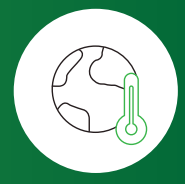


Climate change action



Climate change continues to influence the world in profound ways, shifting weather patterns, reshaping energy systems and altering expectations of what responsible mining looks like. For MMG, climate action is both a responsibility and an opportunity – a chance to strengthen the resilience of our operations, contribute to global decarbonisation and build a business that is ready to grow in a low-carbon future.

We made meaningful progress in 2025. We undertook a review of our Climate Strategy, deepening our understanding of climate risks, and improved data quality across all scopes, supporting more informed responses to evolving operational and emissions challenges.

The most significant shift in 2025 was cultural. Conversations about energy, emissions and climate risks became more open and practical. Cross functional collaboration deepened and site teams increasingly saw decarbonisation not as a constraint, but as a pathway to smarter, more resilient operations. This shift translated into action across the business, including the progression of energy management and efficiency initiatives at Khoemaçau, site-led decarbonisation planning at Rosebery, and continued advancement of electrification studies, renewable energy planning and emissions data improvements across multiple sites.

Our updated climate strategy

Over the past year, we have undertaken a comprehensive refresh of our Climate Strategy – an effort shaped by more than 200 internal stakeholders, multiple corporate functions and all operating sites.

The result is a strategy that is clearer, more grounded in operational reality and more aligned with our long-term ambition to be a leading international mining company for a low-carbon future.

The refreshed strategy was delivered through 10 cross-functional workstreams that explored a wide range of aspects – from Scope 3 methodologies and climate-related financial implications, to scenario analysis, governance uplift, capability needs and internal audit readiness.

This work has strengthened cohesion across Finance, Legal, Risk, SSHE, Assurance and Improvement, Sustainability, Operations, Strategy, Business Evaluation, Projects, Compliance and site teams. It has also set a new baseline for how climate considerations will be embedded into our long-term planning and decision-making.



The refreshed strategy recognises that climate leadership unlocks value. It strengthens MMG's:

- market access, positioning us as a responsible producer
- reputation and stakeholder trust, including with investors, customers and regulators
- alignment with global and national commitments, including China's 2035 Climate Pledge
- regulatory readiness, through IFRS S2-aligned disclosure and HKEX-ready governance structures, ensuring compliance and supporting robust reporting practices.

This uplift reflects a recognition that climate action is not just an environmental responsibility – it is central to our growth, competitiveness and resilience.

Carbon neutral by 2040

A cornerstone of the refreshed strategy is our new climate commitment, Carbon Neutral by 2040, supported by:

- a revised 2025 baseline
- an interim target to reduce absolute emissions (Scope 1 and 2) by 35% by 2035
- corporate support to sites as they determine their own site-led decarbonisation pathways.

This ambition is more aligned with our peers and more credible based on our mine life profiles, energy contexts and decarbonisation opportunities.



Case study

Implementing an energy management program to enhance climate resilience

Khoemacau Copper Mine is implementing an energy management program to reduce its high energy consumption, to lower greenhouse gas emissions and enhance climate resilience across its operations.

Energy costs are significant in Khoemacau, driven by the crushing and grinding process at the process plant, ventilation required for underground mining and ore haulage.

Diesel use for the underground fleet and haulage further contributes to Scope 1 emissions while electricity, which is predominantly coal-fired,

contributes to Scope 2 emissions, increasing MMG's carbon intensity and vulnerability to future climate and regulatory pressures.

Addressing these issues is essential for sustainable production, cost competitiveness and alignment with our sustainability goals and global mining ESG standards.

Through targeted optimisation, technology upgrades and long-term renewable energy planning, the mine intends to achieve measurable environmental, financial and operational benefits.

Climate risk, scenario analysis and building resilience

Understanding climate risk is central to planning the future of our operations. In 2025, we expanded our climate-related risk assessment and scenario analysis to provide deeper insight into physical hazards, transition risks and long-term market shifts.

MMG's updated scenario analysis now aligns with internationally recognised 1.5°C and 4°C futures, which offers insights into water scarcity, extreme rainfall, energy market volatility, carbon pricing pathways and regulatory change. These scenarios will inform mine design, water and tailings planning, energy strategy and engagement with governments and communities.

As part of the work plan in 2025, we integrated these considerations into:

- Enterprise Risk Management processes
- site risk registers
- investment and project evaluations
- strategic planning cycles.

This work has strengthened the connection between climate insight and long-term operational decisions, ensuring resilience considerations become part of our everyday thinking.

Strengthening data and reporting

Reliable climate data underpins credible action. In 2025, we improved emissions inventory processes, advanced Scope 3 methodologies and strengthened energy data quality across the business.

These enhancements supported a major uplift in climate-related disclosures in the MMG 2025

Annual Report, including our first IFRS S2-aligned statements, clearer explanation of our baseline and transition pathway, and more detailed discussion of climate risks, opportunities and governance.

Our 2025 Climate Statements (HKFRS S2), which cover governance, strategy, risk management, metrics and targets, are presented in the [MMG 2025 Annual Report](#) alongside a Directors' Declaration and Basis of Preparation. Scope 3 methodologies and quantitative financial effects will be expanded in 2026 in line with HKFRS S2 transition provisions. These improvements establish a strong foundation for continued enhancement of our climate reporting in 2026 and beyond.

Supporting the global transition

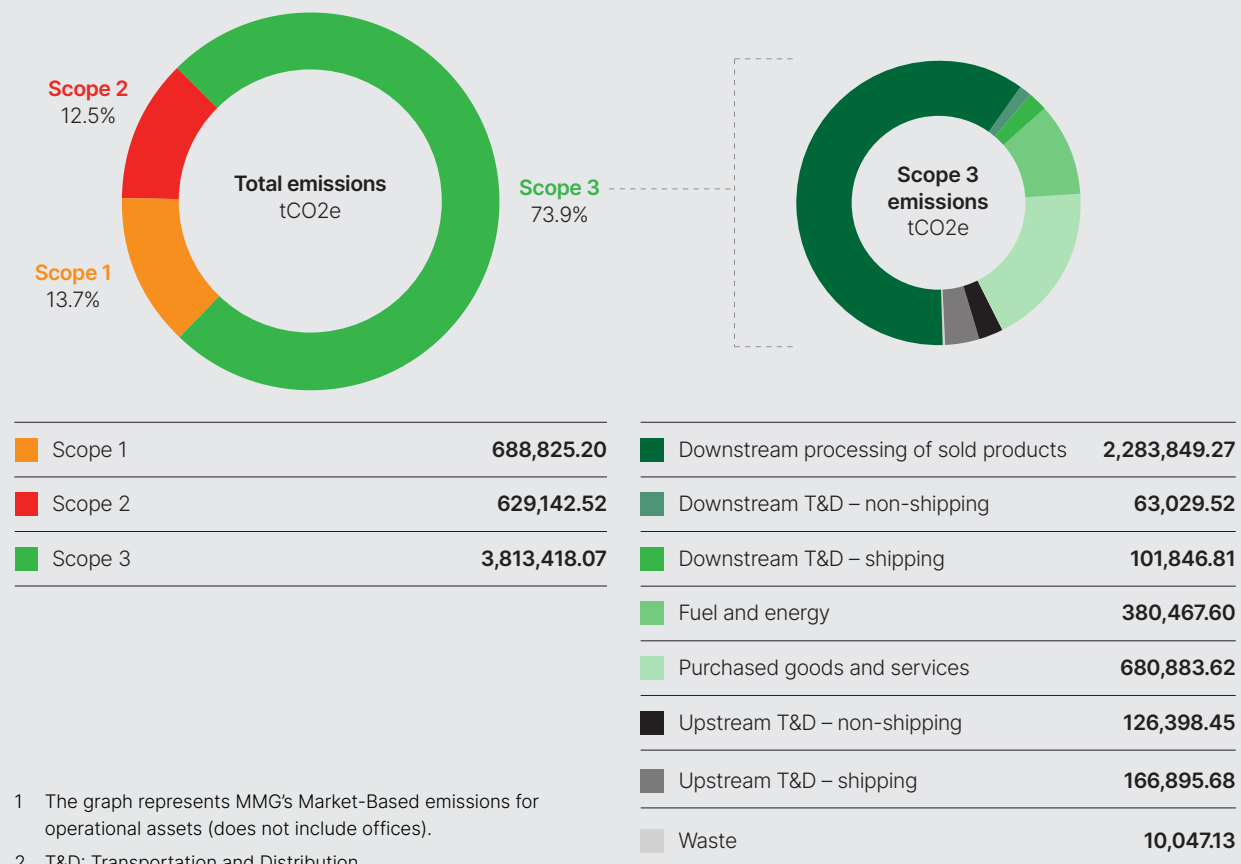
MMG's climate contribution goes beyond decarbonising our operations. The copper and zinc we produce are fundamental to renewable energy, electrification, grid expansion and low-carbon technologies.

In 2025, we strengthened our contribution to the global transition by:

- improving product stewardship and traceability
- improved GHG data quality and transparency
- expanded Scope 3 emissions understanding
- integrating climate considerations into broader value chain decisions.

These efforts ensure the minerals we produce and the way we produce them contribute meaningfully to a more sustainable global economy.

2025 Total MMG market-based site emissions¹



¹ The graph represents MMG's Market-Based emissions for operational assets (does not include offices).

² T&D: Transportation and Distribution



Looking ahead

Our refreshed Climate Strategy ushers in a new phase of climate action at MMG – one defined by clarity, collaboration and confidence. In 2026 we will:

- finalise site-specific emissions projections
- advance renewable energy and low emissions technologies implementation
- strengthen quantitative scenario modelling
- integrate climate KPIs into executive and operational performance reviews
- continue improving Scope 3 methodologies
- advance alignment with IFRS S2 and HKEX disclosure expectations.

We move into this next phase with a strong foundation, a clear direction and a shared belief that climate action is essential to MMG's long-term success, and to the communities, customers and ecosystems we are part of.

HKFRS S2 disclosure and transition relief

Under HKFRS S2 transition relief, MMG will phase in disclosure of quantitative financial effects of climate-related risks and opportunities and Scope 3 emissions. Full reporting of these financial effects will commence in 2026, aligned with the standard's transition provisions.

You can find our HKFRS S2 disclosure [here](#).