WE MINIMISE OUR IMPACT

At MMG we are committed to minimising our environmental footprint through the efficient use of natural resources, management of waste produced and effective life-cycle management. We are focused on managing our impacts and align our environmental and biodiversity activities with our life-of-asset plans.

WATER ACCESS AND USE

OUR WATER MANAGEMENT APPROACH

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

In supporting the ICMM Position Statement on Water Stewardship, we commit to support water stewardship initiatives that promote better water use, effective catchment management and contribute to improved water security and sanitation for surrounding communities. We have a company-wide objective to effectively manage our water intake, inventory and discharge to minimise our impacts on other users within the catchment, including upstream and downstream communities and the environment. Targets tailored to site-specific requirements and risks are set against these objectives.

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

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

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

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

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

IMAGE: Las Bambas TSF, Peru.

WE MINIMISE OUR IMPACT CONTINUED

WATER BALANCE AND MANAGEMENT OF WATER RISKS

We proactively manage water quantity and quality to reduce potential socio-environmental impacts and realise opportunities.

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

Our Las Bambas mine is our largest asset and it continued to improve its water management approach during 2020. Our staff have worked diligently to improve the operational efficiency of the process water system and increase the volume of water drawn from the tailings storage facility (TSF) for operations. As a result of this, the volume of raw water drawn from the Challhuahuacho River to top up operations has also reduced substantially with only 1% of our license volume utilised.

The amount of water reported entering the site increased in 2020, compared to 2019, through the increased use of vertical wells, increased precipitation and runoff. We did record a reduction in water inputs from mining due to an overall reduction in material mined. Reported outputs and diversions from the site have also increased due to higher water use in our improved Dust Management Program, and better measurement of seepage and entrained water. Notwithstanding these factors, the site has been able to reduce the amount of excess water stored in the TSF.

We have also implemented a major water infrastructure program focused on the diversion of clean catchment runoff around the operational mining areas. This program has greatly reduced the generation of suspended sediment loadings ('dirty water'), providing both improved water quality and a more natural flow regime to the downstream ecosystem. We have ongoing programs to find opportunities for improvements in catchment management at all our operations.

WATER BALANCE – 2020

	ML	(%)
DIVERTED WATER	**18,978**	**–**
WATER INPUTS	**27,016**	**–**
Borefields	3,252	12
Precipitation and runoff	12,356	46
Rivers and creeks	3,842	14
Aquifer interception	1,535	6
External surface water storages	2,417	9
Entrained in ore that is processed	1,868	7
Contract/municipal	1,746	6
Third party wastewater	–	–
WATER CONSUMPTION	**21,049**	**–**

	ML	(%)
DIVERTED WATER	**30,322**	**–**
WATER OUTPUTS	**33,599**	**–**
Evaporation	6,257	19
Entrainment	14,643	44
Discharge to surface water	8,572	26
Seepage	3,224	10
Supply to third party	78	0
Other	824	2

Our Dugald River site is located in an area of Australia that is prone to water stress, particularly in the dry season. In the wet season, the site can receive very large volumes of rain over a very short period of time. In 2020, water management primarily focused on maximising water recovery from the TSF with externally supplied raw water making up the balance. Significant operational and maintenance issues were encountered with the TSF return water system,

FRESHWATER (CAT 1) INPUTS BY SOURCE 2020

borefields	**41%**
contract/municipal	**25%**
external surface water storages	**34%**

FRESHWATER (CAT 1) INPUTS BY SITE 2020

Dugald River	**10%**
Kinsevere	**1%**
Las Bambas	**74%**
Rosebery	**15%**

which triggered a capital upgrade project, with an expected completion date in 2021.

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

The surface water management system initiated at Kinsevere in 2018, was completed during 2020. This has been delivering improvements in water quality, reduction in nuisance flooding, diverting water away from entering the pits or recharging local ground water, as well as operational benefits such as reduced risk of geotechnical failure. As part of this project we have upgraded pit sumps, installed rock tuff pumps and drilled new dewatering boreholes to support pit dewatering. We also drilled new production boreholes to reinforce system capacity and provide additional clean water on site.

In line with our ICMM commitments regarding water, we ensure all employees have access to clean drinking water, gender-appropriate sanitation facilities and hygiene across all operations. At Kinsevere we have worked with our local communities to ensure everyone have to suitable ablution blocks through supporting the construction of new latrines and wastewater systems.

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

Our Rosebery mine in Tasmania has been operating since 1936, and as a result the site is affected by a number of legacy issues. One of these is the collection and treatment of seepage from historic tailings facilities. As part of the comprehensive closure studies being undertaken on site, new groundwater wells were constructed at the Bobadil TSF which, together with a new seismic study to be completed in early 2021, will improve the understanding of the geotechnical stability of the Bobadil landform at closure.

During 2020, upgrades to the water management system on site began, which included upgrading the Pieman pump pipeline and other projects to reduce the likelihood of overtopping events and the site running out of process water.

WE MINIMISE OUR IMPACT
CONTINUED

IMAGE: Geo-tube trial at Rosebery, Australia.

CASE STUDY ROSEBERY GEO-TUBE TRIAL AT TAILINGS FACILITY

At our Rosebery operation, we actively manage historical tailings storage issues to prevent potential environmental issues. In 2020, due to an increased amount of sludge accumulating within the Bobadil TSF and Polishing Pond system, the site undertook a Geo-tube trial in close consultation with leading experts. An in-depth management of change risk assessment was undertaken prior to commissioning the trial, and there are currently 16 geo-tubes in place. This enabled the site to maintain water quality within discharge limits until the next stage of Bobadil is completed, and longer term the site will investigate water treatment options post the closure of the TSF.

WASTE ROCK MANAGEMENT

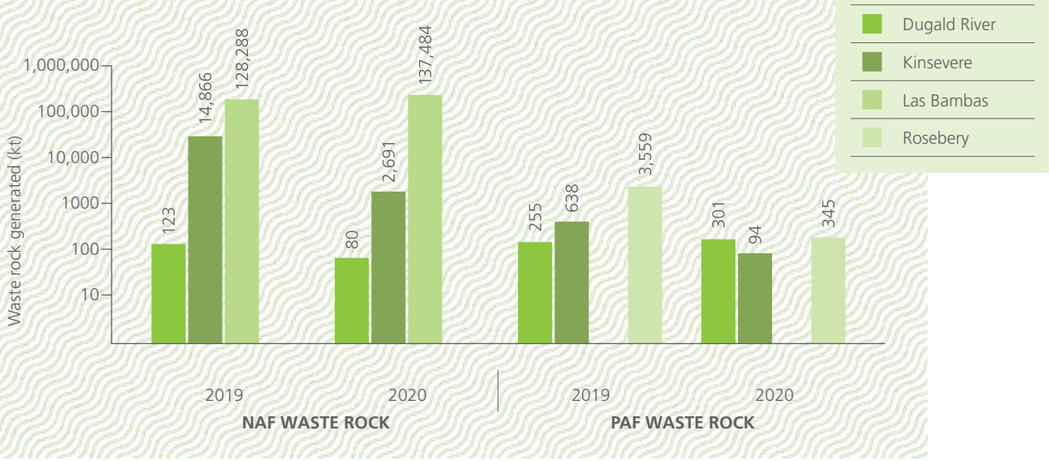
Our mining and processing activities generate significant quantities of mineral waste. Our aim is to minimise our impacts by managing our waste safely and appropriately, reducing our overall footprint of disturbed land and supporting long-term closure planning.

We utilise appropriate waste rock in the construction of surface containment facilities; for example, at our Las Bambas mine and, where possible, we place waste into mined-out areas or pits such as at our operation in Rosebery. This ensures that for the remainder of Rosebery's current life, all waste rock will remain underground as part of the mining process. At Las Bambas we construct landforms in accordance with engineering designs based on MMG standards, guidelines and work quality requirements (WQR). The waste rock containment facilities are designed for appropriate engineering performance of the slopes and geochemical performance of the materials.

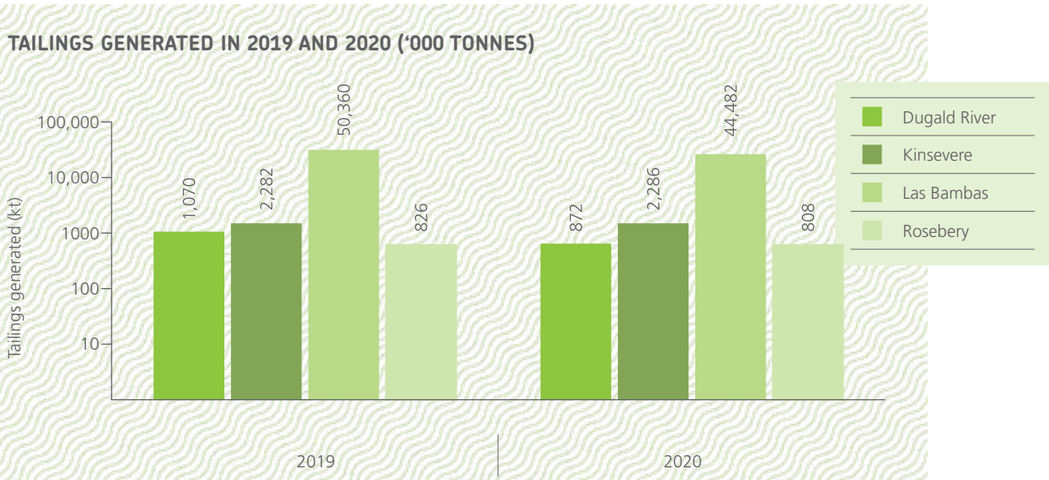
In implementing our mineral waste controls, we focus on characterising mineral waste and managing storage to limit environmental impact and minimise operating and closure costs. For example, at Dugald River we use tailings materials to create paste backfill that is re-injected into underground voids.

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

WASTE ROCK GENERATED IN 2019 AND 2020 ('000 TONNES)



TAILINGS GENERATED IN 2019 AND 2020 ('000 TONNES)



WE MINIMISE OUR IMPACT CONTINUED

TAILINGS STORAGE

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

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

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

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

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

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

In August 2020, the ICMM, in conjunction with the United Nations Environment Program (UNEP) and the Principles for Responsible Investment (PRI), released the new Global Industry Standard on Tailings Management (GISTM), of which MMG contributed to the design through our membership of the ICMM. The standard applies to both existing and new facilities, and focused on ensuring extreme consequences to people and the environment from catastrophic tailings facility failures are avoided. The GISTM is structured into six topic areas:

- **Topic Area I:** Affected Communities
- **Topic Area II:** Integrated Knowledge Base
- **Topic Area III:** Design, Construction, Operation and Monitoring of the Tailings Facility
- **Topic Area IV:** Management and Governance
- **Topic Area V:** Emergency Response and Long-Term Recovery
- **Topic Area VI:** Public Disclosure and Access to Information

The GISTM will come into effect from August 2023. MMG has already commenced work to ensure compliance against the standard and will work with involved stakeholders throughout the process. We support the ICMM's compliance timeline, with all MMG facilities with 'Extreme' or 'Very high' potential consequences of failure, as defined by the GISTM, to be in conformance with the Standard within three years as of 5 August 2020, and all other facilities within five years.

In 2020, at our Las Bambas operation, the annual Dam Committee, including the External Advisor Panel, was convened remotely due to COVID-19 restrictions. The committee reviewed the results of the 2019 third-party TSF design review, ongoing operations and studies as well as planned development for ongoing storage of tailings. The committee confirmed the TSF is designed and operated appropriately for the geological setting and for the projected tailings production. We also continued with studies for the optimisation of our strategic tailings storage requirements and recognised the potential for storage of all tailings within a single facility. This will minimise the environmental and social impacts of the Las Bambas tailings storage requirements, as well as ensure the minimal area of disturbance for closure.

During 2020, our Rosebery site initiated studies to develop additional tailings capacity using our existing facilities, as well as instigating a new facility, designed in accordance with the requirements of ANCOLD and the expectations of the GISTM. We had planned to undertake an Emergency Dam Break drill with involvement from MMG, relevant authorities, Tasmanian Emergency Services and the community, however COVID-19 restrictions prevented this from occurring. We now are planning to undertake this in 2021, should COVID-19 restrictions ease.

Initial stakeholder engagement with the local village chiefs and emergency services was undertaken at Kinsevere with respect to the development of an emergency response plan for a dam failure scenario. In 2021, the intent is to further develop the plan taking into account COVID-19 restrictions.

2020 MMG TAILINGS FACILITY SUMMARY

TSF	TYPE (GROUND, VALLEY, MOUNTAIN OR OTHER)	DAM RAISING TYPE	ANCOLD DAM FAILURE CONSEQUENCE RATING	TOTAL DESIGNED HEIGHT	TOTAL DESIGNED CAPACITY	TSF SERVICE LIFE: CAME INTO SERVICE	TSF SERVICE LIFE: END OF SERVICE	MOST RECENT EXPERT REVIEW DATE
Las Bambas TSF1	Valley	Downstream	Extreme	280m	477Mm^3	2015	2029	Jan-21
Dugald River TSF1	Valley	Downstream	High C	37m	8.7Mm^3	2018	2039	Dec-20
Kinsevere TSF1	Side valley	Upstream	High C	~10	1.1Mm^3	2006	2010	Mar-20
Kinsevere TSF2	Paddock	Downstream	High	38m	23Mt	2011	2023	Mar-20
Rosebery 2/5 Dam	Side valley	Upstream/ downstream	Significant	26m	5Mt (plus unknown existing)	2018	2028	Jan-21
Rosebery Bobadil	Side valley	Upstream/ downstream	High C	37m	37.8Mt	1974	2023	Jan-21

Mm^3 = Millions of cubic metres

Mt = Million metric tonnes

Note: the ANCOLD dam failure consequence rating is based on the potential impacts of a failure in a TSF. Refer to definition on page 72 for the consequence table.

For more information about management of consequence ratings for tailings dams, visit **www.ancold.org.au/**.

For more information about our TSFs, visit **www.mmg.com**.

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

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

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

WE MINIMISE OUR IMPACT CONTINUED

ICMM International Council on Mining & Metals | UN environment programme | PRI Principles for Responsible Investment

GLOBAL INDUSTRY STANDARD ON TAILINGS MANAGEMENT

Strengthening current practices in the mining industry by integrating social, environmental and technical considerations, the Standard covers the entire failings facility lifecycle from site selection, design and construction, through management and monitoring, to closure and post-closure.

With an ultimate goal of zero harm to people and the environment, the Standard sets a global benchmark for achieving strong social, environmental and technical outcomes. It elevates accountability to the highest organisational levels and adds new requirements for independent oversight.

The Standard also establishes clear expectations around transparency and public disclosure, helping to improve understanding by interested stakeholders.

Comprising six Topic areas, 15 Principles and 77 auditable Requirements, the Standard provides a framework for safe tailings facility management while affording Operators flexibility as to how best to achieve this goal.

01. AFFECTED COMMUNITIES

Respect human rights, by conducting human rights due diligence to identify and address those at risk. Provide opportunities for engagement of project-affected people in decisions that may have a bearing on public safety and the integrity of the tailings facility.

02. INTEGRATED KNOWLEDGE BASE

Develop and document knowledge about the social, environmental and local economic context of a proposed or existing tailings facility. This multi-disciplinary knowledge base will support informed decision-making by operators and key stakeholders throughout the tailings facility lifecycle. e.g. in alternatives analyses, impact assessments, choice of technologies, consequence classification. Emergency response plans, and closure planning.

03. DESIGN, CONSTRUCTION, OPERATION & MONITORING

Establish robust requirements for the design, construction, operation and monitoring oftailings facilities to minimise the risk of failure by maintaining an informed knowledge base. As tailings facilities are dynamic engineered structures, demonstrate the ability to upgrade a facility to a higher consequence classification or, where this is not feasible, reduce the consequences of a potential failure.

04. MANAGEMENT & GOVERNANCE

Assign responsibility and accountability for key roles in the management of a failings facility. Establish standards for critical systems and processes essential to upholding the integrity of a facility throughout its lifecycle. Support cross-functional collaboration and promote an organisational culture that welcomes the identification of problems and protects whistle-blowers.

05. EMERGENCY RESPONSE & LONG-TERM RECOVERY

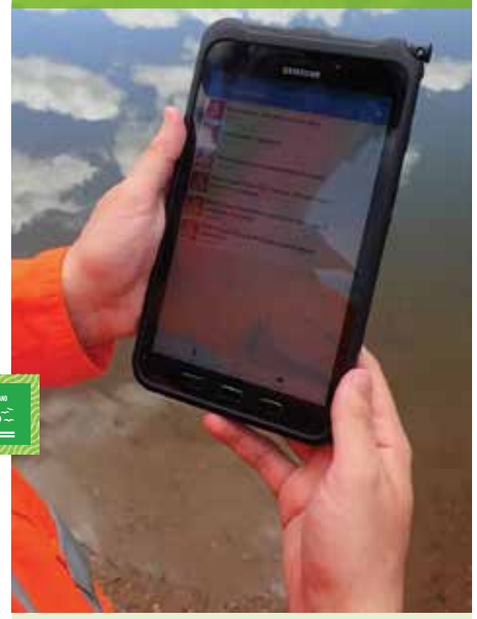
Establish a community-focused emergency preparedness and response plan. Consider the adequacy of capacity both internally and externally to respond, and engage with communities and public sector and other agencies to prepare for the event of a failure. Support the long-term recovery of communities and the environment affected by catastrophic tailings facility failure.

06. PUBLIC DISCLOSURE & ACCESS TO INFORMATION

Disclose relevant information about the tailings facility to support public accountability. Commit to participate in global initiatives for the creation of standardised, independent, industry-wide and publicly accessible information about the safety and integrity of tailings facilities.

WE MINIMISE OUR IMPACT CONTINUED

IMAGE: Field data collection using app, Dugald River, Australia.



CASE SUDY TECHNOLOGICAL IMPROVEMENTS IN FIELD DATA COLLECTION AT DUGALD RIVER

Our operations are always looking for ways to integrate new technologies into existing work practices. Dugald River has recently moved to using tablet apps for field data collection to replace the use of paper reporting. This has helped cut down field time and create a more consistent approach to data entry. The apps have also improved time management by reducing the need to upload information a second time, with the apps automatically syncing information to the database and compiling reports for future audits. In 2021, Dugald River will further explore the capabilities of the apps and continue improving their data collection and verification processes.

AIR QUALITY MANAGEMENT

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

The bulk of our emissions to air are generated by heavy mobile equipment used for mining, product transport, primary crushing and onsite power generation.

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

Dugald River monitors ambient air quality around the mine daily and monitors for PM10 size particulates and arsenic, cadmium, copper and lead surrounding the residence of our nearest sensitive receptor. All monitoring in 2020 was compliant with the site's environmental licence, and no complaints were received. In 2021, Dugald River plans to install a revised misting system on the primary crusher, conveyor and crushed ore stockpile to further reduce the release of dust at the source.

Las Bambas continues to regularly monitor air emissions, and in 2020 set up new monitoring stations in order to continue the work undertaken in 2019. This has helped ensure real-time monitoring of conditions along the Southern Road Corridor and improve reporting frequency. More information about the air monitoring at Las Bambas is available at

wemineforprogress.com

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

CLIMATE CHANGE

MMG recognises the impacts of human-induced climate change on the environment, economy and communities, and that addressing the impacts of climate change poses significant short- and long-term challenges for society.

We welcome efforts made by governments to cooperatively reach the global climate agreement and support long-term climate goals that balance greenhouse gas reductions with economic development. Together with other members of the ICMM our principles for climate change policy design are as follows:

- Provide clear policies for a predictable, measured transition to a long-term price on greenhouse gas emissions.
- Apply climate change-related revenues to manage a transition to a low carbon future.
- Facilitate trade competitiveness across sectors.
- Seek broad-based application.
- Be predictable and gradual.
- Be simple and effective.
- Support low-emission base-load generation technology development.

We are committed to being part of the global solution by taking appropriate actions to reduce our emissions intensity, and sourcing the key mineral and metals required to help the global transition to a low-carbon future.

MMG's focus on energy efficiency will reduce our existing power requirements and minimise our greenhouse gas emissions footprint. Our global operations are also working to support extensive reafforestation of our neighbouring lands, which will deliver more carbon abatement outcomes now and into the future.

In 2020, our major shareholder CMC released its Green and Low Carbon Emissions Initiative, and we are working with our employees and sites to embed a culture change around environmentally friendly practices.

In 2021, we will be reviewing our current environmental footprint and greenhouse gas reduction strategy across the business with the intent of setting company-level reduction targets and supporting initiatives and actions.

IMAGE: TSF access road, Dugald River, Australia.

CASE STUDY CONSTRUCTION OF DUGALD RIVER WET WEATHER TSF ACCESS ROAD

Our Dugald River operation is located in North West Queensland, which is prone to significant rainfall in the wet season. The original TSF access road sustained damage following successive one in 100-year rain events in the 2018 and 2019 wet seasons. Following these events, the construction of a safe all-weather access road was required to conduct operations and routine monitoring of the TSF and other key infrastructure. So 157 2 tonne pre-cast concrete panels were installed at the steepest section of the road to manage water runoff and provide a safe surface to operate on. The design took the principles of marine boat ramp and tailored it to suit the site's landscape. This project has provided year-round access to the TSF for management of a material risk and increased safety standards for our employees.

Data relating to energy consumption (direct, indirect and total), greenhouse gas emissions, air emissions, hazardous and non-hazardous waste and total water consumption for the 2019 and 2020 reporting periods can be found in the 2020 MMG Annual Report at

www.mmg.com

WE MINIMISE OUR IMPACT
CONTINUED

MINE CLOSURE AND REHABILITATION

Effective closure planning and site rehabilitation are important priorities for MMG. We have an integrated approach to planning the closure and relinquishment of our assets, commencing from the development stage and continuing throughout the asset life cycle. We have a Progressive Rehabilitation and Closure Standard with supporting Work Quality Requirements that provide a consistent approach to closure and progressive rehabilitation across all of our global operations.

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

IMAGE: Employee at Rosebery, Australia.

Where progressive rehabilitation or rehabilitation trials have been implemented, monitoring of the rehabilitation performance is in place. Monitoring results can then be used to revise the rehabilitation plans as necessary, ensuring the rehabilitated land can achieve an appropriate postmining land use.

MMG actively contributes to the ICMM Mine Closure Working Group and leverages the participation of peer companies to continually benchmark our own internal processes and improve performance on mine closure. In 2020, MMG became a major industry sponsor of the Cooperative Research Centre for Transitions in Mining Economies (CRC TiME), and we are represented on the CRC's Industry Research Advisory Team. CRC TiME is a ten year, $130M research initiative between the Australian federal Government, industry and academia, focused on delivering resilient post mining futures.

At Dugald River, technical studies on groundwater, geotechnical stability and landform evolution/ erosion potential were completed in order to inform the development of the first Progressive Rehabilitation and Closure Plan for the Regulator.

At Kinsevere during 2020, all drill site and access tracks were rehabilitated following the cessation of drilling programs. An integrated team comprising Exploration, the drilling contractor and a local community member inspected all sites to make sure the land was returned as close as possible to its original state.

Prefeasibility studies continued in 2020 for the Hercules legacy and Rosebery operational mine sites. Study areas included hydrology, hydrogeology, geochemistry, geotechnical stability, heritage and land use capability. Multiple additional technical investigations are currently underway or planned which, when complete, will allow an evaluation of all closure scenarios to select the best option(s), in consultation with external stakeholders, in preparation for further regulatory approvals. Additionally, the Rosebery closure cost uncertainty material risk was reviewed in line with the MMG Material Risk Management Standard. Additional critical controls were put in place, notably enhanced Study Implementation Plans for the Rosebery and Hercules mine closure pre-feasibility studies, appointment of a multidisciplinary team of experts to form a closure planning technical peer review panel, and an ongoing consultation process with government agencies to clarify the mine closure regulatory pathway.

These studies will provide more definitive information to support MMG closure planning and closure cost estimation, but also inform stakeholder discussions with community and government. The current financial provision for closure of all MMG operations is reported in our Annual Report and has been externally audited.

BIODIVERSITY AND LAND MANAGEMENT

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

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

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

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

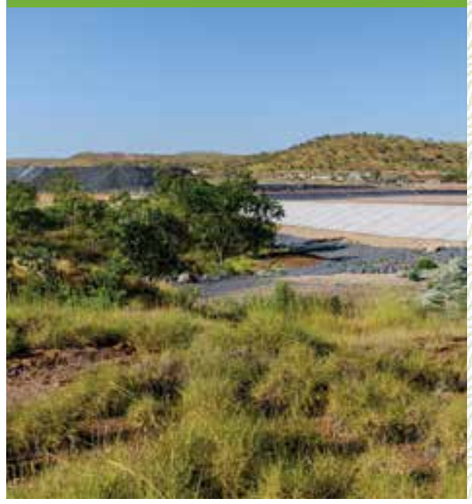
- implementing low or no disturbance areas that may form future conservation reserves;
- controlling invasive species;
- restoring degraded ecosystems; and
- translocating endangered plants and supporting the breeding requirements of vulnerable animals.

MMG recognises that by consistently evaluating our approach to land use planning at our operations, we can account for the environmental value of ecosystem services and deliver continual improvements in our management of land and biodiversity. As a member of the ICMM, we act in accordance with the ICMM's Mining and Protected Areas Position Statement.

The lease of our Dugald River operation is home to two protected species, Pseudantechinus mimulus (Carpentarian pseudantechinus) and the Petrogale purpureicollis (Purple-necked rock-wallaby). MMG undertakes bi-annual monitoring of both species to collect data on the species, understand its use of habitat. This provides an understanding of rehabilitation success and measure changes to the populations over time, including from the impacts of feral cats and dingos. Monitoring to date has not shown any change in population numbers and ongoing monitoring results will help develop future biodiversity and rehabilitation activities.

WE MINIMISE OUR IMPACT CONTINUED

IMAGE: Dugald River operation, Australia.



LAND STATISTICS FOR MMG

Area of land managed at end of 2020	2,859,906.2 km²
Area of land managed by our operating sites at end of 2020	172.2 km²
Area disturbed and not yet rehabilitated at end of 2019 (opening balance)	34.9 km²
› New disturbance in 2020	9.6 km²
› Disturbed areas rehabilitated in 2020	0 km²
› Rehabilitated areas redisturbed in 2020	0 km²
Area disturbed and not yet rehabilitated at end of 2020 (closing balance)	44.5 km²

CUMULATIVE LAND DISTURBANCE AND REHABILITATION AT OUR OPERATIONS (km²)

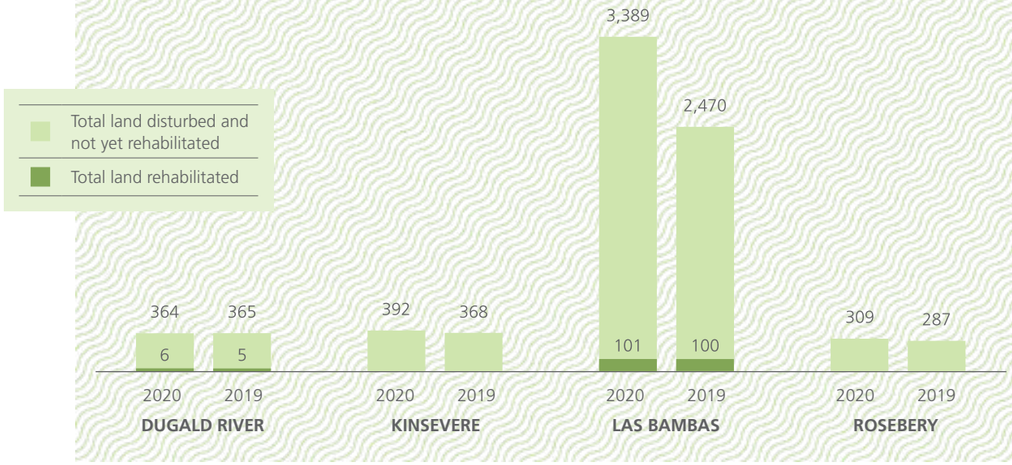


IMAGE: Monitoring of transplanted flora at Las Bambas, Peru.

CASE STUDY LAS BAMBAS BIODIVERSITY

Las Bambas is dedicated to the conservation of biodiversity, with this commitment embedded into its environmental management plans.

2020 presented many challenges to undertaking scheduled monitoring programs, including the impacts of COVID-19 physical distancing requirements and a lengthened storm season preventing field visits. Despite this, the environment team carried out a number of initiatives, which included:

1. ongoing monitoring of the relocated lizard "Liolaemus qalaywa";
2. regular monitoring of transplanted flora, including the "Notrotriche armeriifolia" and "Lupinus cuzcensis";
3. regular hydrobiology, ornithology, herpetology and botany biodiversity monitoring, both on the tenement and in nearby areas; and
4. compilation of information on the state of the wetlands in Pumamarca community using drones and field visits.

In 2021, the site will develop conservation plans for other identified species as it continues to ramp up its biodiversity program.

For more information visit

wemineforprogress.com

ASSURANCE STATEMENT

To the Board of Directors of MMG Limited:

CECEP (HK) Advisory Company Limited ("**CECEPAC (HK)**" or "**We**") has been engaged by MMG Limited ("**MMG**") to conduct an independent limited assurance engagement on the information and data in the 2020 Sustainability Report ("**Sustainability Report**") of MMG, which covers the period 1 January to 31 December 2020.

I. ASSURANCE SCOPE

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

- International Council on Mining and Metals ("**ICMM**") Subject Matters 1-5 ("**Subject Matter**") and the corresponding criteria ("**Criteria**") prescribed in the *Sustainable Development Framework: Assurance Procedure* ("**ICMM Framework**"), as set out in the below table:

AREA	ICMM SUBJECT MATTER	CRITERIA
ICMM Subject Matter 1	The alignment of MMG's sustainability policies to ICMM's 10 Sustainable Development ("**SD**") Principles and mandatory requirements set out in ICMM Position Statements.	MMG's reported alignment of its sustainability policies to ICMM's 10 SD Principles and mandatory requirements set out in the ICMM Position Statements.
ICMM Subject Matter 2	MMG's material sustainability risks and opportunities based on its own review of the business and the views and expectations of stakeholders. Assessed with regard to the AA1000AS V3 and the *AA1000 AccountAbility Principles (2018)*.	MMG's description of the process for identifying material issues, and the Global Reporting Initiative ("**GRI**") definition of completeness per the GRI 2016 *Sustainability Reporting Guidelines* ("**GRI Standards**") issued by the Global Sustainability Standards Board ("**GSSB**").
ICMM Subject Matter 3	The existence and status of implementation of systems and approaches used by MMG to manage a selection of material sustainability risks and opportunities ("**Selected Indicators**") and corresponding relevant metrics ("**Performance Information**") (selected through a random double-blind process), including: **Procurement Practices** GRI 204-1: Proportion of spending on local suppliers at significant locations of operation **Environmental Compliance** GRI 307-1: Non-compliance with environmental laws and regulations **Local Communities** GRI 413-1: Percentage of operations with implemented local community engagement, impact assessments, and development programs	MMG's description of the systems and approaches to manage the Selected Indicators as outlined in the 2020 Sustainability Report and MMG's internal policies and procedures.
ICMM Subject Matter 4	MMG's reported performance during the 1 January 2020 to 31 December 2020 reporting period for the Selected Indicators.	Criteria of Selected Indicators disclosed by MMG in accordance with internal policies and procedures, and reference to GRI Standards and other relevant guidelines. Limited assurance on the reliability and accuracy of Performance Information.
ICMM Subject Matter 5	MMG's self-declared application level of the GRI Standards.	GRI Standards "in accordance" Core criteria.

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

- Any information outside the 1 January 2020 to 31 December 2020 reporting period or any other data disclosed in the Sustainability Report not included within the assurance scope;
- Financial data or other information already supported by existing verified documents; and
- Data and information in the Sustainability Report unrelated to MMG and its subsidiaries, which include MMG's suppliers, contractors, and data or information provided by other third parties.

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

II. LEVEL OF ASSURANCE AND LIMITATIONS

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

III. MMG'S RESPONSIBILITIES

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

IV. CECEPAC (HK)'S RESPONSIBILITIES

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

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

V. INDEPENDENCE

CECEPAC (HK) was not involved in collecting and calculating data, nor in the preparation of this Sustainability Report. CECEPAC (HK)'s activities are independent of MMG. There is no relationship between MMG and CECEPAC (HK) beyond the contractual agreement for providing this assurance engagement.

VI. METHODOLOGY

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

- Conducting interviews[1] with management and documentation reviews to understand MMG's approach to assessing and managing SD risks and opportunities, and ensuring the alignment between MMG's internal policies and the ICMM SD Principles (and other requirements set out in the ICMM Position Statements);
- Understanding and testing MMG's approach to stakeholder identification, engagement, feedback collection, analysis and reporting, and MMG's materiality assessment process for the purposes of reporting and assurance;
- Assessing whether the reporting and management approach for the Sustainability Report have been conducted in line with the AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact;
- Understanding and testing on a sample basis with Selected Indicators, MMG's management system (and underlying objectives, architecture and expectations), and MMG's adherence to management system requirements at corporate and site levels;
- Understanding and testing on a sample basis with Performance Information, the data measurement, collection, aggregation and reporting processes and management controls for ensuring the quality of data;
- Reviewing and sampling evidence used to report on Performance Information, recalculating quantitative metrics against stated methodologies and assumptions;
- Assessing the content in the Sustainability Report and supporting GRI Content Index against the claim that it has been prepared "in accordance" with the GRI Standards: Core option;

1 Being limited by the spread of coronavirus disease (COVID-19), the Assurance Engagement was conducted through online means and interviews were conducted in forms of video conference.

ASSURANCE STATEMENT CONTINUED

- Checking representations in the Sustainability Report were consistent with conclusions reached; and
- Performing other procedures we deemed necessary.

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

VII. CONCLUSIONS

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

a. Subject Matter has not been prepared, in all material respects, in accordance with the Criteria for the Sustainability Report;

b. The Sustainability Report has not been prepared, in all material respects, in accordance with the principles of Inclusivity, Materiality, Responsiveness and Impact in the AA1000AS v3; and

c. Disclosures of the Performance Information in the Sustainability Report are unreliable, inaccurate, or have not been prepared, in all material respects, in accordance with the reporting approach outlined in the Sustainability Report.

VIII. KEY OBSERVATIONS

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

A. ICMM SUBJECT MATTER

Subject Matter 1

MMG adopted its Sustainable Development Framework to manage its SD risks and align with the ICMM Position Statements, as well as the ICMM's 10 SD Principles. Furthermore, MMG has updated its internal ICMM Alignment Framework, mapping the alignment between relevant sections of MMG Policies, MMG Standards, MMG Code of Conduct, and MMG's Sustainable Development Framework, and the ICMM 10 SD Principles and Position Statements. MMG has also included tables in the Sustainability Report Appendix which identify sections of the Sustainability Report that relate to the 10 SD Principles and ICMM Position Statements, and has indicated the extent of MMG's alignment with mandatory requirements set out in the ICMM Position Statements.

Subject Matter 2

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

Subject Matter 3

MMG has a Risk Management Standard, which defines the approach to identify and manage risks that can impact the achievement of MMG's Strategy and business plans, as well as the requirement of reporting and investigation of significant events. Site-specific risk register is developed in accordance with requirements set out in the Risk Management Standard to manage the risks. MMG has established the three lines of defence to provide three levels of assurance to ensure the implementation of management systems regarding the material sustainability risks and opportunities. The implementation of Safety, Security, Health and Environment ("**SSHE**") policies and measures are guided by the SSHE Performance Standard, while the social and procurement management are guided by the Social Performance Standard and the Supply and Insurance Standard. Reporting of SSHE events is guided by the SSHE Performance Standard. Site-level social events are reported in the forms of weekly minutes, monthly reports, and meetings with group-level management of MMG. The implementation of these Standards and Procedures was observed during the assurance process.

Subject Matter 4

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

Subject Matter 5

The assurance findings provide confidence that the Sustainability Report has been prepared in accordance with the GRI Standards: Core option. Topic-specific disclosures and their corresponding page numbers are referenced in the GRI Content Index, which is shown in the Appendix of the Sustainability Report, available at www.mmg.com.

B. ACCOUNTABILITY PRINCIPLES

Inclusivity

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

Materiality

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

Responsiveness

MMG has developed multi-faceted means of communication with internal and external stakeholders, such as meetings, interviews, written communication and media, which provide opportunities for stakeholders to voice their concerns, needs, and expectations. At the corporate level, the material issues were reviewed and updated for disclosure to ensure that relevant information is communicated to stakeholders in a comprehensive, accurate, timely, accessible, and balanced way. At the site level, in accordance with MMG's developed Stakeholder Grievance Management Work Quality Requirements, site-specific Grievance Procedures have been developed to acknowledge, record, and investigate complaints raised from a community member or stakeholder. The storage, tracking, and management of stakeholder grievances are performed via a cloud-based tool, and site monthly reports are issued to site General Managers and the Head Office. In our professional opinion, MMG adheres to the principle of Responsiveness.

Impact

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

CECEP (HK) ADVISORY COMPANY LIMITED 中國新能源顧問(香港)諮詢有限公司

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7 May 2021
Hong Kong

GLOSSARY

AMD	acid and metalliferous drainage
ANCOLD	Australian National Committee on Large Dams
ASM	artisanal and small-scale mining
CAE	Employee Attention Centre
CMC	China Minmetals Corporation
DRC	Democratic Republic of the Congo
EITI	Extractive Industries Transparency Initiative
FAP	Farmer's assistance program
FPIC	Free, Prior and Informed Consent
GL	gigalitres
GRI	Global Reporting Initiative
GRI Standards	Global Reporting Initiative's 2016 Core Sustainability Reporting Guidelines
HKEx	Hong Kong Stock Exchange
ICA	International Copper Association
ICAM	Incident Cause Analysis Method
ICMM	International Council on Mining and Metals
ILO	International Labour Organisation
IZA	International Zinc Association
LTIF	lost time frequency rate
MCA	Minerals Council of Australia
MMG	MMG Limited
NAF	non-acid forming waste rock
NOHSC:1012	National Standard for the Control of Inorganic Lead at Work
NOHSC:2015	Safe Use of Inorganic Lead at Work
PAF	potentially acid forming waste rock
SDG	Sustainable Development Goal
SHEC	Safety, Health, Environment and Community
SSHE	Safety, Security, Health and Environment
TARP	Trigger Action Response Plans
TRIF	total recordable injury frequency
TSF	tailings storage facility
UNICEF	United Nations International Children's Emergency Fund
VPSHR	Voluntary Principles on Security and Human Rights

DEFINITIONS

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

CONSEQUENCE CATEGORIES BASED ON POPULATION AT RISK

POPULATION AT RISK	SEVERITY OF DAMAGE AND LOSS			
	MINOR	MEDIUM	MAJOR	CATASTROPHIC
<1	Very low	Low	Significant	High C
≥1 to <10	Significant (note 2)	Significant (note 2)	High C	High B
≥10 to <100	High C	High C	High B	High A
≥100 to <1,000	(Note 1)	High B	High A	Extreme
≥1,000		(Note 1)	Extreme	Extreme

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

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

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

OUR CONTACTS

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

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