



MODERN SLAVERY STATEMENT 2021

A member of:

ICMM
International Council
on Mining & Metals

**MINING WITH
PRINCIPLES**

HKEX: 1208



Cover Image: Overview of Rosebery mine.
IC Image: Las Bambas open-pit mine.

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ABOUT THIS STATEMENT

This is MMG Limited's (MMG) second Statement in response to the Australian Modern Slavery Act 2018 (Cth). The Statement is for the financial year commencing 1 January 2021 and ending 31 December 2021 and has been reviewed and approved by MMG's Board on 19 May 2022.

This is a joint statement that covers the reporting entities (each an 'MMG Reporting Entity') listed below:

- MMG Limited;
- Album Resources Pte Ltd;
- Album Investment Pte Ltd;
- MMG Australia Limited; and
- MMG Dugald River Pty Ltd.

A list of principal subsidiaries within the MMG Group can be found in Note 15 of MMG's 2021 Annual Report. Album Resources Pte Ltd and Album Investments Pte Ltd are holding companies for a number of entities within the MMG Group, including MMG Australia Limited and MMG Dugald River Pty Ltd.

MMG is submitting this statement on behalf of the MMG Reporting Entities and our subsidiaries, and the entities owned or controlled by our company. In this statement the terms MMG, the 'Company', the 'Group', 'our business', 'organisation', 'we', 'us', 'our', and 'ourselves' refer to the MMG Reporting Entities and, except where the context otherwise requires, their subsidiaries.

The following table sets out the mandatory reporting requirements of the Act and where each has been addressed in this statement.

NO.	MANDATORY REQUIREMENT	THIS STATEMENT
1.	Identify the reporting entity and describe its structure, operations and supply chains.	About this statement (p 1), Who we are – our business, structure and operations (p 2) Our supply chains (p 3)
2.	Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	Addressing the risk of modern slavery in our operations (p 4)
3.	Describe the actions taken by the reporting entities that the entity owns or controls to assess and address these risks, including due diligence and remediation processes.	Addressing the risk of modern slavery in our operations (p 4)
4.	Describe how the reporting entity assesses the effectiveness of these actions being taken to assess and address modern slavery risks.	Addressing the risk of modern slavery in our operations (p 4)
5.	Describe the process of consultation with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement).	Governance (p 7) Communication, engagement and disclosure (p8)

WHO WE ARE: OUR BUSINESS, STRUCTURE AND OPERATIONS

MMG is a mid-tier, global producer of base metals listed on the Hong Kong Stock Exchange (HKEx:1208). We operate and develop copper, zinc and other base metal projects across Australia, the DRC and Peru.

MMG is a public liability company with approximately 10,000 employees and contractors. Working in partnership with our major shareholder – China Minmetals – our objective is to be valued as one of the world's top miners.

MMG, through its subsidiaries, operates four mines;

1. Dugald River: a zinc mine, located approximately 65 kilometres north-west of Cloncurry in Queensland, Australia.
2. Kinsevere: a copper mine located in the DRC, approximately 35 kilometres from Lubumbashi, Katanga Province.
3. Las Bambas: a large, long-life copper mine located in Cotabambas in the Apurimac region of southern Peru.
4. Rosebery: a polymetallic base metal mine located approximately 300 kilometres north-west of Hobart in Tasmania, Australia.

Our Head Offices are in Melbourne, Australia and Beijing, People's Republic of China.



WHO WE ARE: OUR SUPPLY CHAINS

MMG's vision is to build the world's most respected mining company. We mine to create wealth for our people, host communities and shareholders with an ambition to double the size and value of MMG, and then double again by 2030. We have established strong foundations that support future growth and development.

Our value chain extends from the initial exploration work to identifying prospective deposits through to managing the responsible closure of operations.

In 2021, the Company engaged approximately 3,000 suppliers, of which over 90% were local suppliers. Our total spend in 2021 was over US\$2,190 million.

Our Head Office supply team provides governance functions and compliance roles to site-based supply teams and key corporate strategic initiatives. Our supply chain departments perform: sourcing and contracting, contract management, warehouse operations, inventory management, inbound logistics and governance functions and compliance.

As a part of our supplier engagement and on-boarding process we also seek a formal agreement from our suppliers to comply with our Code of Conduct, Anti-corruption policies and other relevant MMG policies and procedures, and from 2020, MMG's Supplier Code of Conduct.

Our supply chain activities cover the life cycle of an asset from exploration to post closure and include the following:



Operational and Technical Services

Construction and services associated with fixed plant and mobile assets including labour hire



Transport Services

Logistics; road and sea (trucks and charter vessels); workforce transportation (buses, charter flights and helicopters)



Support Services

Security, workforce accommodation, maintenance, cleaning, catering



Corporate and Administrative Services

Property management; facilities management; travel management; corporate administration services (such as insurance services, accounting, audit)



Procurement of Goods/Commodities

Personal protective equipment (PPE) uniforms including footwear for our workforce; fuel; explosives; chemicals; bulk commodities, such as lime; stationery; medical supplies, and tools



Procurement of Equipment

Electronics, minor electrical equipment; motor vehicles; mining equipment and infrastructure; mobile fleet, including parts

OUR APPROACH: ASSESSING AND ADDRESSING OUR MODERN SLAVERY RISKS

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. As a mining company, with an international footprint, we recognise our responsibility to support and respect the protection of international human rights within our sphere of influence by ensuring we are not complicit in human rights abuses, including modern slavery.

We have been an Engaged Member of the Voluntary Principles on Security and Human Rights initiative since 2020. We operate in accordance with the United Nations Guiding Principles on Business and Human Rights, and the United Nations Global Compact Principles.

We adhere to the United Nations Basic Principles on the Use of Force and Firearms by Law Enforcement Officials and we are a member of International Council on Mining and Metals (ICMM) and adhere to ICMM Mining Principles.

Our commitments and approach to human rights are embedded across our standards that, together, constitute our Human Rights Framework. We integrate human rights considerations into our Code of Conduct, employment and procurement processes, risk-analysis activities, supply management, engagement, social investment and formal grievance mechanisms. More information on MMG's commitment to human rights can be accessed [here](#).



OUR APPROACH: RISK IDENTIFICATION AND ASSESSMENT

At MMG we take a proactive approach to tackle the risk of modern slavery across our international operations. Consistent with the ICMM Mining Principles, and guided by our commitment to human rights, we have a zero-tolerance approach to all forms of modern slavery.

We assess the risks of modern slavery in our operations, and we undertake an internal assessment of our operations and supply chains to identify potential risks.

As part of our engagement with suppliers in 2021, we undertook a consultation with key suppliers to understand their feedback, concerns and mitigations as per our updated Supplier Code of Conduct requirements.

Supplier Code of Conduct

Our suppliers are critical to our operations and we recognise that by working with them, we can minimise the risks of modern slavery. To further deepen our commitment, we released a Supplier Code of Conduct in 2020, which is available here.

Our Supplier Code of Conduct sets our expectations of all suppliers of goods or services to MMG, their subsidiaries and subcontractors. It outlines the minimum standards required from our suppliers in regard to human rights; compliance with all applicable laws and regulations; forced labour and inhumane treatment of workers; child labour; wages, benefits and working hours; freedom of association; anti-discrimination, harassment, diversity and inclusion; health and safety; environmental compliance; ethical business practices; and employee development and training.

We also ask our suppliers to monitor their compliance and take all reasonable steps to address, remedy and prevent non-compliance. Like our Code of Conduct, the Supplier Code of Conduct provides for reporting of concerns that suppliers may have to MMG, either directly or via our confidential Whistleblower Service, to be addressed in accordance with our Whistleblower Framework.

Our contracts with suppliers require compliance with MMG policies and procedures, including the Supplier Code of Conduct. Therefore, while the Supplier Code of Conduct makes it clear that MMG is willing to work with suppliers, as appropriate, to address breaches, MMG does reserve the right to take appropriate action pursuant to its agreements with suppliers in the event of a breach of the Supplier Code of Conduct.

Supplier Questionnaire

MMG developed a Modern Slavery Supplier Questionnaire to be provided to all suppliers as part of MMG's ongoing risk assessments. The Supplier Questionnaire was designed, not only to enable MMG to make a detailed assessment of each supplier's commitment to the prevention of unethical human rights practices within its operations and supply chains, but also to require suppliers to engage with the issue and to make its own assessment of such risks.

Modern Slavery Fact Sheet

Given many of our suppliers are located outside Australia and are unfamiliar with modern slavery legislative requirements, we developed a short fact sheet to facilitate more effective engagement on the issue of modern slavery. We made clear the concept of modern slavery and MMG's expectations of suppliers in avoiding modern slavery practices in their operations and supply chains.



OUR APPROACH: RISK IDENTIFICATION AND ASSESSMENT CONTINUED

Supplier Due Diligence

Our supplier due diligence process includes questions in relation to the assessment of modern slavery compliance requirements prior to onboarding or contract award. The aim of the due diligence process is to check any human rights and other ethical violations, as well as compliance with relevant international laws and conventions as stated in the MMG Supplier Code of Conduct. In 2021, MMG undertook due diligence of new suppliers and did not identify any human rights or other ethical violations or non-compliances.

During 2021, MMG also explored additional resources that it could access and make available to the business to assist with the due diligence of suppliers. This review is ongoing to find resources that will enable us to find risks or concerns relating to human rights issues, including modern slavery.

Contract Terms and Conditions

Our standard contracts impose minimum terms and conditions related to ethical practices, safety and the environment.

In 2020, we developed clauses for inclusion in our standard contracts that are designed to promote transparency and commitment for our suppliers to identify and address modern slavery in their operations and supply chains.

These clauses specifically require compliance with modern slavery laws in the applicable jurisdictions and prohibit modern slavery practices (as defined under Australian legislation) more generally. The clauses, along with the Supplier Code of Conduct, provide MMG with the ability to review individual suppliers' compliance with the Supplier Code of Conduct and applicable modern slavery laws.

During 2021, these clauses were applied to and accepted by all suppliers for new and renewed contracts.

Training

In 2020, MMG developed a modern slavery training plan for our supply and social performance teams. The training was tailored to provide teams with knowledge and skills related to identifying, assessing, addressing and preventing modern slavery risks in our supply chain.

Due to the impacts of COVID-19, the rollout of the face-to-face training was postponed in 2020 and the initial training module was instead delivered to our supply and social performance teams across MMG through online workshops during 2021. The training module has been made available for all MMG employees through MMG's e-learning service for ongoing training and employee induction processes.

Grievances and Remedy

We have several mechanisms for our communities, employees, contractors and suppliers to raise grievances, including actual or suspected human rights grievances, breaches of our Code of Conduct or other company policies, without fear of intimidation.

In 2020, MMG 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 International Labour Organisation Declaration of Fundamental Principles and Rights at Work, the Extractive Industries Transparency Initiative and the UN Global Compact. By working closely with operating sites, we identified a need for an easy-to-use, self-serve online platform where grievances are automatically recoded in our stakeholder management system with the important option of remaining anonymous throughout the entire process.

In late 2021, MMG launched the online portal to help MMG capture, follow-up and respond to any grievances received. The portal aims to capture a more complete view of our stakeholders' concerns and give them the ability to raise their concerns anonymously. The portal gives MMG a new way to receive and listen to the feedback and concerns of our communities and allows for transparency in how this feedback is managed and learnt from. To learn more about our Stakeholder Feedback portal click [here](#).

During the training sessions in 2021, the new online portal, along with the Whistleblower Service and the grievance measures set out in the Supplier Code of Conduct were discussed as tools for our stakeholders to submit concerns in relation to modern slavery. The supply teams were also informed of the Modern Slavery Escalation Protocol that was released during fourth quarter of 2021. The escalation protocol sets out the procedures to be followed in the event of the identification of a suspected or actual instance of modern slavery connected to MMG's operations or supply chains.

During 2021, Modern Slavery Remediation Guidelines have also been activated at MMG to provide guidance to the General Counsel and internal legal team on actions to take after the business becomes aware of any suspected or actual instance of modern slavery connected to MMG.

Code of Conduct Update

In 2020, we began a review process of our Code of Conduct to emphasise our commitment to the protection of human rights, which was completed and released in 2021. Our current Code of Conduct can be accessed [here](#).

OUR APPROACH: RISK IDENTIFICATION AND ASSESSMENT CONTINUED

Governance

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

The MMG Board regularly reviews and discusses sustainability-related issues at their meetings, including a quarterly Safety, Health, Environment and Community report, and decisions are delegated to the Executive Committee for their execution. In 2021, we focused on providing in-depth orientation to our Board regarding modern slavery law and obligations and we have engaged subject matter experts to assist in that briefing process.

The Executive General Manager for Corporate Relations is accountable for human rights and modern slavery strategies in MMG. This role chairs a Code of Conduct and People Committee, which meets twice a year and has been in place since 2015.

Measuring Effectiveness

On a yearly basis we set company-wide key performance indicators that enable us to measure effectiveness, and we communicate these through our sustainability report. In 2021, we continued to develop an internal modern slavery action plan and considered priorities for 2021 and 2022. We have monitored our progress through Code of Conduct and People Committee meetings and taken corrective measures as required.

MMG also undertakes an annual risk and assurance review to determine that its policies and procedures are being complied with. This includes a review of MMG's engagement with outside parties, including suppliers, and the proper conduct of supplier due diligence. MMG implemented a requirement in 2020, for supply chain contracts to include clauses that enable MMG to review its suppliers' compliance with applicable modern slavery laws. During 2021 there was no concerns identified.



Las Bambas open-pit mine.

OUR APPROACH: RISK IDENTIFICATION AND ASSESSMENT CONTINUED

Communication, Engagement and Disclosure

The MMG Group operates as an integrated group of companies with overarching policies, systems and processes that are designed to be applied to all companies within the MMG Group. MMG's federated structure is designed so that our Head Office performs governance and compliance functions, as well as the implementation of corporate initiatives, for regional and site-based teams across the MMG Group. Accordingly, our consultation process included engagement by our Head Office teams on behalf of each of the MMG Reporting Entities and subsidiaries in the MMG Group, to our regional and site-based teams.

Prior to being put to the Board for review and approval, the Modern Slavery Statement was reviewed by each member of MMG's Code of Conduct and People Committee comprising:

1. Executive General Manager Corporate Relations as the representative member of the Executive Committee;
2. the General Counsel;
3. the Head of People;
4. the General Manager Stakeholder Relations;
5. a Legal Counsel;
6. the Group Manager Organisational Development and Talent; and
7. the Lead Sustainability and Social Performance.

We disclose relevant standards, policies and reports on our [corporate website](#) and, we also showcase case studies and our work in corporate social responsibility, sustainability and human rights on our [We Mine for Progress website](#).

This statement has been endorsed by MMG's Executive Committee and approved by the Board of MMG Limited on behalf of the MMG Reporting Entities on 19 May 2022.



LI Liangang
CEO MMG Limited

