

ESG Approach and Performance

MMG Limited (the Company, we, our) operates and develops copper, zinc, cobalt and other base metals projects across Australia, Botswana, the Democratic Republic of the Congo (DRC) and Peru. As at 31 December 2025, MMG has five mining operations: Las Bambas, Kinsevere, Dugald River, Rosebery, and Khoemacau, in addition to corporate offices located in Beijing, Hong Kong, Vientiane and Melbourne. In 2025, the Company recommenced exploration activities at the Izok Corridor project, and for the purposes of this report, health and safety data relating to this project has been included. All other Izok Corridor project data, including environment, social performance and supply chain information, will be disclosed from 1 January 2026. Fines or penalties are considered significant for reporting purposes if they exceed US\$1 million.

The Company is committed to responsible environmental and social performance and strong governance of its operations in order to:

- Strengthen transparency and accountability;
- manage reputational and regulatory risks;
- control costs and drive efficiencies;
- build strong stakeholder relationships; and
- attract and retain talented employees.

1.1 ESG reporting and materiality

The Company conducts a materiality assessment aligned to the Global Reporting Initiative (GRI) to ensure that Environmental, Social and Governance (ESG) topics most important to its stakeholders are reported.

The MMG Sustainability Report provides an annual summary of the Company's approach and performance across all material sustainability issues. Elements of this report are externally assured in line with MMG's commitments as a member of the International Council on Mining and Metals (ICMM).

Further information on MMG's approach to sustainability, health and safety, security, social performance, environmental performance, key stakeholder relationships and compliance with laws and regulations is reported in the 2025 MMG Sustainability Report available on the Company's website at www.mmg.com.

1.2 Corporate Governance

The Company is dedicated to upholding a high standard of corporate governance demonstrated through an experienced Board, sound risk management and internal controls, and transparency and accountability to all stakeholders. Good governance also extends beyond the Board, with executive management responsible for integrating governance practices throughout the organisation. The Company complies with the principles of good corporate governance as set out in the Corporate Governance Code (CG Code) of the Hong Kong Listing Rules, those of the ICMM and all external reporting obligations.

The Company has applied the principles of good corporate governance as set out in the Corporate Governance Code found in Appendix C1 of the Hong Kong Listing Rules. It has complied with all applicable code provisions set out in the Appendix C1 of the Hong Kong Listing Rules, except for the deviation from code provision B.2.2 as explained under the section headed 'Re-election of Directors' of the MMG Annual Report.

MMG has an Audit and Risk Management (ARM) Committee and a Governance, Remuneration, Nomination and Sustainability (GRNS) Committee, both of which operate under clear Terms of Reference. Additionally, MMG has several Management Committees, including the Executive Committee, the Disclosure Committee, the Investment Review Committee, the Mineral Resources and Ore Reserves Committee and the Code of Conduct and People Committee. A function of the Executive Committee is to review security, safety, health, environmental and social performance to enhance efficiency and effectiveness. The Board discusses specific security, safety, health,

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environment and community (SSHEC) matters on a quarterly basis, including the identification, review and governance of SSHEC-related material issues, significant incidents, remediation/mitigation strategies, governance of human rights-related issues and any specific areas of focus as identified by the Board.

In accordance with the Company's Sustainability Framework, which is reviewed and endorsed by the GRNS Committee and implemented across the Company, the Board identifies, reviews and governs SSHEC-related material issues. The Framework is consistent with the ICMM's Mining Principles and incorporates all MMG's Sustainability-related reporting and disclosure obligations, as well as taking into consideration stakeholder expectations. The Company's approach to sustainability is guided by its Corporate Governance Policy, People Policy, Shareholder Communication Policy, SSHEC Policy and Human Rights Policy.

1.3 Compliance

The GRNS Committee is responsible for developing and reviewing the Company's policies and practices on corporate governance, the Sustainability-related material topics, the Code of Conduct as well as monitoring MMG's compliance with the Listing Rules and other applicable laws.

MMG's Executive Committee oversees its performance in accordance with the Company's policies, standards and regulatory requirements related to safety, health, environment and community.

1.4 Business ethics

Our values and Code of Conduct inform ongoing, long-term relationships with host communities, employees, governments, investors and other stakeholders. Formal structures guide how we review and respond to any potential behavioural, ethical or cultural issues that may arise. MMG's Code of Conduct, which outlines the standards of behaviour for our employees, contractors and suppliers, covers areas such as conflict of interest, fraud, anti-corruption and legal compliance. This Code is overseen by our Code of Conduct and People Committee, chaired by the Executive General Manager, Corporate Relations. MMG engages an independent confidential Whistleblower service which is available to all employees, contractors, suppliers and external stakeholders globally. MMG's Whistleblower Framework explains the process for reporting any potential improper conduct, the protections afforded to people who report improper conduct, how such reports will be dealt with and the type of action which may be taken as a result. The Whistleblower Framework is integral to MMG's Corporate Legal Compliance Standard. MMG's stakeholder grievance mechanism is fully aligned with this framework and contains additional mechanisms to enable external stakeholders to anonymously raise grievances, further strengthening protections for stakeholders who raise issues with MMG. The Company also has an Anti-Corruption Standard and Framework, and a Supplier Code of Conduct, all of which are publicly available at www.mmg.com.

All MMG employees, including senior management and directors, are informed of and required to comply with the Code of Conduct and the 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 periodically. As part of MMG's Sustainability performance indicators, 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 are regularly monitored by the Board. In 2026, ongoing monitoring will continue to be conducted by the GRNS Committee.

MMG recognises that some of the jurisdictions where it operates present unique human rights challenges. To address this, the Company pairs good governance with a commitment to transparent initiatives, such as the Extractive Industries Transparency Initiative (EITI) along with open and reciprocal discussions with host communities. The Company released an updated Human Rights Policy in 2025, which outlines MMG's strong commitment to human rights for its employees, stakeholders and communities.

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Data protection including customer data is ensured by the use of SAP, enforcing identification authorisation, and is monitored by MMG's Global Business Services department. Privacy is controlled by the Company's Anti-Corruption Standard and Framework, segregation of duties and anti-bribery, anti-corruption and anti-competitive behaviour expectations. Confidentiality terms are clearly defined in all contracts. These processes and frameworks are overseen by the legal team and the risk and audit department. In addition, all corporate technology applications are hosted on Microsoft Azure cloud, with security design as well as Advanced Protection service procured from Microsoft.

Managing cyber security risk is a priority applied across MMG's different jurisdictions. All employees are required to understand and adhere to the acceptable use guidelines outlined in the MMG Technology Work Quality Requirement (WQR). This establishes a safe technology use standard to protect the Company's people and data from the risk of cyber security attacks, which could compromise MMG's systems and services.

In 2025, there were no confirmed significant non-compliances with the Company's Code of Conduct identified and no legal cases regarding corrupt practices brought against the Company or its employees.

1.5 Developing and supporting our workforce and protecting labour rights

The Company adheres to a single global standard for people and benefits matters, known as the People Standard. This Standard is supported with detailed work quality requirements, systems and processes to ensure MMG-wide standards and local requirements are met, which include policies related to compensation and dismissal, working hours, recruitment and people movements.

The Company is also aligned with all national legislation and legal requirements in the countries where our operations are located. The Company, through robust selection processes, chooses the best people for each position and rewards them competitively with salary and benefits that reflect market conditions and their contribution to our overall business success. The Company is committed to sharing its successes with its communities through local employment opportunities, and by investing in training and education to help local residents' transition to careers in mining or related fields.

The Company provides its people with the opportunity to develop their skills, expertise and experience to optimise their contribution to the organisation and to advance their careers. The Company has two broad streams of vocational training: operational training and competency verification, aimed at driving safety, efficiency and managing material business risks.

In addition, the Company supports professional development opportunities for employees to enhance leadership capabilities and support career pathways. The Company undertakes extensive workforce and community engagement on, and offers support to, individuals affected by any business decisions to downsize or close operations.

The Company is committed to providing safe workplaces that are free of discrimination and harassment, fostering an environment of diversity and inclusion. Its global Diversity and Inclusion approach is led by the Executive Committee. Through the Code of Conduct and People Committee, the company provides guidance on diversity and inclusion policy and practices, collaborating with teams globally to develop initiatives and actions tailored to their specific needs. MMG's approach to inclusion and diversity supports attraction and retention, and delivers further business benefits through collaboration.

The Company promotes good mental health practices in the workplace and supports its workers to be physically fit and well rested, ensuring they are able to carry out their duties safely.

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MMG is committed to upholding the International Labour Organisation's (ILO) Declaration of Fundamental Principles and Rights at Work and their Core Labour Standards and comply 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. This includes respecting its employees' rights to freedom of association and collective representation, and the Company strives to have positive and constructive negotiations with their elected representatives. The Company also upholds the ILO Principles regarding the elimination of all forms of forced and child labour.

In 2025, there were no confirmed non-compliance incidents or grievances in relation to labour practices that have had a significant impact on the Group.

The following tables represent the Company's workforce by gender, employment type, age group and geographical region as well as the employee turnover rate by gender, age group and geographical region.

Table 1: 2025 Total workforce by employment type and site

Site	Employee	Contractor	Employee %	Contractor %	Total Workforce
Dugald River	514	467	52.36	47.61	981
Khoemacau	713	3,210	18.17	81.83	3,923
Kinsevere	871	3,929	18.15	81.85	4,800
Las Bambas	2,760	10,050	21.55	78.45	12,810
Rosebery	406	243	62.47	37.48	649
Corporate	218	3	98.71	1.29	221
Australian Operations	19	-	100.00	-	19
African Operations	27	-	100.00	-	27
Izok	2	14	12.5	87.5	16
MMG	5,530	17,916	23.59	76.41	23,446

* Please note that in this table, employees represents people directly employed by MMG. Contractors employees includes contractors, consultants and other short-term engagements.

** Headcount for employees is at 31 December 2025. For contractors, this is an average of the total workforce throughout the year.

*** Izok contractor work is seasonal (May–September) and relevant Izok personnel in 2025 were recorded as contractors for reporting consistency.

Table 2: 2025 Total workforce by gender and site

Site	Male (#)	Female (#)	Male %	Female %	Total Workforce
Dugald River	434	79	84.55	15.45	514
Khoemacau	578	135	81.07	18.93	713
Kinsevere	733	138	84.16	15.84	871
Las Bambas	2,368	392	85.80	14.20	2,760
Rosebery	349	57	85.95	14.05	406
Corporate	104	114	47.71	52.29	218
Australian Operations	9	10	47.37	52.63	19
African Operations	16	11	59.26	40.74	27
MMG	4,591	936	83.06	16.94	5,528

* Please note this table refers to employees directly employed by MMG. This does not include contractors.

Izok data is not disclosed due to the small number of employees (n=2), to protect individual privacy and prevent potential identification.

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Table 3: 2025 Workforce turnover rate by age group and site

Site	Age (<30)	Age (31-50)	Age (>50)	Age (<30)%	Age (31-50)%	Age (>50)%
Dugald River	25	45	18	22.94	16.54	13.64
Khoemacau	3	5	3	2.48	1.01	3.16
Kinsevere	5	29	18	8.62	5.13	7.26
Las Bambas	93	110	23	37.50	5.63	4.13
Rosebery	20	22	22	25.97	10.43	18.80
Corporate	1	13	6	2.38	8.90	16.22
Australian Operations	1	3	2	-	27.27	25.00
African Operations	-	5	3	-	35.71	27.27
Izok	-	-	-	-	-	-
Total	148	232	95	22.53	6.32	7.88

* Please note this table refers to total employees during 2025, including all voluntary resignations for permanent employees. This does not include contractors.

** The workforce turnover rate by age group and site was calculated using the total turnover for each operation, rather than as a percentage of the total employee workforce.

Table 4: 2025 Workforce turnover rate by gender and site

Site	Male	Female	Male (%)	Female (%)
Dugald River	73	13	16.82	16.46
Khoemacau	9	2	1.56	1.48
Kinsevere	43	7	5.87	5.07
Las Bambas	146	65	6.17	16.58
Rosebery	49	8	14.08	14.04
Corporate	12	7	10.91	6.09
Australian Operations	3	2	33.33	20.00
African Operations	3	4	18.75	36.36
Izok	-	-	-	-
Total	338	108	7.35	11.53

* Please note this table refers to total employees during 2025, including all voluntary resignations for permanent employees. This does not include contractors.

** The workforce turnover rate by age group and site was calculated using the total turnover for each operation, rather than as a percentage of the total employee workforce.

Table 5: 2025 Workforce training by employee category

	Workforce	Trained Workforce (#)	Trained Workforce (%)	Total Trained Hours	Avg Trained Hours
Executives- level 5/6	6	2	33.33	3	0.5
Senior Management- level 4	15	12	80	24.25	1.62
Middle Management- level 3	106	85	80.19	536.63	5.06
Lower Management- level 2	314	243	77.39	2,019.13	6.43
Employees- level 1	4,985	3,548	71.17	72,672.53	14.58
Total	5,426	3,890	71.69	75,255.55	13.87

* This table refers to training recorded on the Learning Management System such as Occupational Health and Safety training provided to employees, which may include field task observations, safe task management, fatal risk requirements, mental health, risk management, occupational exposures and controls.

** The total number of people trained during 2025 includes some employees who may have left the company prior to the 31 December 2025 headcount date, and some contractors who are employed into roles that require training to be captured in the Learning Management System.

Izok data is not disclosed due to the small number of employees (n=2), to protect individual privacy and prevent potential identification.

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1.6 Social performance and stakeholder engagement

MMG works hard to foster relationships with its host communities based on trust, mutual respect and ongoing engagement from exploration through to the cessation of mining activities. The participation of host communities, local stakeholders and Indigenous Peoples in planning processes and decisions that impact their lives is key to MMG's site engagement and social performance plans.

The Company aims to partner with its communities and strives to maintain socially and culturally inclusive and proactive communication with stakeholders regarding future plans and performance. MMG's commitment to the ICMM's Mining Principles, including the commitment to community dialogue and position on free, prior and informed consent regarding Indigenous Peoples, guides its approach to stakeholder engagement. The Company's responsibilities regarding interactions and contribution to host communities are further defined in the Company's Social Performance Standard.

The social and economic benefits provided through MMG's operations and their supply chains support its employees, contractors, shareholders, communities, regions and host countries to develop and prosper. This contribution comes through payment of taxes, royalties, wages and employee entitlements; the purchase of goods and services; and through community compensation, support for local initiatives, benefit sharing and the Company's direct investment in addressing the United Nations Sustainable Development Goals (SDGs) 1–6, as listed below:







	SDG1: No Poverty		SDG2: Zero Hunger		SDG3: Good Health and Wellbeing
	SDG4: Quality Education		SDG5: Gender Equality		SDG6: Clean Water and Sanitation

Table 6: 2025 Total community investment spend by focus area (US\$)

Investment by SDG	Dugald River	Khoemaçau	Kinsevere	Las Bambas	Rosebery	Total
SDG1: No Poverty	6,694	14,961	189,556	34,973,909	6,761	35,191,881
SDG2: Zero Hunger	3,347	-	338,735	4,660,288	34,608	5,036,978
SDG3: Good Health and Wellbeing	97,599	62,430	169,057	5,962,890	59,967	6,351,943
SDG4: Quality Education	103,757	37,515	285,067	10,734,187	18,609	11,179,135
SDG5: Gender Equality	13,388	1,268	-	-	6,828	21,484
SDG6: Clean Water and Sanitation	-	39,778	28,124	2,234,950	-	2,302,852
Total	224,785	155,952	1,010,539	58,566,224	126,773	60,084,272

In addition to improving access to health, education and other livelihood indicators, MMG's approach to social performance acknowledges the importance of managing vulnerability and building community resilience through the integration of local employment and businesses into MMG's value chain. 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. The Company aims to support its communities as they go through this journey and plan for a resilient, sustainable future.

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More information about the Company's stakeholder engagement approach, as well as social performance and investment initiatives, can be found in the 2025 MMG Sustainability Report at www.mmg.com.

In 2025, there were no confirmed non-compliance incidents or grievances in relation to human rights that have had a significant impact on the Group.

1.7 Supply chain

The Company sources goods and services through a global supply chain to meet the requirements of its operating sites. The Company's suppliers are crucial to its business and commitments to the environment and social contributions; therefore, all suppliers must satisfactorily pass the Company's due diligence requirements prior to the commencement of any sourcing activity. MMG values its relationships with qualified suppliers.

The provision of goods and services across the Company's operations is helping local suppliers to develop sustainable businesses. Where possible, MMG sources from providers who meet its key selection criteria in safety, environment, quality, technical, social responsibility and commercial viability. Where gaps are identified, the Company assists suppliers to take up future opportunities to grow their businesses and expand their offering to customers beyond MMG.

In 2025, the Company had 7,028 active suppliers, of which 2,951 were in South America, 2,064 in Australia, 1,096 in Africa, and 539 in Asia. The rest were distributed among other geographical regions. Our total spend in 2025 was over US\$3.3 billion, of which over 89% was spent in the countries where our operations are located.

The Company's supplier engagement and contract award process includes a comprehensive assessment across a range of criteria, including commercial, social, safety, environmental, human rights, quality and technical capabilities. As part of the supplier selection process, the Company also evaluates a range of non-financial criteria related to supporting sustainable development in the regions where it operates, including local community training and commitment to local employment.

As part of its supplier engagement process, the Company seeks formal agreement from suppliers to comply with the Supplier Code of Conduct and Anti-Corruption Standard and Framework as well as all relevant Company standards, policies and procedures, including the Supply, Fatal Risk Management, Human Rights, Social Performance and Significant Events and Safety, Security, Health and Environment (SSHE) Performance standards. In 2025 the Company regularly reviewed and reported on agreed contract performance measures, as well as identified and actioned improvement opportunities.

In 2025, there were no confirmed non-compliance incidents or grievances in relation to supply chain management that have had a significant impact on the Group.

1.8 Product stewardship

The Company aims to supply metal and metal concentrate products that consistently meet customer quality expectations and that are safe for people and the environment in their intended use. The Company has processes in place for managing customer complaints to ensure timely and satisfactory resolution.

The Product Stewardship WQR guides activities to understand the characteristics of the Company's products and manage their potential impacts on human health and the environment during transportation, storage and handling. Shipments of copper, zinc and lead concentrates comply with international maritime legislation and the Company's products are classified in line with the International Maritime Organisation's (IMO) MARPOL Convention Annex V and the International Maritime Solid Bulk Cargoes Code. Most products are delivered by standard bulk container process without packaging materials. Khoemacau copper concentrate, Rosebery copper concentrate, Las Bambas molybdenum concentrate and Kinsevere cobalt hydroxide are packed in non-returnable bags and loaded for shipment in ISO general purpose shipping containers.

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The Company's global customers also have a shared responsibility for managing impacts throughout the life cycle of the goods they make from downstream processing of our products.

Products sold by the Company are commodities for which intellectual property rights are not applicable. The quality and pricing of the products are governed by commercial terms, including payment conditions and claims, and are managed contractually between the parties. Therefore, no products sold or shipped are subject to recalls for safety or health reasons.

In 2025, the Company was not aware of any significant incidents of non-compliance with regulations and voluntary codes concerning the provision and use of the Company's products and services that have had a significant impact on the Group.

1.9 Health and safety

The Company's first value is safety, underscored by a commitment to eliminating fatalities and permanent disabling injuries, and reducing incidents and injuries within the workplace. The Company's SSHEC Policy, standards, work quality requirements and procedures collectively define the way work should be planned, assigned and executed to achieve safe outcomes. These standards include safety, security, health and environment (Fatal Risk Standard, Significant Events and Safety, Security, Health and Environment (SSHE) Performance Standard), contract management (Supply and Insurance Standard), project management (Project Standard), plant and equipment maintenance (Production and Maintenance Standard), asset and site management processes (Asset Management Standard) and learning from events (Significant Events and Safety, Security, Health and Environment (SSHE) Performance Standard) and risk management (Risk Management Standard).

The Company's dedication to cultivating a safety-oriented mindset is reinforced by supportive leadership and critical processes integrated into every facet of the business.

Four key elements in developing an organisational culture with a strong and effective focus on safety and health has been identified including:

1. Leadership and culture, aligned to common MMG Safety Purpose – Significant and ongoing safety and health improvement for our people.
2. Elimination of fatalities and permanent disabling injuries consistent with the requirements of our Fatal Risk Standard.
3. Prevention of injuries and elimination of high potential injuries consistent with the requirements of our Significant Events and Safety, Security, Health and Environment (SSHE) Performance Standard.
4. Reporting of significant events and implementation of learnings from incidents in line with the requirements of our Significant Events and Safety, Security, Health and Environment (SSHE) Performance Standard.

MMG's Executive Committee has established a safety purpose: achieving significant and ongoing safety and health improvement for its people, which is being communicated company-wide to guide its sites' business plans in aligning with this purpose. Through its Safety Leadership Program, the Company strives to develop a culture where safety leadership is reinforced by:

- a commitment to caring for each other and embodying MMG's values;
- building safety capability and commitment in MMG people;
- training MMG's people to be competent in all their tasks;
- empowering frontline leaders to implement MMG standards and processes;
- maintaining a strong focus on operational risk management;
- supporting and promoting safe behaviour;

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- empowering people to stop and think to identify and control hazards; and
- ensuring through the Company's assurance framework that material risks and standards are implemented.

As part of MMG's safety performance disclosure, fatalities are reported for the past three reporting years. During the reporting year (2025), there were no fatalities. There were also no fatalities reported in 2024. In 2023, tragically, two fatalities occurred at the Dugald River Mine; further details were disclosed at the time and can be found in the 2023 Annual Report.

At the end of 2025, the total recordable injury frequency rate (TRIF) for the Company was 2.06 per million hours worked. The Company is committed to doing more to achieve its target of zero fatalities and reduce recordable injuries. 108 people across the Company's operations in 2025 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. More information on these statistics can be found in our 2025 Sustainability Report at mmg.com.

Occupational exposure to endemic disease is minimised through heightened personal awareness, active management with local and regional responses, and the promotion of employee health and wellbeing. Occupational exposures to harmful agents are identified through qualitative and quantitative exposure assessments, with appropriate controls implemented and monitored to manage those exposures.

MMG provides culturally appropriate induction, training and education to employees about physical, mental health and wellbeing within the workplace.

The Company develops and executes asset-specific Hygiene Monitoring Plans, conducts an annual review of asset-specific Similar Exposure Groups and has updated the asset-specific Health Risk Assessment (HRA).

The Company identifies and assesses health risks using Occupational Exposure Limits (OELs) or other internationally agreed standards where applicable, considering extended work shifts and combined exposures.

All MMG assets implement and maintain an asset-specific Health Surveillance Plan.

In 2025, MMG received no significant safety related fines or non-monetary sanctions.

1.10 Environment

The Company is committed to minimising its environmental footprint through the efficient use of natural resources, management of waste produced and adopting a comprehensive life-cycle approach to reduce the environmental impacts caused by its operations. The Company prioritises addressing climate change and biodiversity conservation, ensuring environmental initiatives are integrated with life-of-asset plans to deliver sustainable outcomes.

The Company's SSHEC Policy and Significant Events and Safety, Security, Health and Environment (SSHE) Performance Standard defines minimum requirements for the management of water, greenhouse gas (GHG) emissions reduction measures, mineral and non-mineral wastes, land, biodiversity, cultural heritage and air quality. All sites are required to comply with these requirements.

The Company's approach to environmental management and impact is based on the principle of continuous improvement and is aligned to the ISO14001. The approach involves identification, assessment and control of material environmental risks across all phases of our business, from exploration through to development, operation and closure. Further, the Significant Events and Safety, Security, Health and Environment (SSHE) Performance Standard sets the benchmark for the efficient use of resources and minimisation of environmental impacts from MMG operations that include mining, processing and transportation.

Site compliance with the requirements of the Significant Events and Safety, Security, Health and Environment (SSHE) Performance Standard is internally audited as part of an annual integrated assurance process.

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The Company tracks and monitors hazardous and non-hazardous waste types and volumes, with opportunities for waste reduction and efficacy highlighted through reporting processes. Hazardous waste is managed as per state and national regulations with certified contractors transporting to appropriate waste facilities.

MMG also prioritises effective water and tailings management and continues to progress compliance with the Global Industry Standard on Tailings Management (GISTM) and the ICMM Water Reporting: Good Practice Guide (2nd Edition). Performance against these standards is monitored quarterly by the Executive Committee.

In 2025, the Company faced regulatory proceedings relating to alleged environmental non-compliances at Las Bambas, none of which involved findings of serious harm or significant environmental impact. The proceedings have not yet concluded, and the Company is currently in the process of challenging them. Las Bambas has not been sanctioned for any breach of its environmental and/or water resources obligations involving actual and/or serious harm to people's health and/or the environment, nor for any significant environmental impacts.

Information and data relating to the type and total air and GHG emissions, hazardous and non-hazardous waste produced, direct and indirect energy consumption and water consumption are listed in the 2025 Environmental Data section below and are managed in accordance with the Environmental Standard and core principles of ISO14001: Environmental management systems.

1.11 Climate change

MMG acknowledges human-induced climate change and its impacts on the environment, the economy and communities. As the frequency and severity of extreme weather events increases globally, assessing climate-related risks and building resilience across MMG's operations has become increasingly critical.

MMG is committed to supporting the global transition to a lower-carbon economy by supplying the minerals and metals required for this transition, while continuing to manage and reduce greenhouse gas (GHG) emissions across its operations.

In 2025, MMG began a review of its Climate Strategy, which was completed in early 2026.

The intent of the updated strategy strengthens MMG's approach to climate governance, risk management and emissions reduction, and reflects improved emissions data, enhanced climate risk and scenario analysis, and clearer alignment with business planning processes.

Further information can be found in the 2025 MMG Sustainability Report available at www.mmg.com.

Climate considerations, including carbon pricing and transition risks, are integrated into strategic and operational decision-making, including the evaluation and stress-testing of production scenarios.

MMG continues to improve the quality, transparency and governance of its climate-related data, reporting and disclosures, supporting informed decision-making and accountability across the business.

To support this, MMG has included its first HKFRS S2 climate-related disclosure at the end of this ESG Approach and Performance Report.

1.12 2025 Environmental data

Energy consumption is listed in megawatt hours (MWh). This is a change from previous reporting years where data was provided in gigajoules (GJ), and is aligned with global reporting commitments. Emissions to air and waste is reported in tonnes, and water is reported in megalitres (ML). For consistency, ratios are calculated on a per tonne of ore milled or per kilo tonne (kt) of ore milled basis.

GHG emissions data has previously been reported in this section but can now be found on Page 139 in the HKFRS S2 disclosure.

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Table 7: Direct, indirect and total energy consumption (MWh)

Year	2025			2024		
	Energy Consumed - Direct	Energy Consumed - InDirect	Total Energy Consumption (direct +indirect)	Energy Consumed - Direct	Energy Consumed - InDirect	Total Energy Consumption (direct +indirect)
Dugald River	86,737.32	226,906.70	313,644.01	78,806.21	210,306.74	289,112.95
Khoemacau	186,051.24	194,392.42	380,443.66	112,741.47	187,993.27	300,734.74
Kinsevere	376,884.94	199,597.30	576,482.24	404,650.27	181,228.06	585,878.33
Las Bambas	2,030,117.05	1,276,447.89	3,306,564.94	2,019,321.69	1,293,314.10	3,312,635.79
Rosebery	73,416.54	155,113.11	228,529.65	69,699.94	156,269.28	225,969.22
Total	2,753,207.09	2,052,457.42	4,805,664.51	2,685,219.56	2,029,111.45	4,714,331.01

* These values consist of the total energy consumption within MMG's operational control, including fuel and electricity.

** Direct energy is fuel consumption and indirect energy is electricity use.

Table 8: Energy consumption Intensity (MWh/tonne milled)

Site	2025	2024
Dugald River	0.16	0.16
Khoemacau	0.12	0.13
Kinsevere	0.15	0.22
Rosebery	0.23	0.22
Las Bambas	0.06	0.06
MMG Total	0.08	0.08

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Table 9: Air emissions (tonnes)

Site	2025	2024
Nitrogen Oxides (NOx)		
Dugald River	246.42	131.00
Khoemacau	19.75	-
Kinsevere	4,269.00	4,481.50
Las Bambas	1,138.10	1,136.30
Rosebery	122.00	104.72
MMG Total	5,795.27	5,853.52
Sulphur Oxides (SOx)		
Dugald River	0.15	0.13
Khoemacau	0.82	-
Kinsevere	204.00	20.00
Las Bambas	158.00	158.00
Rosebery	0.08	0.08
MMG Total	363.05	178.21
Particulate Matter (PM10)		
Dugald River	485.91	403.00
Khoemacau	1,388.55	-
Kinsevere	4,561.00	4,155.50
Las Bambas	4,842.00	6,811.40
Rosebery	351.00	347.48
MMG Total	11,628.46	11,717.38
Volatile Organic Compounds (VOCs)		
Dugald River	26.00	17.10
Khoemacau	3.06	-
Kinsevere	193.00	207.00
Las Bambas	21.90	21.80
Rosebery	8.58	7.36
MMG Total	252.54	253.26

ESG Approach and Performance

Continued

Table 10: Total hazardous waste and non-hazardous waste (tonnes)

Site	Waste Category	2025	2024
Dugald River	Total	6,974.20	2,713.21
	Waste - Hazardous	497.30	353.46
	Waste - Non-Hazardous	6,476.90	2,359.75
Khoemacau	Total	1,121.05	826.05
	Waste - Hazardous	214.91	141.60
	Waste - Non-Hazardous	906.14	684.45
Kinsevere	Total	1,055.75	1,081.03
	Waste - Hazardous	276.40	392.38
	Waste - Non-Hazardous	779.35	688.65
Las Bambas	Total	12,346.02	15,996.36
	Waste - Hazardous	2,953.54	2,942.60
	Waste - Non-Hazardous	9,392.48	13,053.76
Rosebery	Total	2,001.39	2,027.61
	Waste - Hazardous	781.60	633.54
	Waste - Non-Hazardous	1,219.79	1,394.07
MMG Total		23,498.41	22,644.27

Table 11: Hazardous waste produced intensity (tonnes/kt milled)

Site	2025	2024
Dugald River	0.25	0.20
Khoemacau	0.13	
Kinsevere	0.07	0.15
Las Bambas	0.06	0.06
Rosebery	0.68	0.61
MMG Total	0.08	0.08

Table 12: Non-hazardous waste produced intensity (tonnes/kt milled)

Site	2025	2024
Dugald River	3.22	1.34
Khoemacau	0.29	
Kinsevere	0.20	0.26
Las Bambas	0.17	0.24
Rosebery	1.23	1.35
MMG Total	0.29	0.30

ESG Approach and Performance

Continued

Table 13: Total water consumption (ML)

Site	2025	2024
Dugald River	2,794.00	2,299.00
Khoemacau	4,136.06	
Kinsevere	5,974.91	3,867.65
Las Bambas	17,102.00	18,328.00
Rosebery	577.75	681.00
MMG Total	30,584.72	25,175.65

* Water consumption is considered as the portion of water withdrawn or used by our operations that is no longer available for reuse, consisting of water evaporated, entrained and other losses.

Table 14: Total water consumption intensity (ML/kt milled)

Site	2025	2024
Dugald River	1.39	1.31
Khoemacau	1.33	-
Kinsevere	1.56	1.48
Las Bambas	0.32	0.36
Rosebery	0.58	0.66
MMG Total	0.48	0.44

HKFRS S2 compliance

For this 2025 reporting period, the Company is reporting under the Hong Kong Financial Reporting Standard S2 (HKFRS S2) Climate-related Disclosures.

For this initial reporting period in which we apply HKFRS S2, the Hong Kong Exchanges and Clearing Limited (HKEX) Environmental, Social and Governance (ESG) Reporting Code (Appendix C2 to the HKEX Listing Rules) requires MMG to report the Part D climate-related disclosure requirements (the "Climate Requirements") on a "comply or explain" basis, while Scope 1 and Scope 2 greenhouse gas (GHG) emissions disclosures are mandatory for all listed companies; the Part D Climate Requirements become mandatory for companies that are constituents of the Hang Seng Composite LargeCap Index (HSCLI) for financial years commencing on or after 1 January 2026.

This report includes the Company's climate statements for the 2025 reporting period and Directors' Declaration. The report aims to:

- provide a detailed account of MMG's climate statements;
- demonstrate MMG's compliance with the HKFRS S2 Climate-related Disclosures standard; and
- outline MMG's governance, strategies, risk management and other initiatives to address identified climate-related risks and opportunities.

Transition relief

The HKFRS S2 standard provides transition reliefs for the first annual reporting period in which an entity applies the standard. MMG has applied the following transition reliefs:

- Not presenting comparative information.
- Disclosing only climate-related risks and opportunities in accordance with HKFRS S2, applying HKFRS S1 (Hong Kong Financial Reporting Standard S1 – General Requirements for Disclosure of Sustainability-related Financial Information). Requirements only for those disclosures.
- Providing qualitative narrative information on the financial effects of climate-related risks and opportunities
- Scope 3 GHG emissions disclosure.

2.1 MMG's structure, reporting boundary, governance and materiality

2.1.1 Directors' declaration

In the Directors' opinion:

The climate statements and notes that are set out on pages 126 to 140, are prepared in accordance with the Hong Kong Stock Exchange (HKEx) ESG Reporting Code (Appendix C2 to the Listing Rules) and the Hong Kong Financial Reporting Standard S2 (HKFRS S2) Climate-related Disclosures as issued by the Hong Kong Institute of Certified Public Accountants; and giving a true and fair view of the consolidated entity's position as at 31 December 2025 and of its performance for the financial year ended on that date.

This declaration is made in accordance with a resolution of the Directors.



CAO Liang

Chairman of the Board and Non-Executive Director

3 March 2026

HKFRS S2 compliance

Continued

2.1.2 Statement of compliance

These disclosures have been prepared in accordance with the requirements set out in HKFRS S2 *Climate-related Disclosures* as issued by the Hong Kong Institute of Certified Public Accountants

2.1.3 Connectivity with financial statements

The Climate Statements have been prepared by MMG Limited and its controlled entities (MMG, the Company, Group) and should be read in conjunction with the Group's financial statements for the year ended 31 December 2025. The Climate Statements apply to the same reporting Group and reflect an assessment of both MMG's own operations and its broader value chain (see Section 2.1.4 for an overview).

The Climate Statements cover a 12-month period for the year ended 31 December 2025 (FY25) which is aligned with the reporting period of the related financial statements. The presentation currency of the climate statements is United States Dollars (USD), which aligns to the presentation currency used in the Group's financial statements.

Definitions

In alignment with HKFRS S2 the Climate Statements use the following definitions:

Distinction between use of climate-related risks and opportunities and CRROs

When the report discusses climate-related risks and opportunities in a general sense it will use the full terminology. When the report discusses the three climate-related risks and opportunities that have been identified for assessment and planning, then the term CRROs shall be used.

Climate time horizons and connection with MMG enterprise risk management framework

MMG defines its time horizons based on when the CRROs could reasonably be expected to materialise. The following time horizons were identified by MMG, consistent with its enterprise risk management framework and associated processes and documentation:

- Short term (0–3 years): 2025–2028
- Medium term (3–10 years): 2028–2035
- Long term (10–25 years): 2035–2050

Climate time horizons and connection with MMG business planning cycle:

These horizons align with MMG's existing business planning cycles (per the Integrated Business Planning (IBP) Framework), including:

- Budgeting and Annual Plan: 1-3 years
- Asset Business Planning: 5 years
- Strategic Development Planning: 5+ years
- Corporate and Asset Strategy: 10+ years

Climate scenarios selected and rationale

The following two temperature pathways have been selected from the IPCC climate scenarios to assess MMG's climate resilience:

- 1.5 °C
- 4°C

HKFRS S2 compliance

Continued

The climate scenarios assume changes to global temperatures and utilised by the Group to assess strategy and response to identified climate-related risks and opportunities, and their potential financial and non-financial impacts.

The two pathways were selected on the following basis: (also see *section 2.2.2.6* for further details).

Number of scenarios

The Group has selected two climate scenarios to assess its climate resilience. This approach meets HKFRS S2 requirements to consider a diverse range of climate-related scenarios, including at least one scenario aligned with limiting global temperature rise to well below 2°C in accordance with the latest international climate agreement.

Types of scenarios

The scenarios selected comprise a low-emissions 1.5°C scenario and a high-emissions 4°C scenario. These scenarios represent materially different physical and transition risk profiles and are considered relevant to the Group's assessment of climate-related risks and opportunities. These scenarios represent materially different physical and transition risk profiles and are considered relevant to the Group's assessment of climate-related risks and opportunities.

Source of scenarios

The Group uses climate scenarios from multiple internationally recognised sources. Scenarios published by the IPCC are used primarily to assess physical climate risks, while scenarios published by the IEA are used primarily to assess transition risks. This approach is consistent with market practice and supports the relevance and robustness of the Group's climate scenario analysis.

2.1.4 Overview of MMG's operations and value chain

See page 111 of the ESG Approach report for overview of MMG's operations.

MMG's value chain comprises activities associated with the development, operation and sale of its mineral products, including both activities within MMG's operational control and activities undertaken by third parties with whom MMG has direct or indirect business relationships.

HKFRS S2 compliance

Continued

Table 15: MMG value chain

Value chain stage	Activity area	Description
Upstream (cradle-to-gate)	Exploration, Scoping, PreFeasibility and Feasibility Study	Regulators, permitting bodies, financiers, technical consultants, JV partners, and local Indigenous communities engaged in resource mapping, baseline studies, permitting, feasibility and financial modelling for new projects.
	Upstream Supply Chain and Procurement	Global suppliers of mining equipment, energy providers, reagent suppliers, logistics companies, and facilities supporting procurement of equipment, reagents, fuel, power, logistics and facilities across the group.
	Capital and Insurance	Stakeholders and activities including banks, insurers, investors, stock exchange bodies and ESG lenders providing Corporate and Site financing, underwriting, and investor relations.
	Energy and Utilities	Power supply onsite consumption of energy from grid, diesel, and renewable power.
	Government and Regulatory Engagement	National and regional regulators, permitting and licensing agencies, government stakeholders, communities and first nations groups, and market authorities engaged in permitting, licensing and market access across Peru, Australia, DRC, Botswana, Brazil and China, and sales markets such as the EU.
Own operations (gate-to-gate)	Mining and Extraction	Site operations teams extracting ore at MMG operations.
	Processing and Concentration	Processing plant teams and maintenance crews carrying out crushing, milling, flotation, concentration and product storage at site.
	Tailings and Waste Management	Tailings engineers, geotechnical and dam safety teams, environmental and water management teams managing tailings and waste rock, recovering water and planning rehabilitation with GISTM compliance and monitoring.
	Stakeholder Management, Closure and Rehabilitation	Local teams engaging in stakeholder management with local communities and activities associated with mine closure and rehabilitation programs.
	Corporate Enabling Function	Corporate teams engaged in general management, legal and compliance, sustainability and risk management, stakeholder, corporate and community relations, asset planning support, finance and strategy, and IT and data management.
	People and Workforce Inputs	Employees, contractors, training providers, health and safety teams, service providers, and local communities involved in recruitment, training, safety and wellbeing, and operation of facilities across operations.
Downstream (gate-to-grave)	Customers and Offtakers	Smelters, traders and industrial customers for copper, zinc, nickel and byproducts purchasing product from MMG and arranging transport, with examples including copper and zinc customers in Asia and future nickel and cobalt markets including the EU.
	Offsite Processing, Concentration, Smelting and Refining	Downstream processors, concentrators, smelters and refiners conducting crushing, milling, flotation, concentration and product storage at or near site, aligned to downstream user process material.
	Product Transport and Trade	Trading desks, finance counterparties, logistics providers, rail operators, trucking firms, port authorities and shipping lines moving concentrates through trade, shipping and financial markets.
	End Use Applications	OEMs and manufacturers in renewable energy, EVs, electrification, global infrastructure, medical equipment and pharmaceuticals using MMG metals, with end use including EVs, renewable grids and electrification infrastructure globally within the transition economy.
	Recycling and Circularity	Downstream partners, recyclers, smelters and industry bodies recovering and recycling metals and pursuing secondary metals recovery partnerships.
	Transport and Logistics	Logistics and transport teams moving equipment and product and liaising with suppliers through road, rail and sea routes.

Refer to *section 2.1.6.5* for more information on the process followed to assess MMG's value chain.

HKFRS S2 compliance

Continued

2.1.5 ESG and climate governance structure

See page 111 to 112 of the ESG Approach section for MMG's Governance Structure.

Board climate skills, competencies and experience

The Board is kept informed of climate-related matters through regular updates and briefings provided by management.

During the financial year, Board members participated in awareness sessions designed to enhance understanding of climate-related risks and opportunities relevant to MMG's operations.

In overseeing climate-related risks, opportunities and strategies, the Board considers whether it has access to the appropriate skills and experience, and where gaps are identified, requests targeted training or briefings to support informed decision-making

The Board continues to consider its ongoing capability and development needs over time in relation to overseeing climate-related risks, opportunities and strategies.

Impact of climate on remuneration policies

The Board continues to consider how climate-related factors can be reflected in remuneration policies. This includes assessing potential approaches to incorporate climate-related performance metrics and aligning remuneration frameworks with the management of climate-related risks and opportunities.

2.1.6 Basis of preparation and reporting scope

2.1.6.1 Reporting boundary

The entities, assets and operations included in MMG's climate statements are the same as those included in MMG's consolidated FY25 financial statements.

During the reporting period there were no changes to MMG's operating company structure.

MMG's value chain, detailed in *section 2.1.4*, has been considered when assessing MMG's climate-related risks and opportunities. In the current reporting period, all metrics reported (except for GHG emissions) relate to MMG's own operations.

Table 16: Reportable assets and scope of information included

The Group's reportable assets	Description
Las Bambas	The Las Bambas mine is a large open-pit, scalable, long-life copper and molybdenum mining operation with prospective exploration options. It is located in the Cotabambas, Apurimac region of Peru.
Kinsevere	Kinsevere is an open-pit copper mining operation located in the Haut-Katanga Province of the DRC.
Khoemacau	The Khoemacau mine, acquired on 22 March 2024, is a large, long life, and underground copper and silver mining operation located in north-west of Botswana, in the emerging Kalahari Copperbelt.
Dugald River	The Dugald River mine is an underground zinc mining operation located near Cloncurry in Northwest Queensland.
Rosebery	Rosebery is an underground polymetallic base metal mining operation located on Tasmania's west coast.

* Asset information is referred to in Note X of the Group's financial statement.

** 100% of the available climate-information related to the assets have been considered and included.

HKFRS S2 compliance

Continued

2.1.6.2 Reporting boundary for GHG emissions

MMG measures its GHG emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition (2004). Details on approach and methodology can be found in section 2.2.3 on Climate-related metrics and targets.

2.1.6.3 Organisational boundary

This section defines which entities, assets and operations are included in MMG's GHG emissions inventory.

MMG has defined its organisational boundary for GHG emissions using the operational control approach. This approach best reflects where MMG has the authority to implement operating policies, and therefore where climate-related risks and opportunities are actively managed. Consistent with HKFRS S2 and the GHG Protocol, operational control provides decision-useful information to investors by aligning reported emissions with MMG's transition strategy, capital allocation and risk management practices. It also ensures that emissions reporting faithfully represents MMG's exposure to transition risk and its ability to influence emissions outcomes across operated assets.

The entities, assets, and operations within MMG's organisational boundary for reporting GHG emissions as per the GHG Protocol are the same as are listed above in *section 2.1.6.1*.

For acquisitions and disposals, the group follows the general approach for current-year GHG emissions and the comparative amounts as described under *section 2.1.6.2*.

2.1.6.4 Operational boundary

Direct GHG emissions from sources that are owned or controlled by businesses and operations within MMG's organisational boundary are reported as scope 1 GHG emissions. GHG emissions from the generation of purchased electricity consumed by these businesses and operations are reported as scope 2 GHG emissions for MMG.

2.1.6.5 Materiality assessment and approach

In its inaugural HKFRS S2 reporting year, MMG performed a materiality assessment to identify climate-related risks and opportunities that could reasonably be expected to affect the Company's prospects over the short, medium, and long term. This assessment considered both internal and external sources, including existing risk management processes, peer disclosures, and stakeholder engagement across MMG's operations and value chain.

Climate-related risks and opportunities identified as possibly material include those that could affect MMG's cash flows, access to finance, or cost of capital. Several of these risks and opportunities are currently undergoing financial quantification in FY26 to assess materiality. MMG will continue to refine its materiality approach and update its climate-related disclosures in future reporting periods.

2.1.6.6 Outcome of the materiality process

The table below outlines the climate-related risks and opportunities that could reasonably be expected to affect MMG's cash flows, access to finance, or cost of capital over the short, medium or long-term, that are currently undergoing financial quantification to assess materiality. A more detailed disclosure on horizons is explored in *section 2.1.3*.

HKFRS S2 compliance

Continued

Table 17 MMG identified climate-related risks and opportunities for further investigation

MMG's climate-related risks and opportunities

Physical Risks

Name	Description
Intensification of extreme weather conditions	Lost production and revenue from downtime as a result of operations needing to pause

Transition Risks

Name	Description
Increase in fossil fuel costs on production supply and logistics	Higher operating costs due to carbon tax or fuel price increases Increased costs from fuel and carbon surcharges on shipping/ trucking due to increased delivery prices

Opportunities

Name	Description
Increased demand for low-carbon products and transition metals	Increased market growth and revenue as global industries shift toward low-carbon solutions and electric vehicles (EVs), the demand for transition metals such as copper, nickel and zinc will rise, driving higher sales volumes and revenues for companies mining these materials.

2.1.6.7 Interaction with material information in the Financial Statements

As noted in the materiality assessment, climate-related risks and opportunities identified as possibly material to MMG's prospects are currently undergoing financial quantification in FY26 to assess their actual materiality. Given the forward-looking nature of these climate-related disclosures, certain risks and opportunities may be deemed material for reporting purposes, even if they have not yet impacted MMG's financial statements. This is particularly relevant to those risks that could influence MMG's value chain and future financial performance over the short, medium, and long term.

Consequently, some of the identified climate-related risks were considered material in the context of climate reporting but were not assessed as having an immediate material impact on MMG's cash flows, access to finance, or cost of capital as of the reporting date. MMG will continue to update its assessments and refine its disclosures in future reporting periods, as new information becomes available and financial quantification processes are completed.

2.1.6.8 Judgements and measurement uncertainties

In the process of preparing its climate statements, MMG's management has exercised judgement in several areas, including the process of identifying material climate-related risks and opportunities and identifying related material information to report.

Additionally, the preparation of MMG's climate statements require the use of estimates for certain amounts which cannot be measured directly. Estimates have been made where the information relates to activities in the value chain that: need to be estimated due to unavailability of data; is related to forward-looking information; or involves other data limitations.

The following table outlines the significant judgements made by management in preparing the climate statements, as well as the amounts that are subject to a high degree of measurement uncertainty.

HKFRS S2 compliance

Continued

Table 18 Summary of significant judgments

Summary of significant judgements

Significant judgement	Description (details of judgement made)
Materiality process	<p>Management applied significant judgement to identify the CRROs that are potentially material to MMG, as well as to identify the material information related to those risks and opportunities. In determining what information could reasonably impact MMG's financial prospects and influence decisions of primary users, we considered the following:</p> <ul style="list-style-type: none"> MMG's operating context and activities Climate-related physical and transition risks and opportunities Relevant regulatory, market, and technological developments Information available through existing internal processes. <p>The process for identifying and prioritising the CRROs is detailed on pages 134.</p>
Scenario Analysis	<p>Management applied judgement in selecting climate scenarios and determining how scenario analysis was used to assess the resilience of MMG's strategy and operations. Scenario analysis was undertaken using a range of plausible climate pathways, including a 1.5°C transition scenario and a 4°C physical risk-aligned scenario. These scenarios were used to consider potential impacts on MMG's assets, operations and value chain, including exposure to physical climate risks, transition risks and related opportunities, and to inform risk management and strategic planning. The scope, assumptions and limitations of the scenario analysis are outlined on pages 136.</p>

2.2 Climate

2.2.1 Climate risk management

2.2.1.1 Monitoring of climate-related risks and opportunities

The monitoring of climate-related risks and opportunities is embedded within MMG's enterprise risk management framework under the Risk Management Standard. Key climate-related factors are tracked through established processes, and the Board receives quarterly updates via the Governance, Remuneration, Sustainability and Nominations (GRNS) Committee.

These updates provide oversight of emerging and ongoing climate-related risks and opportunities, supporting the Board and management in integrating climate considerations into business and strategic decision-making. Monitoring activities are aligned with MMG's broader risk management processes to ensure consistency and enable timely reporting on issues that could affect operations and financial performance.

2.2.1.2 The effects of climate-related risks and opportunities on our business model and value chain

The following table presents the climate-related risks and opportunities identified that could reasonably be expected to affect MMG's prospects. For each climate-related risk and opportunity, we have provided a description of the current and anticipated effects on our business model and value chain and identified where these risks and opportunities are concentrated. While the financial quantification of identified climate-related risks and opportunities is still in progress, the likelihood of occurrence for each risk and opportunity has been assessed for FY25 using the IPCC climate scenarios, specifically the 1.5°C and 4°C pathways.

HKFRS S2 compliance

Continued

Table 19 climate-related risks effects on MMG business model and value chain

Climate-related risks

Physical risks

Risk	Description	Concentration in value chain (e.g. geographical areas, facilities and types of assets)	Time horizon risk is likely to occur	Description of current and anticipated effects on the business model and value chain if unmitigated
Intensification of extreme weather conditions	Increased precipitation and increased heat	Built assets across operational sites	Medium: Likely Long-term: Almost Certain	Lost production and revenue from downtime as a result of operations needing to pause

Transition risks

Risk	Description	Concentration in value chain (e.g. geographical areas, facilities and types of assets)	Time horizon risk is likely to occur	Description of current and anticipated effects on the business model and value chain if unmitigated
Increase in fossil fuel costs on production supply and logistics	Logistics value chain reliant on fuel.	Upstream and downstream supply chain	Medium: Likely Long-term: Almost certain	Higher operating costs due to carbon tax or fuel price increases 1.03 – Increased costs from fuel and carbon surcharges on shipping/ trucking due to increased delivery prices

HKFRS S2 compliance

Continued

Table 20 climate-related opportunities effects on MMG business model and value chain

Climate-related opportunities

Opportunity	Description	Concentration in value chain (e.g. geographical areas, facilities and types of assets)	Time horizon opportunity is likely to occur	Description of current and anticipated effects on the business model and value chain
Increased demand for low-carbon products and transition metals	Global approach to meet the Paris Climate Targets	Downstream supply chain	Almost certain for Short/Med/Long term	Increased market growth and revenue as global industries shift toward low-carbon solutions and electric vehicles (EVs), the demand for transition metals such as copper, nickel and zinc will rise, driving higher sales volumes and revenues for companies mining these materials.

2.2.1.3 The current and anticipated changes to MMG's business model to address the CRROs

MMG's approach to addressing its CRROs is integrated into its Sustainability Framework, between Risk Management Standard, Significant Events and Safety, Security, Health and Environment (SSHE) Performance Standard and Climate Strategy. These frameworks guide decisions across operations, processing, and logistics, ensuring climate considerations are embedded in the business model.

Currently, MMG's business model focuses on responsible extraction and supply of base and transition metals. Anticipated changes are expected to be incremental and will be driven by ongoing assessments of its CRROs, regulatory developments, and market conditions. Over time, MMG will continue to refine its strategy and resource allocation, including capital investment, to address evolving CRROs and ensure business sustainability.

2.2.1.4 CRROs specific mitigation and adaptation strategies

The table below summarises our mitigation and adaptation activities to address our CRROs.

Table 21 Summary of mitigation and adaptation activities to address CRROs.

	Operational mitigation and adaptation responses	Strategic and value chain mitigation and adaptation responses
CRRO #1 Intensification of extreme weather conditions	Integration of climate considerations into mine planning, infrastructure design, water management, and site-level risk management processes to enhance asset resilience and business continuity.	Incorporation of climate risk assessments into corporate risk management, capital allocation decisions, and long-term portfolio planning.
CRRO #2 Increase in fossil fuel costs on production supply and logistics	Consideration of energy efficiency initiatives, optimisation of haulage and processing activities, and evaluation of on-site renewable energy solutions (e.g., wind and solar).	Assessment of long-term energy sourcing strategies, renewable power procurement arrangements, and supply chain cost management strategies.
CRRO #3 Increased demand for low-carbon products and transition metals	Continued focus on the production of base and transition metals aligned with MMG's existing asset portfolio.	Ongoing assessment of market trends, customer demand and growth opportunities as part of strategic planning and business development processes.

* Operational responses refer to actions implemented at the asset or site level to directly enhance resilience or reduce emissions. Strategic and value chain responses refer to corporate-level, market-facing or supply chain actions that influence MMG's exposure to climate-related risks and opportunities.

MMG's mitigation and adaptation activities are expected to evolve over time as its CRROs are further assessed and as internal processes, data availability, and external requirements continue to develop.

HKFRS S2 compliance

Continued

2.2.1.5 Financial effects

Process for estimating financial effects

MMG is currently assessing the potential financial effects of its CRROS, as part of its Climate Strategy. This includes the evaluation of physical and transition risks, the development of climate scenarios, and considering their potential impacts on the business model and strategy. The methodology and ongoing work related to this process are detailed further in sections 2.1.6 and 2.2.3.

Current financial effects on MMG's business model and strategy

While MMG is still in the process of quantifying the material financial impacts of its CRROs, they are considered within the Company's broader risk management framework. These considerations are monitored by management and overseen by the Governance, Remuneration, Sustainability, and Nominations Committee, which ensures alignment with the company's broader business objectives.

Anticipated financial effects on MMG's business model and strategy

MMG is actively exploring the future financial effects of its CRROs across its short, medium, and long-term planning horizons. The evaluation of these effects will consider key elements such as investment and disposal plans, funding requirements, and operational strategies aimed at managing climate-related risks. These assessments are still under development, subject to further review, and will be governed by Board oversight and internal governance processes.

MMG anticipates further development of its approach to assessing climate-related financial effects in 2026, with enhanced disclosures expected in future reporting periods.

2.2.1.6 Capacity to adjust or adapt strategy and business model

MMG has the capacity to adjust or adapt its business model, strategy and value chain in response to its identified CRROs over the short, medium and long term. MMG's capacity to adjust or adapt is supported by its existing planning, financial and governance processes. Asset-specific examples can be found in the MMG 2025 Sustainability Report at mmg.com.

Redeploying, repurposing, upgrading or decommissioning assets

MMG's asset and operational planning processes enable the evaluation of potential adjustments over time, including modifications to operating practices, technology deployment, energy sourcing, resilience measures and closure planning. These processes provide the basis for considering whether existing assets can be redeployed, repurposed, upgraded or decommissioned in response to climate-related drivers.

Financial resources and flexibility

MMG has access to financial resources and corporate planning processes that enable consideration of its identified CRROs across multiple time horizons. MMG's capital and financial planning processes support the assessment of strategic options, and the timing and sequencing of potential adjustments over time.

Investment in climate-related mitigation, adaptation and opportunities

MMG's current and planned activities related to climate change are assessed through broader sustainability, strategic and operational planning processes. These activities include efficiency measures, energy-related initiatives, technology assessments and the consideration of resilience or adaptation measures. The nature and extent of any future investments will depend on external conditions and remain subject to MMG's governance and planning processes.

MMG's capacity to adjust or adapt is influenced by external factors including market dynamics, regulatory settings, technology development, local and international events, stakeholder expectations and relevant policy environments.

HKFRS S2 compliance

Continued

The timing and form of any future adjustments will be determined through MMG's existing planning and governance processes.

2.2.2 Climate Strategy

2.2.2.1 Targets and climate transition/decarbonisation plans

MMG recognises the importance of climate-related risks and opportunities in general and its identified CRROs, in the context of its business and the global transition to a lower-carbon economy, including MMG's role in supplying minerals and metals that support this transition. MMG considers climate-related matters as part of its broader governance, risk management and decision-making processes; applying asset-level decarbonisation plans through its Significant Events and Safety, Security, Health and Environment (SSHE) Performance Standard.

Further information on MMG's climate strategy, governance and related initiatives will be provided in MMG's Sustainability Report, which is available on mmg.com.

2.2.2.2 How we apply internal carbon pricing in decision-making

MMG is reviewing its approach to the potential use of internal carbon pricing (ICP) in decision-making. In the interim, ICP is used as a sensitivity analysis to support decision-making.

2.2.2.3 Climate resilience and scenario analysis

MMG has conducted qualitative climate-related scenario analysis to assess the resilience of its business model and strategy to potential climate-related changes. This analysis considers both physical and transition risks identified across the business. Scenarios used align with internationally recognised frameworks, including the Paris Agreement and IPCC 1.5°C and 4°C pathways, to guide management and Board discussions on potential impacts.

While financial quantification and detailed scenario analysis are still in progress, MMG regularly reviews its approach as part of the broader risk management and governance processes. This ensures that any adjustments to the business model or strategy can be made in response to evolving climate science, business conditions, and regulatory developments.

MMG's strategies currently address the potential impacts of both 1.5°C and 4°C scenarios, and the Company is ready to adapt its mitigation and adaptation measures as needed.

2.2.2.4 Qualitative climate scenario assumptions

The table below provides a general description of the assumptions and potential impacts under each selected IPCC climate scenario. These assumptions are based on globally recognised scenarios and represent the broad environmental, economic, and policy-related factors that could affect industries, including MMG. While they do not represent MMG's specific impacts, these assumptions provide useful context for understanding the potential identified CRROs MMG may face in different transition pathways.

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Table 22 Climate scenarios assumptions and potential impacts

Component	1.5°C Scenario (Low Emissions / Coordinated Transition)	4°C Scenario (High Emissions / Fragmented Transition)
Scenario description	Paris-aligned transition with strong climate policy, accelerated electrification and increased demand for transition metals. Transition risks predominate.	Delayed and uneven transition resulting in higher physical climate risks and adaptation requirements. Physical risks predominate.
Transition metals demand	Structural demand growth for copper and zinc supporting electrification, grid reinforcement and EV adoption.	Demand growth continues with increased volatility; physical impacts may constrain supply and logistics.
Climate-related policies and carbon pricing	Broader adoption of carbon pricing, market-based instruments and supply chain decarbonisation standards; higher transparency requirements.	Fragmented and slower climate policy adoption; uneven regulatory settings across jurisdictions.
Energy system and fuel inputs	Faster penetration of renewables and fleet electrification; reduced reliance on fossil fuels; higher residual exposure to carbon pricing for diesel and electricity.	Continued reliance on fossil fuels; slower uptake of electrification; increased volatility in energy markets and operational inputs.
Technology and decarbonisation levers	Faster uptake of electrified equipment, alternative fuels, efficiency improvements and digital mine planning.	Technology deployment constrained; adaptation technologies (cooling, drainage, ventilation) become more material.
Macroeconomic trends	Increased low-carbon infrastructure investment with supportive macro environment for transition minerals.	Higher volatility and operational disruption due to physical climate impacts; cost of capital varies by jurisdiction and physical risk profile.
Physical climate hazards	Lower exposure to acute hazards relative to 4°C scenario; physical risks remain present but partially mitigated by coordinated transition.	Higher acute and chronic physical risks including heat, precipitation variability, wildfire and water resource constraints.
Regional/operating context	Increasing climate disclosure and supply chain transparency expectations across MMG's jurisdictions.	Greater operational disruption and adaptation needs across jurisdictions; regulatory responses vary.
Value chain and logistics	Greater focus on low-carbon logistics and shipping emissions disclosure.	Higher likelihood of logistics disruption due to weather and infrastructure stress.

2.2.2.5 Time horizons used for scenario analysis

The scenario analysis was performed across the following time horizons:

- Short term (0–3 years): 2025–2028
- Medium term (3–10 years): 2028–2035
- Long term (10–25 years): 2035–2050

These time horizons are detailed in *section 2.1.3 Connectivity with financial statements*.

The above horizons are considered appropriate for MMG's climate-related scenario analysis because they reflect the periods over which its identified CRROs could reasonably be expected to affect MMG's prospects and support comparability across climate strategy, risk management and financial effects assessments.

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2.2.2.6 Impacts of the CRROs on MMG's business model, strategy and value chain against its selected scenarios

Table 23 Description of scenario & implications strategy and business model

	Description of scenario & implications strategy and business model
Scenario 1 1.5°C Scenario (Low Emissions / Coordinated Transition)	<p>Under the 1.5°C scenario, transition risks and opportunities are the primary drivers affecting MMG's strategy and business model. Accelerated policy, technology and market changes associated with decarbonisation may influence demand for transition metals, energy costs, carbon pricing exposure and expectations for supply chain decarbonisation.</p> <p>Under this scenario, MMG may benefit from increased demand for transition metals over the medium term. Physical climate risks remain relevant but are less significant compared to the 4°C scenario.</p>
Scenario 2 4°C Scenario (High Emissions / Fragmented Transition)	<p>Under the 4°C scenario, physical climate-related risks become more significant over the medium to long term. Increased climate variability may disrupt operations, logistics, infrastructure and water availability across MMG's value chain.</p> <p>Transition-related risks and opportunities emerge later and less consistently under this scenario. Demand for transition metals continues but with greater uncertainty and volatility.</p>

2.2.3 Climate-related metrics and targets

2.2.3.1 Metrics and targets

MMG is assessing potential approaches to climate-related metrics including cross-industry metrics, that may be used to monitor the effects of its identified CRROs. This assessment is being undertaken as part of MMG's broader climate strategy and planning activities, including any use of carbon credits, in conjunction with its financial quantification and includes a review of potential metrics relating to its CRROs and climate-related performance over different time horizons.

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2.2.3.2 Greenhouse Gas (GHG) emissions data

Table 24: Total GHG emissions Scopes 1 and 2 - Market and Location based (tonnes CO₂-e)

Emissions		Scope 1	Scope 2 (Market based)	Total Scopes 1 & 2 (Market based)	Scope 2 (Location based)	Total Scopes 1 & 2 (Location based)
Location	Year					
Dugald River	2024	19,084.95	91,483.43	110,568.38	151,462.67	170,547.62
	2025	21,002.45	61,137.38	118,572.33	156,357.55	177,360.00
Khoemacau	2024	28,490.61	254,599.29	283,089.90	254,599.29	283,089.90
	2025	44,123.52	263,323.97	307,447.49	263,323.97	307,447.49
Kinsevere	2024	102,971.47	2,392.21	105,363.68	2,392.21	105,363.68
	2025	95,622.99	6,387.11	102,010.10	6,387.11	102,010.10
Las Bambas	2024	508,418.18	220,934.80	729,352.98	220,934.80	729,352.98
	2025	510,532.49	270,989.89	781,522.38	270,989.89	781,522.38
Rosebery	2024	17,088.56	21,130.93	38,219.49	21,130.93	38,219.49
	2025	17,543.75	27,304.17	44,847.92	27,304.17	44,847.92
2025 Total		688,825.20	629,142.52	1,354,400.02	724,362.69	1,413,187.89

Table 25: Greenhouse gas (GHG) emissions intensity (tonnes CO₂-e/kt milled)

Year	Location	Type	Market based		Location based	
			2025	2024	2025	2024
Dugald River		Scope 1	10.45	10.87	10.45	10.87
		Scope 2	30.41	52.12	77.77	86.29
		Scope 1+2	40.86	62.99	88.22	97.16
Khoemacau		Scope 1	14.20	12.09	14.20	12.09
		Scope 2	84.74	108.04	84.74	108.04
		Scope 1+2	98.94	120.13	98.94	120.13
Kinsevere		Scope 1	24.89	39.47	24.89	39.47
		Scope 2	1.66	0.92	1.66	0.92
		Scope 1+2	26.55	40.39	26.55	40.39
Las Bambas		Scope 1	9.56	9.86	9.56	9.86
		Scope 2	5.07	4.28	5.07	4.28
		Scope 1+2	14.63	14.14	14.63	14.14
Rosebery		Scope 1	17.74	16.53	17.74	16.53
		Scope 2	27.60	20.44	27.60	20.44
		Scope 1+2	45.34	36.97	45.34	36.97
Average across MMG sites		Scope 1	15.368	17.764	15.368	17.764
		Scope 2	29.896	37.159	39.368	43.994
		Scope 1+2	45.264	54.922	54.736	61.756

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2.2.3.3 Contractual instruments

Among the company's operations, Dugald River mine has a contractual arrangement for renewable electricity. It sources electricity under a hybrid power purchase agreement with Diamantina Power Station, comprising gas-fired generation and long-term renewable electricity supply from the Dugald River Solar Farm, which achieved commercial operations in April 2023. The PPA is a long-term arrangement, with the solar component providing electricity over a 15-year term. The arrangement includes contractual provisions governing the allocation and treatment of renewable energy certificates associated with the solar electricity supplied. Disclosed Market-based Scope 2 emissions relating to Dugald River Mine reflect the treatment of certificates under this arrangement.

2.2.3.4 Approach to measuring GHG emissions

MMG utilised the GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition), including:

- Chapter 3 – Setting Organisational Boundaries, applying the operational control approach;
- Chapter 4 – Setting Operational Boundaries, for the classification of Scope 1 and Scope 2 emission sources; and
- Chapter 5 – Tracking Emissions Over Time, for consistency and comparability of reported emissions.

Scope 2 emissions are disclosed using both the location-based and market-based methods, where eligible contractual instruments are available, in accordance with the GHG Protocol Scope 2 Guidance.

Further details including application of methodology, approach, inputs, emission factors and assumptions are listed in Table 26 - Emissions methodology.

For details on operational boundary setting see section 2.1.6 *Basis of Preparation & Reporting Scope*.

Table 26 Emissions methodology

Scope	Method	Activity data	Emission factors
Scope 1	GHG protocol Corporate Standard	Physical activity data (fuel consumption) and mass of waste generated	National Greenhouse and Energy Reporting (Measurement) Determination (NGER); DEFRA Greenhouse Gas Reporting, National Greenhouse gas Accounting factors (NGA).
Scope 2	GHG protocol Corporate Standard and GHG Protocol Scope 2 Guidance	Physical activity data (electricity consumption)	Site specific emissions factors (supplier specific, or local government published) or International Energy Agency.