

THE WAY WE WORK



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

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

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

The following principles underpin the way we work at MMG:

- › We value the role of our major shareholder in supporting us with access to international capital, helping us develop relationships to work in challenging jurisdictions, and the commitment we share to the development of people and communities.
- › We operate in complex social and political environments; however, despite the differences in legislative and social contexts, we maintain the same company aspiration to mine for progress while operating in alignment with our corporate values.
- › Legal compliance forms the basis of the way we work. Beyond this, our continuous improvement effort is aligned to key business risks and opportunities, and we adopt international frameworks to ensure consistency in our approach.
- › We always operate ethically and transparently and encourage others to follow our lead.
- › We take a life-of-asset approach, planning with the end in mind to maximise the value of the development of our natural resources and to secure enduring community benefits.
- › We recognise the value of using existing business decisions to leverage broader development

outcomes, as this will enable us to ensure communities and governments see value in our presence in their communities, regions and nations.

- › We are supported by a 'Federated' organisational structure – providing accountability for whole-of-business performance as close as possible to the operations, while maintaining a core of shared values, standards and governance.
- › We seek to partner with organisations that share our values and commitment to human progress and development. We recognise that involving knowledge, delivery and funding partners enables us to leverage greater outcomes from our investment.

CORPORATE GOVERNANCE

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

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



THE WAY WE WORK CONTINUED

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

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

More information on our committees and our Corporate Governance Statement is available in our 2020 Annual Report, available on our website

BUSINESS ETHICS

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

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

The Code of Conduct covers areas such as conflict of interest, fraud, anti-corruption and legal compliance. Matters relating to the Code of Conduct are overseen by our Code of Conduct and People Committee, chaired by the Executive General Manager, Corporate Relations. MMG engages an independent confidential whistleblower service. The Whistleblower Framework is an integral part of MMG's of the Corporate Legal Compliance Standard. MMG also has an Anti-Corruption Standard.

We recognise that some of the jurisdictions in which we work present unique challenges with respect to transparency and individual freedoms. Because of this, we seek to match good governance with a commitment to transparency initiatives, such as the EITI.

COMPLIANCE AND CONFORMANCE

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

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

In 2020, MMG had no significant events that took place relating to environment, health and safety or legal matters.

In 2020, MMG received one safety-related and three environment-related fines at its Las Bambas operation, relating to certain events that occurred in 2017 and 2019. All four administrative proceedings are currently on appeal and resolutions are pending.

MMG also received one environment-related non-monetary administrative measure at Las Bambas, relating to the modification of the environmental impact study. Las Bambas is complying with the administrative measure and will present all required reports to the relevant authorities.

SAFETY AND HEALTH

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

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

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

SAFETY LEADERSHIP AT MMG

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

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

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

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

SAFETY PERFORMANCE

At the end of 2020, our total recordable injury frequency rate (TRIF) was 1.38 per million hours worked. This represented a reduction from 2019, and highlights a low frequency of injuries. We are

IMAGE: Employee at Las Bambas, Peru.



committed to doing more as we work towards a target of zero injuries.

Thirty people across MMG's operations in 2020 experienced injuries that required medical treatment, time away from work or resulted in them being unable to perform their normal duties for a period of time.

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

Our lost time injury frequency rate (LTIF) was 0.18 for 2020.

We believe a key part of safety performance is the result of reporting hazards, near misses and incidents. In 2020, we continued to implement and embed our safety standards across the business, including the revised SSHE Performance Standard and Fatal Risk Standard.

Much of our year was spent focusing on our people's safety during the COVID-19 pandemic. For more information about MMG's health and safety response, and initiatives across the business, please see pages 12-15.



THE WAY WE WORK CONTINUED

SAFETY STATISTICS BY SITE IN 2020 AND TREND FROM 2019

	TRIF		LTIF	
	2020	TREND	2020	TREND
Dugald River	6.44	✓	0	–
Kinsevere	0.44	✓	0.15	⬆
Las Bambas	0.51	✓	0.08	✓
Rosebery	12.26	✓	1.89	⬆
MMG	1.38	✓	0.18	✓

TRIF

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

LTIF

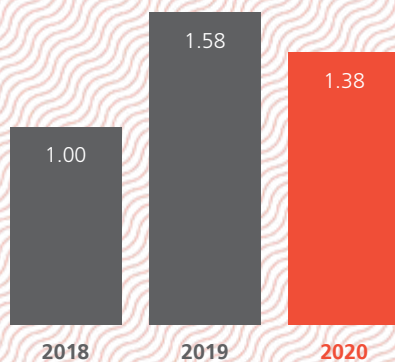
lost time injury frequency per million hours worked

⬆ depicts an increase relative to 2019

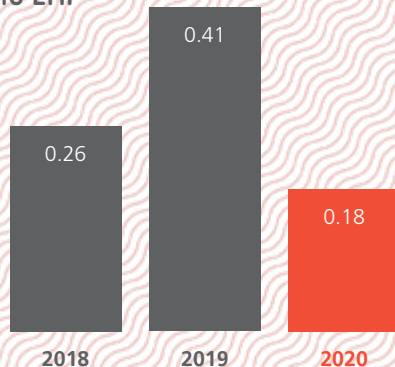
✓ represents a decrease – indicates no change relative to 2019

Note: more information about our 2020 safety data, by site and by employment type, can be found in our 2020 Sustainability Report Appendix.

MMG TRIF



MMG LTIF



SAFE TASK MANAGEMENT

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

In 2020, we updated and rolled out our SSHE Performance Standard across the business, which incorporates the former Safe Task Management Standard. We worked to ensure all work was planned appropriately, with consideration to environmental conditions, people and resource availability, the authorisation of all permits, and assignment of tasks to those with skills and the capability to complete the work safely. We also focused on holding people accountable to work to a plan, applying the required controls and their being fit for work.

All workplace hazards are identified and managed, and tasks are reviewed to identify hazards and verify the effectiveness of task allocation through Field Task Observations (FTO).

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

FATAL RISK MANAGEMENT

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

The 12 fatal risks identified across MMG are:

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

Site-specific fatal risks not covered by the Fatal Risk Standard are identified and managed using MMG's Risk Management System.

SAFETY AND HEALTH REPORTING AND INVESTIGATIONS

Effective reporting creates opportunities to make informed decisions, undertake timely intervention or corrective action and prevent fatalities, significant events and repeat incidents. Accordingly, the SSHE Performance Standard outlines the minimum requirements for managing safety and health events, and achieving accurate and consistent recording and reporting of authorised and meaningful safety and health data.

MMG uses a centralised electronic Incident and Event Management system (IEM) to manage events and corrective actions. These include incidents, near misses, high-risk hazards, legal non-compliances, inspections and audits.

IMAGE: 3Qs and ACC safety campaign banners at Las Bambas, Peru.



CASE STUDY LAS BAMBAS SAFETY BEHAVIOUR AND CULTURE

Las Bambas constantly reviews its safety management culture to ensure its people feel safe and empowered in their jobs. In 2020, The 3Qs and ACC safety campaign was launched with the aim of changing risk-taking behaviour in our people and to promote the analysis of potential risks through training, visual and audio-visual dissemination and social networks. Employees and supervisors were trained in the tools and given support to speak up whenever they felt they could be at risk when conducting work.

For more information about the campaign visit

THE 3QS OF LAS BAMBAS

1 WHAT AM I GOING TO DO AND WHY?

2 WHAT COULD GO WRONG?

3 WHAT SHOULD I DO TO ADDRESS THIS POTENTIAL RISK?

THE ACC OF SAFETY

A BACKGROUND INFORMATION (ANTECEDENTE)

C BEHAVIOUR (COMPORTAMIENTO)

C CONSEQUENCE (CONSECUENCIA)



THE WAY WE WORK CONTINUED

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

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

EMERGENCY MANAGEMENT AND PEOPLE AND ASSET PROTECTION

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

While the COVID-19 pandemic altered the plans of many sites to conduct regular drills due to social distancing requirements, Rosebery undertook mock emergency exercises and supported a nearby mining operation during an emergency incident (see case study).

OCCUPATIONAL HEALTH AND HYGIENE

In the SSHE Performance Standard, MMG defines the requirements for the management of exposure to harmful agents, exposure to endemic disease,

fatigue management and employee health and wellbeing. Health and hygiene management includes health surveillance and hygiene monitoring.

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

Following the annual Exposure Assessment, Similar Exposure Groups (SEGs) are reviewed and the annual Occupational Hygiene Monitoring Plan is developed and executed. In addition, health surveillance requirements are reviewed and updated.

Our operations are also required to develop and maintain site-specific Endemic Disease and

CASE STUDY ROSEBERY EMERGENCY RESPONSE TEAM SUPPORTS NEARBY MINING OPERATION

The Rosebery Emergency Response Team is recognised for its leadership in emergency response throughout the West Coast of Tasmania. While our teams regularly practise for emergencies, we always hope that we never have to use these skills in real-life situations. In January 2020, at the request of a nearby mining operation, the team responded to a request for urgent support after a significant incident took place and a worker was reported missing. Rosebery was able to supply highly skilled and specialist team members, along with equipment for use in recovery efforts. Unfortunately, due to unsafe conditions, the rescue was not possible and over the coming weeks the team provided emotional support to their colleagues at surrounding mines throughout the days of the tragedy.

For more information visit



Pandemic management plans, as well ensure ongoing induction, training and education for employees and contractors regarding health and hygiene factors on site.

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

Some examples include:

- › Sulphuric acid mist: polypropylene balls added to chemical tanks to breakdown bubbles, reducing likelihood of releases into air
- › Diesel particulate matter: low sulphur fuels, engine selection and ongoing preventative maintenance, exhaust filtration systems

- › Respirable crystalline silica: ongoing site dust suppression via watering or sprayings, enclosed cabin plant and equipment, exhaust ventilation systems, vacuum usage instead of blowing compressed air
- › Welding fumes: mandatory respiratory protection including training

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

Our Kinsevere operation continues to manage our employees' occupational health exposures, key among them is exposure to radiation and malaria. All projects have dedicated medics on site to help the workforce manage health-related issues. Radiation exposure surveillance is undertaken regularly according to strict government guidelines and monitored results are submitted to relevant DRC regulatory bodies.



IMAGE: Members of Rosebery's Emergency Response Team.

BLOOD LEAD EXCEEDANCES

At both our Rosebery and Dugald River operations in Australia we produce lead as a by-product. We take the monitoring of blood levels very seriously and enforce strict protocols to reduce the risk of exposure to lead in the workplace. We have strict hygiene protocols, as outlined in our blood lead management procedures, and conduct ongoing monitoring – making adjustments to work practices and work environments as required.

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

FIT FOR WORK

Our commitment is to provide a safe work environment where all individuals are fit for work. Paramount to achieving this commitment is to ensure that all employees, contractors and visitors



THE WAY WE WORK CONTINUED

are in a condition that enables them to perform their work competently, and in a manner that does not threaten the safety or health of themselves or others.

This includes not being fatigued or adversely affected by substances, drugs or alcohol.

Our operations are required to develop, implement and maintain site-specific Fatigue and Drug and Management plans based on site-specific fatigue risk assessments and MMG's commitment to zero tolerance relating to alcohol and drug use in the workplace.

We provide fatigue monitoring technology to our high-risk fatigue roles and engage in random drug and alcohol testing. Our employees are also encouraged to notify us if any changes in their personal circumstances, including their mental health, could affect their fitness for work.

MENTAL HEALTH

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

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

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

A number of initiatives were held in 2020, to support awareness for mental health. These



CASE STUDY HEALTH SURVEILLANCE AND MONITORING AT DUGALD RIVER

Dugald River takes an active approach to managing the health and wellbeing of its employees, through the Dugald River Health Surveillance and Monitoring Program. In 2020, the program included targeted health and hygiene testing by specialist consultants, investigation of monitoring results that were deemed too high, blood lead testing for any employees working in at-risk Similar Exposure Groups (SEGS) and establishing a process to comply with Queensland Government regulatory changes to silica exposure and its ongoing health impacts. The program also included health awareness campaigns and support for employees working away from home for extended periods due to COVID-19 impacts. At the end of each year, Dugald River reviews the results of the program to support planning of the following year's initiatives.



IMAGE: Health checks at Dugald River, Australia.

included R U OK Day workshops, the launch of R U OK Day in Kinsevere, mental health awareness sessions and training for mental health first aiders, competitions for International Mental Health Day at Las Bambas, and ongoing work with Mates in Mining at our Dugald River operation. Las Bambas also held virtual seminars on mental health, which included tips for dealing with stress and anxiety, the role of mental health in the workplace and support for dealing with working from home arrangements.

Our operations also spent considerable time working with employees and contractors on the mental health impacts related to the COVID-19 pandemic. This included tips to support those working from home, how to deal with health and safety controls put in place on site and additional support for those isolated for significant periods of time during nationwide lockdowns. For more information about our response to COVID-19, see pages 12-15.

INJURY MANAGEMENT AND REHABILITATION

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

SOVEREIGN RISK AND GOVERNMENT RELATIONSHIPS

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

We take both a relationship and a country-level planning approach to the management of these exposures. This includes dedicated roles and structures led in-country, supported by assessment of country-specific issues and relationships from the Group's functional experts. This approach increases our awareness and understanding of social,

IMAGE: Employee healthcare facilities at Las Bambas, Peru.



economic, governance and non-technical risks and provides the relationships, analysis and policy advocacy to shape and manage responses.

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

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

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

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

STAKEHOLDER AND COMMUNITY ENGAGEMENT

At MMG we recognise that strong stakeholder and community engagement from exploration through to closure is critical to making business decisions that are responsive to the needs and expectations of our host communities and their governments.



THE WAY WE WORK CONTINUED

MMG aspires to be a trusted member of each of the communities that host our operations. Our ambition is to develop relationships based on regular and open dialogue, transparency and mutual respect.

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

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

COVID-19 and associated country-specific restrictions impacted each of our operations differently, with face-to-face engagement and meetings challenged across the entire business. Our teams worked extensively with local communities and stakeholders to identify the best channels to continue regular engagement, and these included increased use of instant messaging services, phone calls, social media channels and videoconferencing.

At Las Bambas, our community relations and social development teams maintain strong relationships with over 80 communities to ensure our ongoing dialogue opportunities continue to meet the needs and expectations of local stakeholders. In 2020, the teams engaged on topics that included COVID-19 impacts and support, land access, commitment and project execution, sponsoring and participating in local cultural events, grievance management options and participatory environmental monitoring.

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

Dugald River works with its local stakeholders to ensure their expectations regarding employment and local supply opportunities are being met, as well as to support various community programs and initiatives. During 2020, we engaged with our stakeholders about COVID-19 related impacts, employment and local business opportunities and events within the community.

Rosebery maintains regular dialogue with local communities on issues including mine operations, tailings facilities, water use and employment opportunities. Despite the community liaison centre being closed to physical visits during most of 2020, due to COVID-19 restrictions in Tasmania, community members were still able to reach employees through a dedicated telephone line or by visiting the main entrance of the operation. Targeted engagement sessions were also held with local stakeholders about the ongoing tailings storage facility (TSF) projects.

In 2020, Kinsevere's community development team worked with its nearby communities and local government representatives on a range of issues. These included developing sustainable investment programs and initiatives, and issues around immigration. The site has implemented many engagement and development projects in the local communities, including the local watchman initiative. This initiative, which began in the Nambulwa community, has been a success story, providing much needed local employment, and skill development in the local community. It has now been replicated in many other areas with similar success. We also worked extensively with local community members and government representatives during the year to support the relocation process undertaken near our Kinsevere site (see case study on page 42).

IMAGE: Poster used in EIA community engagement process, Las Bambas, Peru.



CASE STUDY EIA COMMUNITY ENGAGEMENT AT LAS BAMBAS

As part of the ongoing development of our mining operations, our sites conduct regular participatory and community information sessions to explain the changes and what impact these could have on them. In October of 2020, as part of the fourth modification to the Las Bambas Environmental Impact Assessment (MEIA), Las Bambas submitted its proposal for the community engagement process to the Agency of Environment Certification for Sustainable Investment (SENACE – “Servicio Nacional de Certificación Ambiental para las Inversiones Sostenibles”). In the proposal, Las Bambas proposed four mechanisms in order to inform stakeholders about the fourth MEIA and to record comments, suggestions and contributions. These mechanisms included:

1. promotion of stakeholder participation sessions in local and regional radio;
2. distribution of digital information material through social media, instant messaging services, websites and other channels;
3. virtual guided visits to the mine site; and
4. the establishment of permanent virtual information offices.

The implementation of these mechanisms was carried out during November and December 2020, complying with all social distancing measures and healthcare protocols. This was in addition to the regular engagement channels that exist, including community offices and stakeholder meetings.

For more information visit



THE WAY WE WORK CONTINUED

GRIEVANCE MANAGEMENT

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

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

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



IMAGE: Relocation engagement and mapping, Kinsevere, DRC.



Open and transparent dialogue is the best way to manage these disagreements and, if necessary, we involve independent third parties to obtain lasting solutions that are beneficial to all.

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

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

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

In 2020, we received 394 grievances across our operations. Most of our grievances continue to be



GRIEVANCES RECEIVED IN 2020

GRIEVANCE CASE TYPE	KINSEVERE	LAS BAMBAS	ROSEBERY	TOTAL
Community health and safety	2	–	1	3
Compensation and financial benefits	215	–	–	215
Damage to private property	1	46	–	47
Economic – local employment	–	8	–	8
Economic – local supply	2	111	–	113
Environment	1	4	–	5
Operational impact	–	–	1	1
Social investments and commitments	–	1	1	2
Total	221	170	3	394

related to issues of local procurement (111 cases, down from 167 in 2019) at our Las Bambas operation, with an increased number of grievances (46) being raised about damage to private property and livestock by local stakeholders along the Southern Road Corridor, where we transport our concentrate and supply logistics.

We have applied significant effort to address these concerns at a site and regional level through teams dedicated to local business development, local employment and increased training and upskilling opportunities for community members. We have dedicated teams working along the road and ensure regular environmental and road monitoring to mitigate any potential impacts of our logistics transport. We have also increased attention at our three Las Bambas community offices, which has included additional training for our employees who work there.

At Kinsevere, a large number of grievances were raised during 2020 that directly related to the relocation process undertaken (215 grievances). The operation established a grievance review committee consisting of representatives from the Social Development team, our Legal department, local community leaders, local and regional government members and NGOs. This group reviewed each case raised about the process, spoke to those with

grievances throughout the process and all grievances were closed to the satisfaction of stakeholders.

We remain committed to working with local communities to support their opportunities, both with the operation and in the broader market, and to engage with all communities on issues that are important to them.

In 2020, we undertook a review of our corporate Stakeholder Grievance Management Work Quality Requirement to ensure its alignment with the ICMM's updated guidance document [Handling and Resolving Local-level Concerns and Grievances: Human rights in the mining and metals sector \(2019\)](#), as well as the ILO Declaration of Fundamental Principles and Rights at Work, the EITI and the UN Global Compact. This gave us the opportunity to work closely with sites to ensure their own site-specific grievance mechanisms were updated and emphasised the importance of community and stakeholder feedback in their processes. It also made certain all mechanisms included adjustments for stakeholders who may face barriers in accessing a grievance mechanism such as culturally and linguistically diverse (CALD) groups, vulnerable groups, Indigenous people, women, children and people with disabilities.



THE WAY WE WORK CONTINUED

IMAGE: Participant at T'ikapallana festival, Peru.



CASE STUDY CELEBRATING CULTURE AND TRADITIONS AT T'IKAPALLANA

Las Bambas supports the local traditions and cultural practices of its local and regional communities. On 24 February 2020, the T'ikapallana festival (flower collection in Quechua) was held, a celebration that attracted the participation of families from the province of Cotabambas, as well as visitors from other towns. Districts and communities come together to share their qhaswas (traditional carnival songs) after months of rehearsals as a tribute to Pachamama (Mother Earth), and use the event as a chance to catch up with family members and friends from other parts of the province.

T'ikapallana is the most important traditional festival in the province of Cotabambas and was declared Cultural Heritage of the Nation in 2014. The event also involves collecting typical flowers to decorate the hats of single women and men who participate in the qhaswas and dances.

HUMAN RIGHTS

MMG is committed to respecting the human rights of all our stakeholders and the communities in which we live and operate, and to providing access to effective remedies where we make an impact. We are also committed to the continuous improvement of the wellbeing of communities surrounding our operations through our commitment to the protection of human rights, the ongoing monitoring and improvement of our grievance management processes and our alignment to the UN SDGs.

We recognise that human rights cover a broad range of interrelated issues, requiring an integrated approach across numerous business functions. At MMG, our Human Resources, Legal, Supply Chain, Social Performance, Stakeholders Relations, Security, Exploration and Project Development functions have specific responsibilities for upholding our commitment to human rights.

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

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

This commitment has been strengthened through the development of joint industry and civil society

guidance on key issues such as FPIC and the rights of Indigenous peoples, and with the recent release of a set of performance expectations. We also participate in ICMM convened member discussions and peer learning on a wide range of business and human rights issues, including the role of business with regard to civic freedoms and human rights' defenders.

We operate in accordance with the United Nations Guiding Principles on Business and Human Rights and the United Nations Global Compact principles. We are also signatories to the United Nations Global Compact process under the auspices of our major shareholder CMC.

In 2018, the Australian Government introduced the *Modern Slavery Act 2018* (Cth), which requires businesses to report annually, from 2020, on the risks of modern slavery in their operations and supply chains. They must also report the action they have taken to assess and address those risks – as well as the effectiveness of their response. MMG's 2020 Modern Slavery Statement will be made available at www.mmhg.com in the first half of 2021.

SECURITY AND HUMAN RIGHTS

We operate in accordance with the Voluntary Principles on Security and Human Rights (VPSHR), as well as the rules of engagement, and the United Nations Basic Principles on the use of Force and Firearms by Law Enforcement Officials.

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

We are aware that many issues that can become security incidents have roots in community concerns built up over time. Often these issues are well-understood by our social performance teams, who are working on strategies to resolve these issues before they become security incidents. In line with this, we take the opportunity, wherever possible,

to bring our security and social performance teams together to develop strategies around proactive risk identification and mitigation, grievance management and incident identification processes. We also work collaboratively with other stakeholders to review our human rights exposures and potential risks.

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

In January, the body of an illegal miner was found drowned in a sump inside Kinsevere's mine site. The Kipushi prosecutor undertook an investigation of the incident and removed the body. In late March, an on-duty police officer was killed by the Bakata Katanga separatist group on the power line road while based at the site. And in September, a pedestrian was hit by a bus and passed away while walking along the power line road. In each of these incidents, Kinsevere worked closely with local communities, leaders and police to undertake any necessary investigations and provide support where possible.

IMAGE: Celebrating T'ikapallana festival, Peru.





THE WAY WE WORK CONTINUED

LABOUR RIGHTS

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

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

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

We support the right to freedom of association across our business and ensure all our employees feel empowered to exercise this right. A significant number of our workforce agreements are collective, covering 52.9% of employees across the Company, an increase from 47.1% in 2019.

In 2020, Rosebery successfully negotiated the MMG Rosebery Underground Mine Agreement 2020 through employee representatives and union representatives. This was approved by the Tasmanian Fair Work Commission in January 2021, and will operate for three years. Dugald River commenced negotiations for their Enterprise Agreement in late 2020, which is expected to be completed by mid-2021.

PERCENTAGE COLLECTIVE BARGAINING AGREEMENTS IN 2020

SITE	2020	2019
Dugald River	44.0	40.8
Kinsevere	95.0	95.0
Las Bambas	37.8	37.4
Rosebery	46.0	49.6
MMG	52.95	47.12



MODERN SLAVERY

Modern slavery is a form of human rights abuse involving the exploitation of people for monetary or personal gain. The term is used to describe a range of abuses including human trafficking, forced labour, debt bondage and other slave-like exploitation. Modern slavery is a human rights risk throughout the world, with the ILO estimating there are over 40 million people enslaved globally.

In response to this issue, the Australian Government passed the Modern Slavery Act 2018 (Cth) (the Act), which entered into force on 1 January 2019. The Act requires businesses to provide a statement of modern slavery risks in their operations and supply chains and take steps to address these risks.

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

In 2020, MMG undertook a number of actions to address the risk of modern slavery in our operations, including a comprehensive internal risk assessment, the development and publishing of our [Supplier Code of Conduct](#), updating supplier documentation, as well as creating training modules for our global supply teams. For more information about actions being taken by MMG to address modern slavery, our 2020 Modern Slavery Statement will be available in June 2021 at

CHILD RIGHTS

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

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

ARTISANAL MINING

Artisanal and small-scale mining (ASM) is widespread in the DRC and Peru, and occurs on

tenements where MMG holds exploration and mining rights.

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

The challenge of balancing the human right to safe work, the rights of children and environmental responsibility is complex. A key component of the UN SDGs is the provision of job opportunities, decent working conditions and economic growth while not harming the environment.

Our operations in the DRC and Peru are impacted by the existence of ASM activities on, or near, our tenements and we adopt appropriate strategies to mitigate risks associated with each ASM activity we encounter.

Communication and collaboration with all stakeholders including miners, security personnel, government, local authorities, community organisations and governing authorities is the first step towards developing mutually acceptable outcomes.

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

In recent years, there have been efforts by Peruvian authorities to formalise some aspects of ASM. At our Las Bambas operation, we have begun formal engagement with local small-scale miners through participation in community assembly meetings and informal meetings with key stakeholders. The team will continue to look for opportunities to create meaningful engagement and identify opportunities



THE WAY WE WORK CONTINUED

to find a solution, minimise environmental damage and avoid negative impacts to any party.

In the DRC, we are mindful that ASM is a growing sector and there is an increasing demand for minerals such as cobalt, which is present on our tenements. The demand for these minerals has the potential to increase significantly with the expansion of the market for electric cars. It is expected that well-considered formalisation initiatives could contribute to better and more equitable socio-economic development; however, it is a difficult and complex issue to manage and we are assessing ways that we could contribute to the solution.

LAND ACCESS, RELOCATION AND RESETTLEMENT

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

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

- > achieves free, prior and informed consent from Indigenous populations, prior to the development of a major project;
- > provides enough time for relocation or resettlement planning and engagement;
- > involves experienced relocation or resettlement practitioners as early as possible in the process;
- > supports open and transparent engagement of communities throughout the relocation or resettlement process, and enables their effective decision-making on relevant issues;
- > provides a culturally appropriate and easily accessible dispute resolution process;
- > engages relevant stakeholders in the process, including local government and other government agencies that have a critical role in supporting community infrastructure and service delivery; and
- > properly resources the relocation or resettlement process, including supporting livelihood restoration, enhancement activities and

CASE STUDY CREATING IMPROVEMENTS IN KINSEVERE'S COMMUNITY RELOCATION APPROACH

During previous compensation processes at MMG's Kinsevere operation between 2016 and 2018, some farmers expressed their disappointment and the team faced logistical complications. In 2020, using the lessons from the past, the Kinsevere team implemented a number of improvements designed to increase transparency in the farmer compensation and relocation process. Communication with farmers was frequent and transparent, and the schedule of work was shared publicly with all stakeholders, together with the Administrator

of Territory of Kipushi (ATK). The field team was reduced in size for simplification and was made up of representatives from the operation, local communities, government and local leaders, local NGOs and police officers. When grievances were raised they were all reviewed by a commission established especially for the process. The final report regarding the grievances was prepared and submitted to MMG by the ATK, and was also shared with the farmers and displayed on the communication board at Kifita village school.

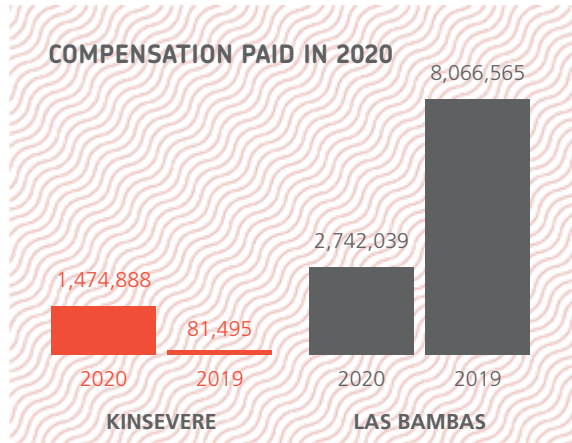
For more information about the relocation and compensation project, visit



appropriate monitoring to make sure displaced communities normalise appropriately over time.

We respect human rights, land tenure rights and the rights of local communities and we operate in accordance with national regulations. We recognise the need to protect the specific rights and interests of Indigenous peoples, ensure the effective engagement of vulnerable and marginalised groups and account for the gender-specific impacts in any acquisition process.

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



In 2020, our land access activities were focused on exploration tenements close to our Las Bambas and Kinsevere mine sites in Peru and the DRC, respectively.

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

In 2020, Las Bambas developed formal dialogue spaces and shared regular updates about the status of exploration work and monitoring initiatives. The team also executed social commitments, virtual education programs and created casual employment opportunities during exploration works.

In 2020, Kinsevere worked closely with community members impacted by drilling and exploration works being done in the area. This also included the compensation and relocation of a number of community members, the second step in a process that began in 2018.



IMAGE: Kinsevere employees engaging with community members, DRC.