental baseflow requirements in the waterways allow us to do so (during the wet season), and our water management improvements and reuse of water prevent the need for water use during periods of potential water stress.

In line with our ICMM commitments regarding water, we ensure all employees have access to clean drinking water, gender-appropriate sanitation facilities and hygiene across all operations.

WASTE ROCK MANAGEMENT

Our mining and processing activities generate significant quantities of mineral waste. Our aim is to minimise our impacts by managing our waste safely and appropriately, reducing our overall footprint of disturbed land and supporting long-term closure planning.

We utilise appropriate waste rock in the construction of surface containment facilities; for example, at our open pit mines we develop engineered waste rock facilities and, where possible, we place waste into mined-out areas such as at our underground operations. For Rosebery, this ensures that for the remainder of current mine life, all waste rock will remain underground as part of the mining process. At Las Bambas we construct landforms in accordance with engineering designs based on MMG standards, guidelines and work quality requirements (WQR). The waste rock containment facilities are designed for appropriate engineering performance of the slopes and geochemical performance of the materials. As our Kinsevere mine has been in care and maintenance in 2021 with mining mainly from stockpiles or third-party ore, no potentially acid forming (PAF) waste rock or non-acid forming (NAF) waste rock has been added to our dumps.

In implementing our mineral waste controls, we focus on characterising mineral waste and managing storage to limit environmental impact and minimise operating and closure costs. For example, at Dugald River we use tailings materials to create paste backfill that is re-injected into underground voids.

Some of this mineral waste is chemically reactive, with the potential to form acid and metalliferous drainage (AMD). Geochemical characterisation studies inform site-specific definitions for potentially acid forming (PAF) waste rock and non-acid forming (NAF) waste rock. These classifications enable us to identify, schedule and appropriately encapsulate PAF waste rock to mitigate the generation of AMD and reduce environmental and closure liabilities.



CASE STUDY

ROSEBERY PLANNING WORKS FOR PROPOSED NEW TSF

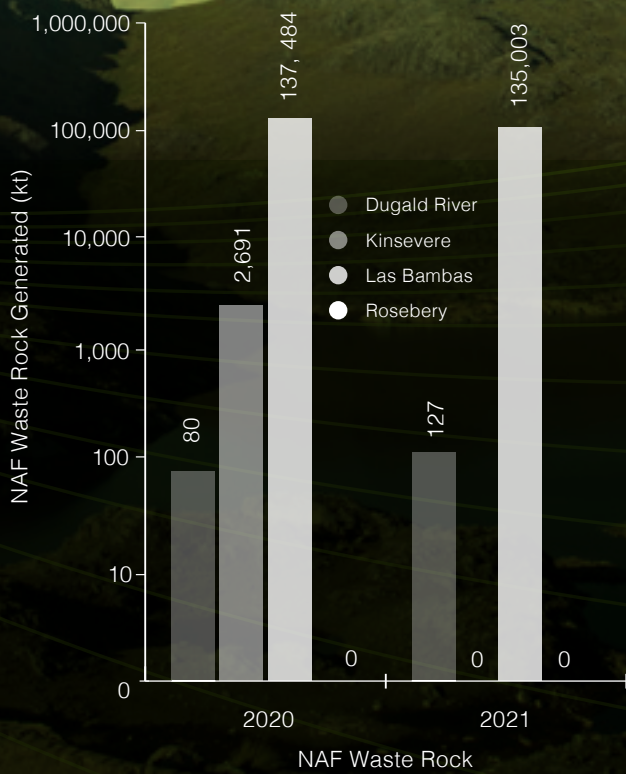
Over the past year Rosebery has worked in consultation with the Department, the Tasmanian Government and our local community to ensure works to determine the location for a new TSF meets all regulatory, environmental and community expectations.

The site requires a new TSF to continue operations beyond 2024. Rosebery has conducted studies for over a decade to choose the best site that balances biodiversity values with geotechnical and environmental considerations of the local area. The result of these works currently indicates that the South Marianoak site offers the best balance of factors to support a TSF, while minimising environmental and biodiversity impacts.

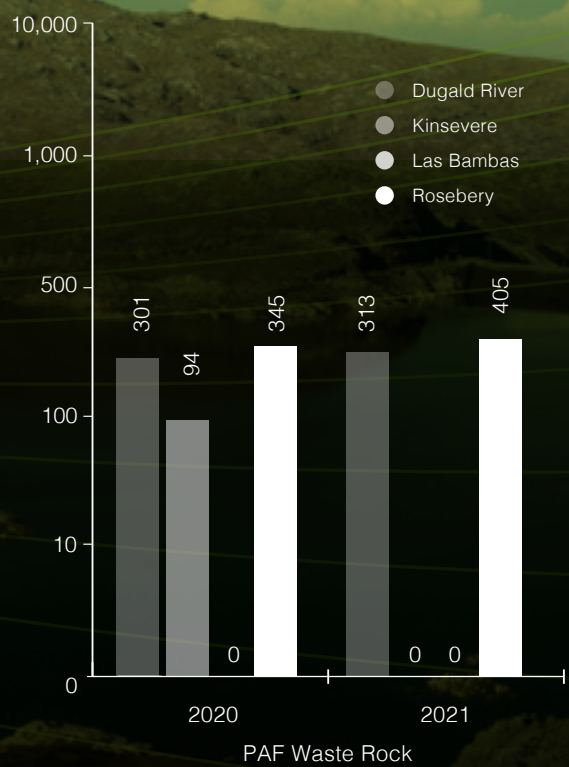
The proposed site is an area of mixed conservation values, including parts that have been extensively logged, it has a large powerline corridor and fire break in the area and there are also parts of old-growth forest. MMG plans to conduct preliminary environmental baseline and geotechnical investigations work in 2022 prior to making a final decision.

All investigative and development works will be conducted within rigid safety, environmental and biodiversity protection controls. MMG also continues to actively investigate environment and biodiversity rehabilitation and protection projects with a target of no net loss of biodiversity for this important region.

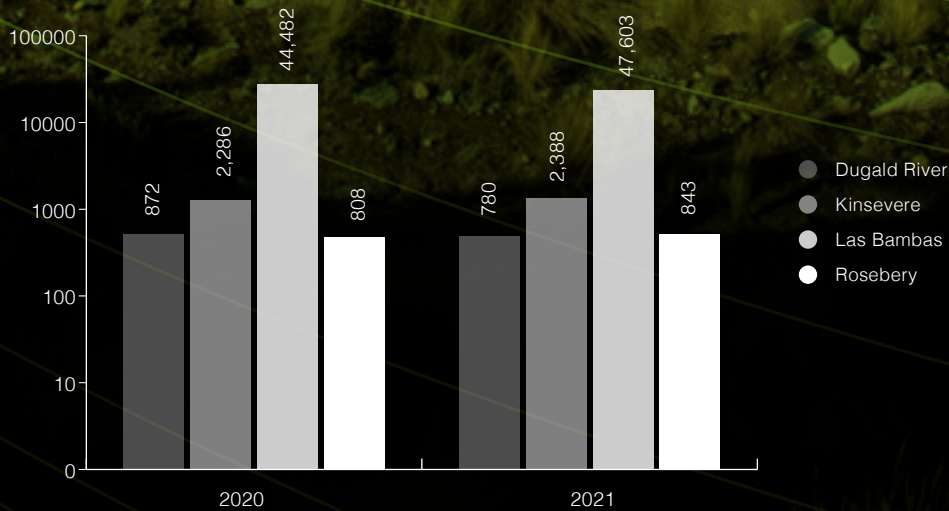
NAF WASTE ROCK GENERATED ('000 TONNES)



PAF WASTE ROCK GENERATED ('000 TONNES)



TAILINGS GENERATED



WE MINIMISE OUR IMPACT

TAILINGS STORAGE

At MMG we treat the management of our TSFs as a key material issue and a material risk that requires ongoing, rigorous risk management. Our approach includes mandating the minimum requirements for all sites to employ which cover the life cycle of tailings facilities and dams from strategic planning, design, operations, maintenance, inspections, emergency response and closure. The protection of life and the environment is mandated in our Tailings Storage Facilities and Water Storage Dam Standard.

Our approach to these minimum requirements has been developed using internal and external subject matter experts and aligning it to the requirements of the Australian National Committee on Large Dams (ANCOLD), Canadian Dam Association (CDA), the Mining Association of Canada (MAC) and the Global International Standard on Tailings Management (GISTM). Our approach meets or exceeds the regulatory requirements in each of the jurisdictions in which we operate.

MMG applies critical design and execution requirements that are based on a risk assessment process, which is reviewed annually. These aspects focus on operating and non-operating TSFs and seek to minimise environmental and community impacts with a secondary objective to maximise operational efficiency. The risk management and control execution measures are subject to internal, external and independent audit.

There has been increased scrutiny of TSF integrity from both within the industry and from external stakeholders. Recent failures of large upstream constructed dams have been the primary driver for this concern. The majority of MMG's TSFs, including Las Bambas, are engineered rock and earth fill structures constructed using downstream construction methods. We have smaller facilities at our Rosebery operation in Australia that incorporates upstream construction methods in a portion of the containment dams.

2021 MMG TSF SUMMARY

TSF	Type (ground, valley, mountain or other)	Dam raising type	ANCOLD dam failure consequence rating	Total designed height	Total designed capacity	TSF service life		Most recent expert review date
						Came into service	End of service	
Las Bambas TSF1	Valley	Downstream	Extreme	280m	477Mm ³	2015	2029	Jan-21
Dugald River TSF1	Valley	Downstream	High C	37m	8.7Mm ³	2018	2039	Dec-21
Kinsevere TSF1	Side valley	Upstream	High C	-10	1.1Mm ³	2006	2010	Apr-21
Kinsevere TSF2	Paddock	Downstream	High A	38m	23Mt	2011	2023	Apr-21
Rosebery 2/5 Dam	Side valley	Upstream/ downstream	High A	26m	5Mt (plus unknown existing)	2018	2024	Jan-21
Rosebery Bobadil	Side valley	Upstream/ downstream	High C	37m	18.9Mt	1974	2024	Jan-21

Mm³ = Millions of cubic metres

Mt = Million metric tonnes

Note:

- The ANCOLD dam failure consequence rating is based on the potential impacts of a failure in a TSF. Refer to definition on page 82 for the consequence table.
- For more information about our TSFs, visit www.mmg.com.

In 2016, the ICMM issued a position statement on preventing catastrophic failure of TSFs. MMG’s approach to the governance of TSFs fully aligns to this framework, including the use of an Independent Dam Review Committee and Engineer of Record at each of our TSFs.

MMG has a strong commitment from our Board and Executive Management Team to provide the necessary governance and resources to protect safety and the environment. We work towards continuous improvement to further refine and strengthen our TSF controls, benchmarking them with the input from the dam safety committee reviews and annual performance audits as defined by ANCOLD.

In 2020, the ICMM, in conjunction with the United Nations Environment Program (UNEP) and the Principles for Responsible Investment (PRI), released the new Global Industry Standard on Tailings Management (GISTM), of which MMG contributed the design through our ICMM membership.

MMG is working through an extensive gap analysis to inform actions required at each site to ensure compliance against the standard. We support the ICMM’s compliance timeline, with all MMG facilities with ‘Extreme’ or ‘Very high’ potential consequences of failure, as defined by the GISTM, to be in conformance with the Standard by August 2023, and all other facilities within five years.

In 2021, at our Las Bambas operation, the annual Dam Committee, including the External Advisor Panel, convened remotely for a second year due to COVID-19 restrictions. The committee reviewed the results of the 2020 third-party TSF design review, ongoing operations and studies as well as planned development for ongoing storage of tailings. The committee confirmed the TSF is designed and operated appropriately for the geological setting and for the projected tailings production. We also continued with studies for the optimisation of our strategic tailings storage requirements and recognise the need for further tailings capacity for any growth potential. Studies are progressing to identify the options available.

During 2021, our Rosebery site continued studies to develop additional tailings capacity using our existing facilities, as well as investigating a new facility, consistent with ANCOLD guidelines and the requirements of the GISTM.

An Emergency Dam Break drill took place at Rosebery in 2021 involving MMG as well as contractors due to the continuation of COVID-19 restrictions. Planning for another drill including the relevant authorities, Tasmanian Emergency Services and the community is underway to occur early 2022.

Rosebery synchronously operates two tailings storage facilities. Current approved projects provide tailings storage until 2024. Feasibility studies are ongoing into projects that will extend existing facilities end of service to 2028.

Kinsevere and Dugald River tailings operations continued as usual with capital improvements including a TSF raise construction at Kinsevere. Dugald River completed projects to improve tailing delivery, water reclamation and access to the TSF and also obtained regulatory approval for an additional discharge location for construction in 2022, which will improve tailings deposition.

CLIMATE CHANGE

MMG recognises the impacts of human-induced climate change on the environment, the economy and communities. We are dedicated to being part of the global solution through the provision of minerals and metals required in a low carbon future and taking actions to reduce emissions, committing to net zero emissions by 2050.

Extreme weather events continue to intensify globally and inform our need to assess and build the resilience of our business to respond to a changing climate.

Variables including too much, or too little water and extreme heat have become increasingly important to consider in the context of mine plans, infrastructure and landform design, logistics routes, supply chains and throughout the whole life of mine cycle. We recognise the need to clearly define our climate change exposures, review opportunities for mitigation and adaptation, stress test these under a range of climate scenarios, and communicate our greenhouse gas emissions strategy and performance.

In addition to our goal of net zero carbon emissions by 2050, we have now set an interim target of reducing operational greenhouse gas emissions (Scope 1 and Scope 2 from our operated assets)

MMG recognises the impacts of human-induced climate change on the environment, the economy and communities.

WE MINIMISE OUR IMPACT

by 40% by 2030, from a 2020 baseline. This interim target aligns with science-based methodologies to help reduce global warming to 1.5°C, as per ambitions of the Paris Agreement. We will also drive reductions in our value chain emissions (Scope 3) firstly by initial measurement and disclosure by end of 2023, followed by target setting and working with our supply chain partners on emissions reduction opportunities.

We welcome efforts made by governments to cooperatively reach the Paris Agreement and support long-term global climate goals that balance greenhouse gas reductions with economic development.



CASE STUDY MMG DUGALD RIVER GOES SOLAR

In 2021 MMG's Dugald River mine commissioned a renewable energy study aimed at reducing its Scope 2 emissions.

As a result of this study, Dugald River entered into a long-term solar offtake agreement with energy provider, APAGroup. The solar agreement will supply 44MW of solar energy capacity to the Dugald River mine to reduce its carbon footprint and provide immediate energy cost savings once operational in early 2023. The new agreement further supports MMG's commitment to supporting the global transition to a low carbon economy with the company's key products, copper and zinc, playing a critical role in the development of sustainable technologies such as solar panels, wind turbines, electric vehicles and batteries.

For more information visit: wemineforprogress.com

AIR QUALITY MANAGEMENT

At MMG we strive to be as efficient as possible in our combustion of fuel to preserve a healthy working environment for our people (particularly those working underground) and manage costs. We consider environmental and health implications in our supply contracts for equipment, electricity and fuel via our procurement processes.

The bulk of our emissions to air are generated by heavy mobile equipment used for mining, product transport, primary crushing and onsite power generation. Our emission reduction strategy is discussed in more detail in the Climate Change section of this report, page 69.

We continually improve our management of dust generated by our activities. This includes watering heavy haul and logistics as well using bischofite as a suppressant to keep dust to a minimum for surrounding communities and, in Peru, supporting the government in the progressive sealing of roads.

Rosebery's dust mitigation plan includes triggers set up on all live weather stations with alerts sent via email and text message when conditions are conducive to increased dust pick up activating automatic responses such as sprinklers. The manual sprinkler program underground is also transitioning to timers, ensuring more consistent and even water coverage.

Dugald River's approved Air Quality Monitoring Program proactively manages ambient air quality around the mine on a daily basis. Air quality indicators arsenic, cadmium, copper and lead are monitored at locations surrounding the residence of our nearest sensitive receptor. Dugald River remained compliant with all air quality monitoring requirements during 2021. The site plans to continue improving dust mitigation practices around the ROM and is currently investigating water curtains that will further reduce fugitive emissions to environment.

At the Las Bambas Ferrobamba pit, water cranes have been installed on the access roads as well as 8,600 meters of sprinkler system at the Pit. 2,700 metres of sprinkler system has been installed on the access road to the Chalcobamba Pit. Along the Southern Road Corridor, the roads are watered and dust suppressants applied, using tanker trucks hired from local businesses.

In 2021, additional monitoring stations have been installed ensuring real-time monitoring of conditions along the Southern Road Corridor as well as improving reporting frequency. More information about the air monitoring at Las Bambas is available at wemineforprogress.com.

We report our emissions in accordance with the Australian Government's National Pollutant Inventory emission estimation techniques and our materiality-based sustainability reporting processes.

BIODIVERSITY

MMG recognises that compared with many other land uses, the direct impacts of mining on biodiversity and ecosystem services are usually small, due to the relatively small area of land disturbance. At the same time, we recognise that this disturbance is often very significant on a local scale and may be globally significant where limited populations of threatened or vulnerable endemic species may be exposed to risk of disturbance.

Our operations are managed to identify potential impacts to biodiversity and to implement mitigation strategies to avoid or offset these impacts. This management includes:

- using environmental assessments and strategic regional assessments prior to the commencement of mining, or disturbance activities, to identify potential biodiversity impacts;
- ensuring the effective application of the mitigation hierarchy in relation to any proposed land clearance activities onsite, with avoidance being the preferred option where practicable; and
- planning for closure in a way that focuses, not only on the re-establishment of vegetation cover but, more broadly, on opportunities to develop self-sustaining ecosystems that support the social, cultural, environmental and economic objectives of our host communities and the surrounding landscape.

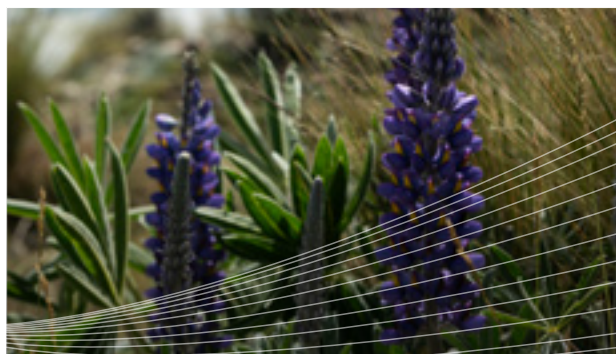
We actively manage our land holdings over the life of the operation and seek to protect biodiversity and future land use options. Some of the management actions actively used at our operations focus on:

- implementing low or no disturbance areas that may form future conservation reserves;
- controlling invasive species;
- restoring degraded ecosystems; and translocating endangered plants and supporting the breeding requirements of vulnerable animals.

MMG recognises that by consistently evaluating our approach to land use planning at our operations, we can account for the environmental value of ecosystem services and deliver continual improvements in our management of land and biodiversity.

As a member of the ICMM, we act in accordance with the ICMM's Mining and Protected Areas Position Statement.

The lease of our Dugald River operation is home to the Petrogale purpureicollis (Purple-necked rock-wallaby) protected species. MMG undertakes bi-annual monitoring to collect data on the species and its use of habitat.



CASE STUDY

MMG'S COMMITMENT TO A LOW CARBON FUTURE

In pursuit of a low carbon future, MMG has joined with hundreds of global companies and world leaders announcing net zero plans at the United Nations climate change forum. Along with our fellow ICMM members we have pledged to support measures that will limit global warming, targeting net zero emissions by mid-century.

We are committed to this because we recognise the impacts of human-induced climate change on our environment, economy and communities. MMG wants to play our part in addressing this global challenge by taking appropriate actions that will reduce our direct and indirect emissions, and source key minerals and metals required to help develop a low-carbon future.

As part of our climate change strategy we have committed to a goal of net zero carbon emissions by 2050. To help us achieve this goal we have now set an interim target of reducing operational greenhouse gas (GHG) emissions by 40%, from our 2020 baseline by 2030.

We want to make climate considerations a focus for our business going forward and will be integrating climate resilience and decarbonisation pathways into our key business processes, project designs, ongoing mine planning and M&A due diligence.

To achieve this MMG has developed a company-wide climate resilience strategy spanning energy solutions together with mitigation measures that have informed our 2030 targets and support our 2050 goal.

MMG's climate resilience strategy covers energy mix, technologies, efficiencies, community resilience and mitigation measures.

WE MINIMISE OUR IMPACT

This provides an understanding of rehabilitation success and changes to the populations over time. There has been no change in population in 2021 and ongoing monitoring will help develop future biodiversity and rehabilitation activities.

MMG Dugald River has been working with the University of Sunshine Coast (USC) and Queensland University of Technology (QUT) researching the Carpentarian Pseudantechinus (Pseudantechinus mimulus), a small carnivorous native mouse-like marsupial.

Over the past five years the project has gathered information on the distribution, habitat preferences, ecology and taxonomy of the Carpentarian Pseudantechinus with MMG contributing over \$300,000 to the cause.

Dugald River also commissioned a team of ecologists to conduct a flora study focused on refining the current broad scale regional ecosystem mapping. This has provided the site with more detailed maps and a better understanding of the unique regional ecosystems in which it operates, enabling operations to take place without impacting on sensitive regional ecosystems. This study will contribute to determining future rehabilitation success criteria and rehabilitation plans.

Las Bambas is dedicated to the conservation of biodiversity, with this commitment embedded into its environmental management plans. Las Bambas has developed rescue and relocation protocols for amphibians and rodent species, which help protect conservation and biodiversity. Las Bambas has proudly pioneered this initiative in Peru. In 2021 the Forestry and Wild Fauna Service (SERFOR) granted Las Bambas approval to relocate the following species:

- Dark field mouse (*Akodon subfuscus*)
- Painted big-eared mouse (*Auliscomys pictus*)
- Aquatic frog (*Telmatobius jelskii*)
- Warty toad (*Rhinella spinulos*)
- Marsupial frog (*Gastrotheca marsupiata*)
- Marbled frog (*Pleurodema marmoratum*)

All relocation activities were executed in compliance with SERFOR's Wild Fauna Management Regulation, and IUCN's criteria for translocations for conservation purposes.

MINE CLOSURE, REHABILITATION AND LAND MANAGEMENT

Effective closure planning and site rehabilitation are important priorities for MMG. We have an integrated approach to planning the closure, social transitioning and relinquishment of our assets, commencing from the development stage and continuing throughout the asset life cycle. All four (100%) of our operating assets have closure plans in place.

Minor amounts of progressive rehabilitation are currently undertaken by our operations as disturbed areas are largely limited to operational areas that continue to be in use or will be used in the future. This is driven largely by the ore body location and mining method, with underground mines in particular, having limited opportunities for rehabilitation prior to the end of mine life. To this end we have not set annual rehabilitation targets, but instead build allowances into our closure plans and operational budgets where there are opportunities to progressively rehabilitate areas that are no longer required for operational purposes. These are reviewed annually.

In 2021 we retired our Progressive Rehabilitation and Closure Standard, and embedded closure planning, risk assessment and liability estimation within the MMG Integrated Business Planning Framework. This improvement allows greater visibility and enhanced understanding of closure liabilities and opportunities, when operational and business decisions are to be made. It still provides a consistent approach to closure and progressive rehabilitation across all of our global operations. MMG actively contributes to the ICMM Mine Closure Working Group and leverages the participation of peer companies to continually benchmark our own internal processes and improve our performance on mine closure.

In 2021, MMG continued our major industry sponsorship of the Cooperative Research Centre for Transitions in Mining Economies (CRC TiME). The CRC is a ten year, \$130 million research initiative between the Australian Government, industry and academia, focussed on delivering resilient post mining futures.

One CRC TiME project was completed at Rosebery on understanding local readiness for closure, via initiation of an ongoing multi-stakeholder participatory approach. And a second CRC TiME project at Rosebery also began on improved prediction, remediation and closure of acid and neutral metalliferous drainage (AMD/NMD) sites, in collaboration with several other industry peers.

At Dugald River, technical studies were completed on landform flooding potential and ecological rehabilitation in order to inform the submission of the Progressive Rehabilitation and Closure Plan for the Regulator.

Similarly, Las Bambas completed a major review and update of their Closure Plan which was submitted to the Regulator mid-year. At Kinsevere during 2021, some rehabilitation liability reduction occurred through reclaiming and reprocessing a portion of the tailings from TSF1. The remainder of these tails will be mined and reprocessed progressively, fully removing this hazard and allowing for the footprint to then be revegetated.

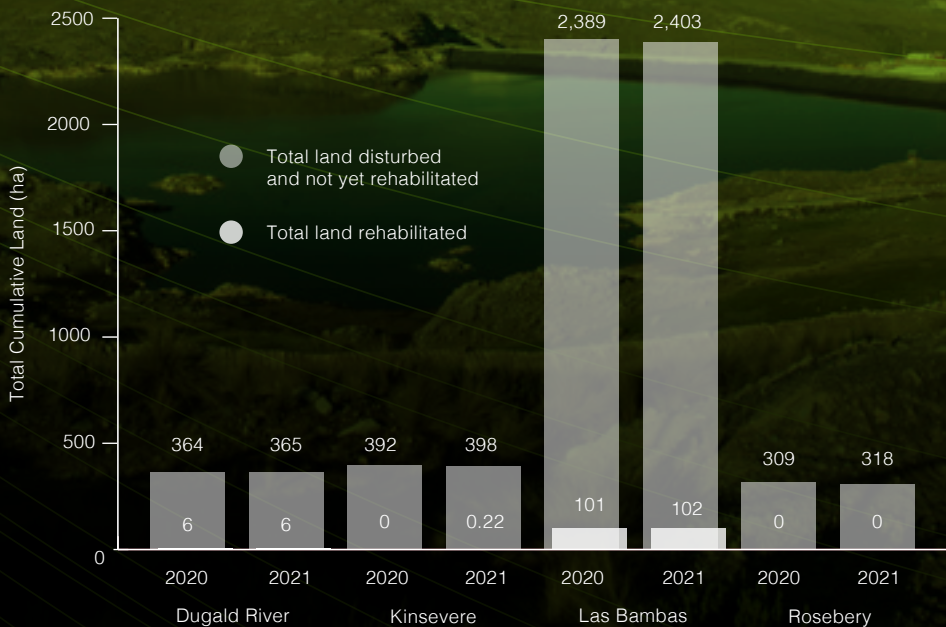
Closure prefeasibility studies continued in 2021 for the Hercules legacy and Rosebery operational mine sites in Tasmania which, when complete, will allow an evaluation of all credible closure scenarios to select the best option(s), in consultation with the community and other external stakeholders. A large scale (~10ha) TSF closure cover was installed and a trial plot area was fully instrumented at Rosebery.

2021 LAND STATISTICS FOR MMG



Area of land managed at end of 2021	285,990.62 ha
Area of land managed by our operating sites at end of 2021	17,220 ha
Area disturbed and not yet rehabilitated at end of 2020 (opening balance)	3,454 ha
- New disturbance in 2021	29.6 ha
- Disturbed areas rehabilitated in 2021	0.9 ha
- Rehabilitated areas redisturbed in 2021	0.0 ha
Area disturbed and not yet rehabilitated at end of 2021 (closing balance)	3,483.6 ha

CUMULATIVE LAND DISTURBANCE AND REHABILITATION AT OUR OPERATIONS (ha)



WE MINIMISE OUR IMPACT

The data obtained from the trial over several years will allow for validation of the cover system design and inform the final closure designs for all of the site TSFs.

These studies will provide more definitive information to support MMG closure planning and closure cost estimation, but also inform stakeholder discussions with community and government. The current financial provision for closure of all MMG operations (including TSFs) is reported in our Annual Report which can be found at www.mmg.com and has been externally audited.



CASE STUDY FOREST RESTORATION IN THE DRC

Each year the DRC celebrates Tree Day on 5 December.

To help support this important initiative, the team in the DRC planted more than 80,000 trees for the 2021-2022 campaign with five different tree species. In consultation with our local communities, other sites will be selected to contribute to ongoing the restoration of forests around the operation.

Kinsevere also worked closely with community members to provide over 15,000 seedlings, including 4,000 for the tree planting event and 3,500 for local school yards, as part of our ongoing commitment to maximising the revegetation process by inviting each school child to plant a tree.

To learn more about this important initiative visit wemineforprogress.com.



CASE STUDY FUTURE PLANNING AT MMG ROSEBERY

In 2021, MMG completed the first of a series of planned mine closure planning workshops with potential future land users and the local community. The workshops were designed to strengthen the sites understanding of the socio-economic impacts of any future mine closure on the Rosebery town and, more broadly, the West Coast Region and the state. Facilitated by the University of Queensland's Sustainable Minerals Institute, the workshops fostered a dialogue around the potential future of Rosebery, beyond mine closure. This included discussions around infrastructure, services, land use, economic vitality and social well-being of the community, and the current role the mine plays.

These workshops form part of MMG's closure planning framework which involves establishing a closure vision that considers the end land uses and land users, setting objectives that support the vision, developing completion criteria and putting in place work programs to rehabilitate the site to meet the objectives. Further closure visioning workshops are planned for 2022 in collaboration with the West Coast Council.

INDEPENDENT ASSURANCE STATEMENT

To the Board of Directors of MMG Limited:

CECEPAC (HK) Advisory Company Limited (“**CECEPAC (HK)**” or “**We**”) has been engaged by MMG Limited (“**MMG**”) to conduct an independent limited assurance engagement on the information and data in the 2021 Sustainability Report (“**Sustainability Report**”) of MMG, which covers the period from 1 January to 31 December 2021 (“**Reporting Period**”).

I. ASSURANCE SCOPE

CECEPAC (HK) conducted a Moderate (Limited) Type 2 assurance for the Sustainability Report in accordance with the AA1000 AccountAbility Assurance Standard (V3) (“**AA1000AS V3**”), and the assurance criteria were the following:

- International Council on Mining and Metals (“**ICMM**”) Assurance Subject Matters 1-5 (“**Subject Matters**”) and the corresponding criteria (“**Criteria**”) prescribed in the Assurance and Validation Procedure issued and revised in January 2021 by the ICMM (“**ICMM Procedure**”), as set out in the below table:

Area	ICMM Assurance Subject Matters	Assurance Criteria
ICMM Subject Matter 1	The alignment of MMG’s sustainability policies, management standards and procedures to the ICMM Principles, the corporate-level performance expectations (“ PEs ”) and corporate-level aspects of combined PEs (collectively, the “ relevant PEs ”) as well as mandatory requirements set out in ICMM Position Statements.	MMG’s reported alignment of its sustainability policies, management standards and procedures to and the ICMM Principles, the relevant PEs, as well as mandatory requirements set out in the ICMM Position Statements.
ICMM Subject Matter 2	MMG’s material sustainability risks and opportunities based on its own review of the business and the views and expectations of its stakeholders. Assessed with regard to the AA1000AS V3 and the AA1000 AccountAbility Principles (2018) (“ AA1000AP 2018 ”).	MMG’s description of the processes in place to identify and prioritise the sustainability risks and opportunities faced by the business during the Reporting Period and the outcome of these processes, and the description’s alignment with the Global Reporting Initiative (“ GRI ”) Reporting Principles of Completeness and Materiality (in GRI Standard 101) per the GRI 2016 Sustainability Reporting Guidelines (“ GRI Standards ”) issued by the Global Sustainability Standards Board (“ GSSB ”).
ICMM Subject Matter 3	The existence and status of implementation of management systems and approaches that MMG is using to manage a selection of the identified material sustainability risks and opportunities (“ Selected Indicators ”) and corresponding relevant metrics (“ Performance Information ”) (selected through a random double-blind process), including: Local Communities MM7: The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and indigenous peoples, and the outcomes. Artisanal and Small-scale Mining MM8: Number (and percentage) of company operating sites where artisanal and small-scale mining (ASM) takes place on, or adjacent to, the site; the associated risks and the actions taken to manage and mitigate these risks. Closure Planning MM10: Number and percentage of operations with closure plans.	MMG’s description of the systems and approaches that MMG is using to manage the Selected Indicators in line with the requirements of GRI 103, and MMG’s description of the status of implementation of the systems and approaches.
ICMM Subject Matter 4	MMG’s reported performance during the Reporting Period for the Selected Indicators.	Performance Information for the Selected Indicators disclosed by MMG in accordance with internal policies and procedures, and reference to GRI Standards and other relevant reporting standards. Limited assurance on the reliability and accuracy of Performance Information.
ICMM Subject Matter 5	MMG’s prioritisation process for the selection of assets for PE validation.	MMG’s description of the process and criteria used to identify assets for PE validation, and the outcome of this process (assets selected) during the Reporting Period.

INDEPENDENT ASSURANCE STATEMENT

The following has been excluded from the assurance scope, and hence we do not express any conclusions on this information:

- Any information outside the Reporting Period or any other data disclosed in the Sustainability Report not included within the assurance scope;
- Financial data or other information already supported by existing verified documents; and
- Data and information in the Sustainability Report unrelated to MMG and its subsidiaries, which include MMG's suppliers, contractors, and data or information provided by other third parties.

The scope of the assurance engagement was confined to the information provided by MMG only. Any queries regarding the contents or related matters within this assurance statement should be addressed to MMG only.

II. LEVEL OF ASSURANCE AND LIMITATIONS

A moderate level of assurance under AA1000AS V3 has been provided for this engagement. A moderate assurance is limited to evidence gathering at corporate/management levels in the organisation and a limited depth of evidence gathering at lower levels in the organisation as necessary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

III. MMG'S RESPONSIBILITIES

MMG has been responsible for the preparation and presentation of the Sustainability Report in accordance with the GRI Standards: Core option, and other reporting requirements prescribed in the ICMM Principles and relevant PEs, as well as mandatory requirements set out in ICMM Position Statements. MMG has also been responsible for implementing internal control procedures to ensure that the contents of the Sustainability Report are free from material misstatement, whether due to fraud or error.

IV. CECEPAC (HK)'S RESPONSIBILITIES

CECEPAC (HK) has been responsible for issuing an independent assurance statement to the Board of Directors of MMG. This independent assurance statement applies solely to express a conclusion on the assurance work in the specified scope of MMG's Sustainability Report and does not serve any other intents or purposes.

CECEPAC (HK) has ensured that all personnel involved in the assurance work meet professional qualification, training and experience requirements, and are demonstrably competent. All results of assurance and certification audits are internally reviewed by senior staff to ensure that methodologies used in the process are sufficiently stringent and transparent.

V. INDEPENDENCE

CECEPAC (HK) was not involved in collecting and calculating data, nor in the preparation of this Sustainability Report. CECEPAC (HK)'s activities are independent of MMG. There is no relationship between MMG and CECEPAC (HK) beyond the contractual agreement for providing this assurance engagement as well as other third-party validation and audit engagements as part of the requirements of the ICMM and Voluntary Principles Initiative.

VI. METHODOLOGY

CECEPAC (HK)'s assurance engagement procedures were conducted with MMG personnel based in MMG's Melbourne headquarters and Kinsevere mining site, and the assurance work included:

- Conducting interviews with management and documentation reviews to understand MMG's approach to assessing and managing sustainability risks and opportunities, and ensuring the alignment between MMG's internal policies and the ICMM Principles, relevant PEs and mandatory requirements set out in the ICMM Position Statements;
- Understanding and testing MMG's approach to stakeholder identification, engagement, feedback collection, analysis and reporting, and MMG's materiality assessment process for the purposes of reporting and assurance;
- Assessing whether the reporting and management approach for the Sustainability Report have been conducted in line with the AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact;
- Understanding and testing on a sample basis with Selected Indicators, MMG's management system (and underlying objectives, architecture and expectations), and MMG's adherence to management system requirements at corporate and site levels;
- Understanding and testing on a sample basis with Performance Information, the data measurement, collection, aggregation and reporting processes and management controls for ensuring the quality of data;
- Reviewing and sampling evidence used to report on Performance Information, recalculating quantitative metrics against stated methodologies and assumptions;
- Assessing the content in the Sustainability Report and supporting GRI Content Index against the claim that it has been prepared "in accordance" with the GRI Standards: Core option;
- Checking representations in the Sustainability Report were consistent with conclusions reached; and
- Performing other procedures we deemed necessary.

Assurance work was performed and the conclusions formed were based upon information and data provided by MMG to CECEPAC (HK), and on assumptions that the information provided was complete and accurate.

VII. CONCLUSIONS

Based on the assurance procedures undertaken and the evidence obtained, nothing has come to our attention that causes us to believe that the:

- a. Subject Matters have not been prepared, in all material respects, in accordance with the Criteria for the Sustainability Report
- b. The Sustainability Report has not been prepared, in all material respects, in accordance with the principles of Inclusivity, Materiality, Responsiveness and Impact in the AA1000AS v3; and
- c. Disclosures of the Performance Information in the Sustainability Report are unreliable, inaccurate, or have not been prepared, in all material respects, in accordance with the reporting approach outlined in the Sustainability Report.

INDEPENDENT ASSURANCE STATEMENT

VIII. KEY OBSERVATIONS

The following key observations, which do not affect our conclusions expressed above, were identified during the course of the assurance engagement:

a. ICMM Subject Matter

SUBJECT MATTER 1

MMG adopted its Sustainable Development Framework to manage its sustainability risks and align with the ICMM Principles, relevant PEs and mandatory requirements set out in ICMM Position Statements. Furthermore, MMG has updated its internal ICMM Alignment Framework, mapping the alignment between relevant sections of MMG Policies, MMG Standards, MMG Code of Conduct, and MMG's Sustainable Development Framework, and the ICMM Principles, relevant PEs and Position Statements. MMG has also included tables in the Sustainability Report Appendix which identify sections of the Sustainability Report that relate to the ICMM Principles and relevant PEs as well as mandatory requirements set out in ICMM Position Statements, and has indicated the extent of MMG's alignment with the said ICMM reporting criteria.

SUBJECT MATTER 2

MMG has outlined its materiality assessment approach and process in its Sustainable Development Framework. MMG's material issues include social, economic, and environmental risks and opportunities that have the potential to affect MMG's performance or reputation, as well as its ability to create value and deliver progress over the short, medium, and longer term. In 2021, in addition to the external materiality assessment and stakeholder engagement conducted by Deloitte in November 2020, MMG conducted stakeholder interviews, took into consideration employee surveys and the consideration of the senior leadership, investor and community perceptions, industry benchmarking, and global media reviews to confirm the 12 material issues of MMG for the year.

SUBJECT MATTER 3

MMG has a Risk Management Standard, which defines the approach to identify and manage risks that can impact the achievement of MMG's Strategy and business plans, as well as the requirement of reporting and investigation of significant events. Site-specific risk register is developed in accordance with requirements set out in the Risk Management Standard to manage the risks. MMG has established the three lines of defence to provide three levels of assurance to ensure the implementation of management systems regarding the material sustainability risks and opportunities. The implementation of Safety, Security, Health and Environment ("SSHE") policies and measures are guided by the SSHE Performance Standard. Reporting of SSHE events is guided by the SSHE Performance Standard. Site-level social events are reported in the forms of weekly minutes, monthly reports, and meetings with group-level management of MMG. Management of risks associated with ASM is also guided by the Environmental and Social Impact Assessment, Social Impact Management Plan, Community Engagement Plan and Security Management Plan. The implementation of grievance mechanisms is guided by the Social Performance Standard and the Stakeholder Grievance Management Work Quality Requirements. Closure Planning is guided by the Asset Business Planning and Closure Planning Work Quality Requirements. The implementation of these Standards and Procedures was observed during the assurance process.

SUBJECT MATTER 4

MMG has established and executed the reporting instructions in the Work Quality Requirements and Performance Standards accordingly, as well as the internal control measures to ensure the reliability of reported data. Sites are to report on key sustainability performance data through specific software. MMG reports against topic-specific disclosures with detailed figures and metrics, case studies, and progresses against targets in the Sustainability Report.

SUBJECT MATTER 5

As disclosed in the Sustainability Report, MMG rotates its third-party validation through all of its operations. For the Reporting Period, one of the four sites, namely, Kinsevere, was selected for third-party validation.

b. AccountAbility Principles

INCLUSIVITY

MMG has identified key stakeholders and engaged them via various avenues to identify their areas of interest. MMG attaches importance to its stakeholders, and has developed a set of standard working framework related to stakeholder engagement. MMG's Social Performance Standard has defined the minimum requirements and accountabilities relating to interactions with the communities to reduce impacts, maximise benefit, and deliver on commitments based on MMG values and to respect to the local culture and traditions. At the site-level, in accordance with requirements set out in MMG's Social Performance Standard, a site-specific Social Baseline Study and a Social Impact and Opportunities Assessment have been conducted to identify key demographic aspects, issues, and perceptions of stakeholders and interested parties of the regions and communities, while a site-specific Social Development and Community Plan have been developed to guide the implementation of socio-economic development projects and investments. Regular updates of these matters are reported to the Executive Committee and the Corporate Affairs Function. In our professional opinion, MMG adheres to the principle of Inclusivity.

MATERIALITY

MMG has accounted for key stakeholders' areas of interest and, through the materiality process conducted for the Sustainability Report (described in Subject Matter 2 above), has identified, categorised, and prioritised its material sustainability risks and opportunities, and disclosed corresponding qualitative and quantitative key performance indicators in the Sustainability Report. These material sustainability risks and opportunities are grouped under the four reporting themes ("Who We Are", "The Way We Work", "We Contribute to Development", and "We Minimise Our Impact") which form the framework of the Sustainability Report. In our professional opinion, MMG adheres to the principle of Materiality.

RESPONSIVENESS

MMG has developed multi-faceted means of communication with internal and external stakeholders, such as meetings, interviews, written communication and media, which provide opportunities for stakeholders to voice their concerns, needs, and expectations. In December 2021, MMG enhanced its grievance management process by launching an external Stakeholder Feedback Portal, an anonymous online platform for recording and responding to grievances filed. At the corporate level, the material issues were reviewed and updated for disclosure to ensure that relevant information is communicated to stakeholders in a comprehensive, accurate, timely, accessible, and balanced way. At the site level, in accordance with MMG's developed Stakeholder Grievance Management Work Quality Requirements, site-specific Grievance Procedures have been developed to acknowledge, record, and investigate complaints raised from a community member or stakeholder. The storage, tracking, and management of stakeholder grievances are performed via a cloud-based tool, and site monthly reports are issued to site General Managers and the Head Office. The Reporting Period is a transition year, after which MMG will continue to refine mechanisms to capture sustainability performance data in respect of the updated materiality issues. In our professional opinion, MMG adheres to the principle of Responsiveness.

IMPACT

MMG's Risk Management Standard has set out the requirements for the identification, reporting, analysis, and control of risks and significant events, where the material risks are identified based on their consequence and likelihood. At the corporate level, MMG understands, measures, evaluates, and manages its impacts through the risk identification and management process (described in Subject Matter 3 above) and the support of the Work Quality Requirements and Performance Standards. At the site-level, risk and impact assessments are conducted in accordance with requirements of the SSHE Performance Standard and the Social Performance Standard. In our professional opinion, MMG adheres to the principle of Impact.



31 May 2022
Hong Kong

GLOSSARY

AMD	acid metalliferous drainage
ANCOLD	Australian National Committee on Large Dams
ASM	artisanal and small-scale mining
BEPS	base erosion and profit shifting
CAE	Employee Attention Centre
CDA	Canadian Dam Association
CMC	China Minmetals Corporation
CRC TiME	Cooperative Research Centre for Transitions in Mining Economies
DRC	Democratic Republic of the Congo
EITI	Extractive Industries Transparency Initiative
ESG	Environmental, Social and Governance
FAP	Farmer's assistance program
FDL	Functional Discipline Lead
FEC	Federation of Businesses of Congo
FPIC	free, prior and informed consent
FTO	field task observations
GL	gigalitres
GISTM	Global International Standard on Tailings Management
GRI	Global Reporting Initiative
GRI Standards	Global Reporting Initiative's 2016 Core Sustainability Reporting Guidelines
GST	goods and service tax
ha	hectare
HKEx	Hong Kong Stock Exchange
ICA	International Copper Association
ICAM	Incident Cause Analysis Method
ICMM	International Council on Mining and Metals
ILO	International Labour Organisation
ISEM	The Mine Safety Institute of Peru
IZA	International Zinc Association
LTIF	lost time frequency rate
MAC	Mining Association of Canada
MCA	Minerals Council of Australia
ML	megalitre
MMG	MMG Limited
Mm3	million cubic meter
MNE	multinational enterprises
Mt	million metric tonnes
MW	molecular weight
NAF	non-acid forming waste rock
NGO	non-governmental organization
NMD	neutral metalliferous drainage

NOHSC:1012	National Standard for the Control of Inorganic Lead at Work
NOHSC:2015	Safe Use of Inorganic Lead at Work
OECD	The Organisation for Economic Co-operation and Development
PAF	potentially acid forming waste rock
PCR	Polymerase Chain Reaction
PPE	personal protective equipment
PRI	principles for responsible investment
QUT	Queensland University of Technology
SDG	Sustainable Development Goal
SEG	similar exposure group
SENATI	Servicio Nacional de Adiestramiento en Trabajo Industrial (National Industrial Work Training Service)
SHEC	Safety, Health, Environment and Community
SSHE	Safety, Security, Health and Environment
STEM	Science, Technology, Engineering, and Maths
TARP	Trigger Action Response Plans
TRIF	total recordable injury frequency
TSF	tailings storage facility
UN	United Nations
UNEP	United Nations Environment Program
UNICEF	United Nations International Children's Emergency Fund
USC	University of Sunshine Coast
VAT	Value Added Tax
VPI	Voluntary Principles Initiative
VPSHR	Voluntary Principles on Security and Human Rights
WQR	Work Quality Requirement

DEFINITIONS

Acid and metalliferous drainage / acid mine drainage (AMD): AMD is created when rocks that contain naturally occurring sulphide minerals are disturbed and exposed to air and water. This accelerates the natural weathering process and may lead to the release of low pH (acidic) or neutral drainage water with elevated salinity and metals concentrations. If not responsibly managed, AMD can impact the revegetation of mining wastes, and degrade surface and groundwater quality. Waste rock with the potential to form AMD is termed 'potentially acid forming' or PAF waste rock.

GLOSSARY

CONSEQUENCE CATEGORIES BASED ON POPULATION AT RISK

Population at Risk	SEVERITY OF DAMAGE AND LOSS			
	MINOR	MEDIUM	MAJOR	CATASTROPHIC
<1	Very Low	Low	Significant	High C
≥ 1 to <10	Significant (Note 2)	Significant (Note 2)	High C	High B
≥10 to <100	High C	High C	High B	High A
≥100 to <1,00	(Note 1)	High B	High A	Extreme
≥1,000	(Note 1)	(Note 1)	Extreme	Extreme

Note 1: With a PAR in excess of 100, it is unlikely that the severity of damage and loss will be “Minor”. Similarly with a PAR in excess of 1,000 it is unlikely Damages will be classified as “Medium”.

Note 2: Change to “High C” where there is the potential of one or more lives being lost.

The area of TSF management requires significant technical expertise and interpretation. For more information regarding consequence tables visit www.ancold.org.au



OUR CONTACTS

We welcome your comments on this report. Please contact us with your feedback or suggestions.

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