MMG Climate Strategy

Working together for a low-carbon future

We mine for progress

Climate change is shaping the future of mining

Climate change is one of the defining challenges of our time. It is reshaping how mining companies operate, how risks are managed, how capital is allocated and how stakeholders assess long term value.

At MMG, climate action is both a responsibility and an opportunity. Our operations generate greenhouse gas emissions, while the copper and zinc we produce are essential inputs for electric vehicles, renewable energy infrastructure and grid systems; the backbone of the global energy transition. This dual role means we must act with ambition, discipline and practicality.

Our Climate Strategy sets out how we will reduce emissions across our operations, strengthen resilience to climate risks and embed climate considerations into how we plan, invest and operate across our business.

Climate action is fundamental to MMG's success

Climate change is increasingly shaping the context in which MMG operates. It influences the risks we face, the resilience of our operations and communities, and the choices we make about future investment and growth.

Climate considerations are playing an increasingly important role in how we plan, invest and operate across the business. Physical factors such as extreme weather and water variability can affect operational safety, infrastructure and access to essential resources. These impacts are often felt most acutely by the communities that host our operations, reinforcing the importance of forward looking resilience planning and constructive engagement with local stakeholders.

At the same time, the global shift to a lower carbon economy is influencing demand for the minerals and metals we produce. Responding effectively requires us to manage emissions responsibly, strengthen the resilience of our assets and surrounding environments, and work collaboratively with governments, communities, suppliers and customers to navigate change.

In response, MMG undertook a refresh of its Climate Strategy in 2025. This work was informed by evolving regulatory and disclosure expectations, industry commitments and stakeholder feedback, including alignment with ISSB standards, HKFRS S2 and ICMM requirements. The focus was on strengthening governance, improving data and building a more consistent foundation for integrating climate considerations into decision making over time.

Development of the Strategy involved close collaboration with site and corporate teams to better understand emissions sources, climate related risks and opportunities, and the interconnections between climate, natural systems and social outcomes at each site. This has helped support practical, site led pathways for decarbonisation and resilience that reflect local conditions and priorities.

MMG's refreshed Climate Strategy was approved by the Board in February 2026 and sets a clear direction for the next phase of integration and delivery.

'At MMG, we see climate action as part of being a trusted partner; to the communities where we operate, the customers we supply and the investors who support our growth.'

Ivo Zhao. Chief Executive Officer, MMG Ltd

Climate matters to MMG

Climate change is reshaping how we operate, the resources we rely on, and the environments in which we work. It also influences the demand for the metals we produce, which are essential for the global energy transition.

Globally, climate impacts are intensifying, driving more frequent extreme weather events, shifting water availability and increasing both physical and transition risks.

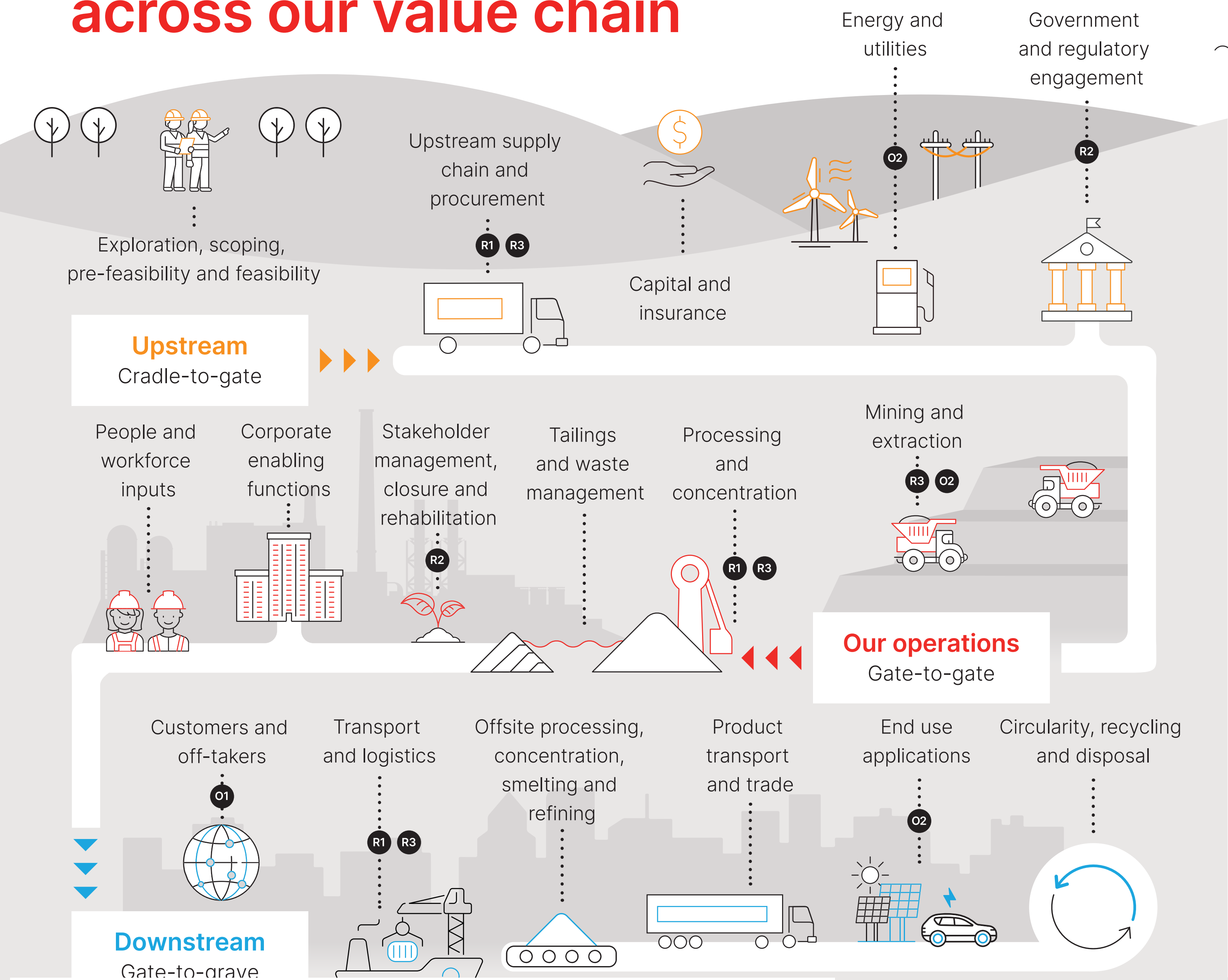
These changes create growing risks and opportunities for MMG across our operations and value chain.

For MMG, this matters because:

- Our operations and supply chains are exposed to physical climate risks, including extreme heat, intense rainfall and water stress.
- Our future depends on the global energy transition, which is driving long term demand for transition minerals.
- Our stakeholders, including host communities, customers and suppliers, expect credible action, transparency and measurable progress on emissions and climate risk.
- Our long term success relies on resilient operations, communities and ecosystems.

By taking meaningful, practical action now, we can reduce emissions, manage climate risks, support the energy transition and strengthen MMG's social licence to operate.

Climate risks and opportunities across our value chain



Climate scenarios assessed*

1.5 degrees **4 degrees**

Climate time horizons

• **Short term**	0–3 years	2025–2028
• **Medium term**	3–10 years	2028–2035
• **Long term**	10–25 years	2035–2050

MMG's climate-related risks and opportunities

- R1 Carbon price / regulatory change drives higher fossil fuel costs (production supply and logistics)
- R2 Environmental regulation increases compliance and insurance costs
- R3 Intensification of extreme weather conditions (extreme heat, flood, wildfire, drought) causing asset damage and operational disruption
- O1 Increased demand for transition metals
- O2 Adoption of low cost renewable energy (reducing energy costs and emissions)

* MMG has assessed its climate related risks and opportunities using IPCC AR6 SSP pathways. 1.5°C - SSP1-1.9 4°C - SSP5-8.5

Summary of MMG's refreshed climate strategy

MMG's refreshed climate strategy brings together MMG's climate related ambition, commitments, metrics and targets, and other elements that support it to embed climate in a meaningful and measurable way in line with its business strategy and the expectations of its priority stakeholders.

MMG's vision: Create a leading international mining company for a low carbon future

MMG's climate commitment: Carbon Neutral by 2040

Interim climate targets and KPIs

- Reduce absolute GHG emissions by 35% by 2035, based on 2025 levels
- Climate KPIs in business planning processes

CLIMATE STRATEGY PILLARS

- Contribute to a low carbon economy
- Reduce our GHG emissions footprint
- Mitigate and adapt to climate change
- Engage with leading climate initiatives

FOCUS AREAS

- **Governance and transparency**
- **Decarbonising our operations**
- **Managing climate risks and resilience**
- **Embedding climate into business planning**
- **Fostering value chain collaboration**

PRIORITY STAKEHOLDERS

- Our people
- Our communities
- Our customers
- Governments, legislators and regulators
- Industry bodies
- Suppliers / Partners

PRIORITY CLIMATE GOVERNANCE ENABLERS

- Climate commitments, accountabilities, and action plans
- Policies, processes and controls
- Goals, targets, and key performance indicators
- Systems and standards (i.e. ERM, Strategy)
- Streamlined monitoring and reporting
- Statutory and non statutory reporting (i.e. HKEX, IFRS, ICMM)

Our updated climate targets

MMG's Climate Strategy is underpinned by clear, time bound targets that guide action, inform investment planning and enable transparent tracking of progress.

We are committed to achieving carbon neutral operations by 2040 (Scope 1 and 2), supported by interim targets to drive near and medium term emissions reduction and capability uplift across the business.

This target reflects MMG's focus on delivering practical emissions reduction through site led abatement, while recognising the operational realities of a diverse, hard to abate mining portfolio and the limited role offsets can play at scale.

Carbon neutral operations by 2040 (Scope 1 and 2)

35% reduction in absolute Scope 1 and 2 emissions by 2035, from a 2025 base year

Ongoing work to improve visibility of Scope 3 emissions and identify priority areas for engagement and influence across our value chain

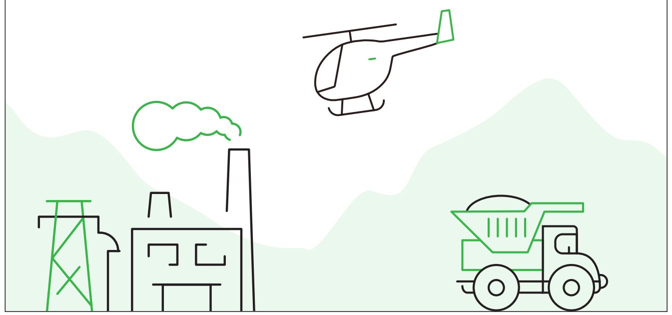
In line with the GHG Protocol Corporate Value Chain (Scope 3) Standard and ICMM's Scope 3 Emissions Accounting and Reporting Guidance for the Mining and Metals Sector (2023), MMG has identified its most material Scope 3 categories as upstream purchased goods and services (Category 1) / capital goods (category 2) and downstream processing of sold products (Category 10), reflecting the inputs used across our operations and downstream smelting and refining by customers.

As these emissions sit largely outside MMG's direct operational control, our near term focus is on improving data quality and working collaboratively with suppliers and customers to build influence across our value chain.

These targets reflect MMG's operational context, asset portfolio and the life of our mines. They are intended to be ambitious yet achievable, supported by site specific decarbonisation pathways, disciplined capital allocation and a focus on direct emissions reduction.

Progress against targets will be monitored through executive oversight and reported through MMG's sustainability and climate disclosures, aligned to HKFRS S2. HKFRS S2 is Hong Kong's mandatory climate disclosure standard, aligned with the international ISSB framework.

Targets and pathways will be reviewed over time as data quality improves, technology advances and regulatory expectations evolve.



Delivering our Climate Strategy

Delivering MMG's Climate Strategy means meeting or exceeding our emissions reduction targets, strengthening the resilience of our operations and embedding climate considerations into everyday business decisions. Success is demonstrated through measurable progress, clear accountability and consistent delivery across our sites and corporate functions.

Decarbonising our operations

- Practical, site led emissions reduction through efficiency, electrification and renewable energy solutions
- Delivery of costed decarbonisation pathways aligned with asset life and operational priorities

Managing climate risks and resilience

- Identification and management of physical and transition climate risks across operations and surrounding environments
- Improved understanding of climate related impacts to support resilient operations and host communities

Embedding climate into business planning

- Climate considerations integrated into strategy, capital allocation and project decision making
- Alignment between site planning, business planning and Group level climate targets

Fostering value chain collaboration

- Improved visibility of priority Scope 3 emissions
- Active engagement with key suppliers and customers to support emissions reduction and responsible production over time

What success looks like

Success in delivering the Climate Strategy is supported by the following foundations:

- Clear ownership and accountability at Board, executive and site levels, enabling delivery against targets
- Defined goals, interim targets and KPIs, with progress tracked consistently across the business
- Robust policies, processes and controls that embed climate into risk management, planning and approvals
- Reliable, decision useful data and systems that allow progress to be monitored and reported with confidence
- Transparent internal and external reporting, aligned with HKFRS S2 and stakeholder expectations

Next steps

We're already underway. Here's what to expect...

2026

Mobilising and embedding

- Communicate the refreshed Climate Strategy across the business
- Workshops with site General Managers, senior leadership and relevant corporate and site teams
- Provide clear implementation guidance, roles and expectations
- Sites commence work to update and develop site level decarbonisation pathways, informed by the refreshed Climate Strategy
- Establish governance, reporting and performance oversight arrangements aligned with the Strategy

2027–2028

Building delivery capability

- Sites further refine and finalise costed, site specific decarbonisation pathways, informed by asset life and operational priorities
- Integrate climate considerations into site and Group business planning processes, including emissions projections and capital planning
- Strengthen site level data, systems and monitoring to support consistent tracking and reporting
- Advance work on Scope 3 emissions, including improving data quality and identifying priority engagement areas across the value chain

2029–2030

Scaling delivery and tracking progress

- Progress implementation of priority emissions reduction initiatives identified in site level pathways
- Further embed climate considerations into routine decision making, investment review and performance oversight
- Track and report progress against interim targets with increasing confidence and consistency
- Continue to strengthen planning for physical and transition climate risks, including resilience of operations and surrounding environments

2026 | 2027 | 2028 | 2029 | 2030

Our commitment

Together, we are building a mining business that supports the global energy transition while reducing our own emissions. By focusing on practical decarbonisation, strong governance and resilience, MMG will continue to create long term value for our people, communities, customers and shareholders.

This commitment is underpinned by a clear Climate Strategy that sets direction for action across the business:

- Carbon neutral operations by 2040 (Scope 1 and 2), with a focus on reducing emissions at source and managing residual emissions over time
- 35% reduction in absolute Scope 1 and 2 emissions by 2035, from a 2025 baseline
- Site led decarbonisation pathways, aligned to asset life, local conditions and operational priorities
- Integration of climate into business planning and capital allocation, so climate considerations inform investment and project decisions
- A focus on resilience and the value chain, strengthening management of physical and transition climate risks, including engagement with local communities on shared climate risks and adaptation, and working with suppliers and customers to improve understanding and influence of priority Scope 3 emissions

Progress against the Climate Strategy is overseen through defined Board and executive accountabilities and reported through MMG's sustainability and climate disclosures, aligned with HKFRS S2 and evolving international expectations.

Through this approach, climate considerations are embedded into how MMG plans, invests and operates, supporting practical delivery, transparency and long term performance.