



MINERAL RESOURCES LIMITED
FY20 MODERN SLAVERY
STATEMENT



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ABOUT THIS STATEMENT

This is Mineral Resources Limited's (MRL) first Modern Slavery Statement. It has been prepared to meet the reporting requirements under the *Modern Slavery Act, 2018 (Cth)* for the year ended 30 June 2020 (FY20).

All references to 'MRL', 'the Company', 'the Group', 'we', 'us' and 'our' refer to Mineral Resources Limited (ABN 33 118 549 910) and the entities it controlled, unless otherwise stated. References in this report to a 'year' are to the financial year ended 30 June 2020 unless otherwise stated. All dollar figures are expressed in Australian dollars (AUD) unless otherwise stated. All references to 'Indigenous' people are intended to include Aboriginal and/or Torres Strait Islander people.

Any questions about this statement can be sent to: investorrelations@mrl.com.au

This statement has been approved by MRL's Board of Directors on 25 February 2021.



Peter Wade
Non-Executive Chairman

WHO WE ARE MINERAL RESOURCES IS AN INNOVATIVE AND LEADING MINING SERVICES COMPANY, WITH A GROWING WORLD-CLASS PORTFOLIO OF MINING OPERATIONS ACROSS MULTIPLE COMMODITIES, INCLUDING IRON ORE AND LITHIUM.

VISION

To be recognised as one of the great Australian companies and a leading provider of innovative and sustainable mining services.

PURPOSE

To provide innovative and low-cost solutions across the mining infrastructure supply chain, by operating with integrity and respect, working in partnership with our clients, our customers, our people and our community.

THE WAY WE WORK

WE ARE ONE TEAM

- The safety and wellbeing of our people is at the forefront of all that we do
- We work together to achieve the best results for our people, clients and stakeholders
- We care for, respect and invest in our people, the environment and the communities in which we operate

WE ARE HIGH PERFORMING

- We achieve exceptional results through a disciplined and professional approach
- We plan and take ownership of our areas of responsibility
- We always deliver and that sets us apart

WE ARE ENTREPRENEURIAL

- We empower our people to challenge the status quo and actively explore new ideas and opportunities
- We look for better ways to mitigate risk, deliver on commitments and create long-term value
- We recognise, support and harness the diverse talents of our people and partners

MINERAL RESOURCES WE'RE DIFFERENT



OUR APPROACH

THE UNITED NATIONS GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS¹ REQUIRE THAT 'BUSINESS ENTERPRISES SHOULD **RESPECT HUMAN RIGHTS**. THIS MEANS THAT THEY SHOULD **AVOID INFRINGING ON THE HUMAN RIGHTS** OF OTHERS AND SHOULD ADDRESS ADVERSE HUMAN RIGHTS IMPACTS WITH WHICH THEY ARE INVOLVED.'

MRL is committed to operating ethically and with integrity in all business activities and stakeholder relationships. As an entity operating in Australia with an annual consolidated revenue of over \$100 million, MRL is required to comply with the Australian *Modern Slavery Act 2018 (Cth)*, ('The Act'), which aims to increase business awareness of Modern Slavery risks and improve transparency across global supply chains.

Modern Slavery refers to situations where one person has taken away another person's freedom so that they can be exploited; and may include human trafficking, slavery, servitude, forced labour, debt bondage, child labour², deceptive recruiting for labour or services, and forced marriage.

Managing risks associated with Modern Slavery is a key part of our Sustainability Program and aligns with our Material Sustainability Topic of 'Conducting our business with ethics and integrity'. During FY20, we made significant strides in the governance of sustainability and business conduct:

- We rolled out an e-learning program on the [Code of Conduct](#) and Business Integrity which reflects our values and represents our commitment to uphold the highest standards of ethics in our business practices
- We established the independent external Whistleblowing service, [MinRes Integrity Assist](#) which provides an avenue for MRL stakeholders to raise concerns of suspected or actual misconduct in the workplace
- We released a [Sustainability Policy](#), which outlines our commitment to sustainability risk and opportunity identification, management, performance measurement and reporting
- We released an [Anti-Bribery and Corruption Policy](#), which outlines our commitment to fair and legal business practices, anti-bribery and corruption
- We joined the Western Australian Industry Collaborative Working Group on Modern Slavery

- We developed a [Supplier Code of Conduct](#) to set out our expectations of our suppliers conduct with regard to business integrity, health and safety, environmental, labour and human rights issues.
- We developed a [Human Rights Policy](#) to support the Supplier Code of Conduct, which outlines our commitment to:
 - Prohibit any form of forced labour, including child labour, slave labour and human trafficking
 - Comply with our obligations under The Act by undertaking risk assessments to identify those parts of our business and supply chains where there is a risk of Modern Slavery practices and take necessary action to address those risks
 - Make contractual agreements with suppliers that encourage them to adhere to MRL's Supplier Code of Conduct
 - Communicate our Human Rights Policy and our commitment to human rights to all stakeholders, including employees, contractors and suppliers

While FY20 has been a key year in establishing the foundations of our Sustainable Procurement and Modern Slavery program, MRL aims to continuously improve and strengthen its approach to Modern Slavery over time.

¹ United Nations, 2011: 'Guiding Principles on Business and Human Rights'. Available from: <https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf>

² Worst forms of child labour defined in International Labour Organisation Convention No. 182 and 190.





OUR BUSINESS AND SUPPLY CHAIN



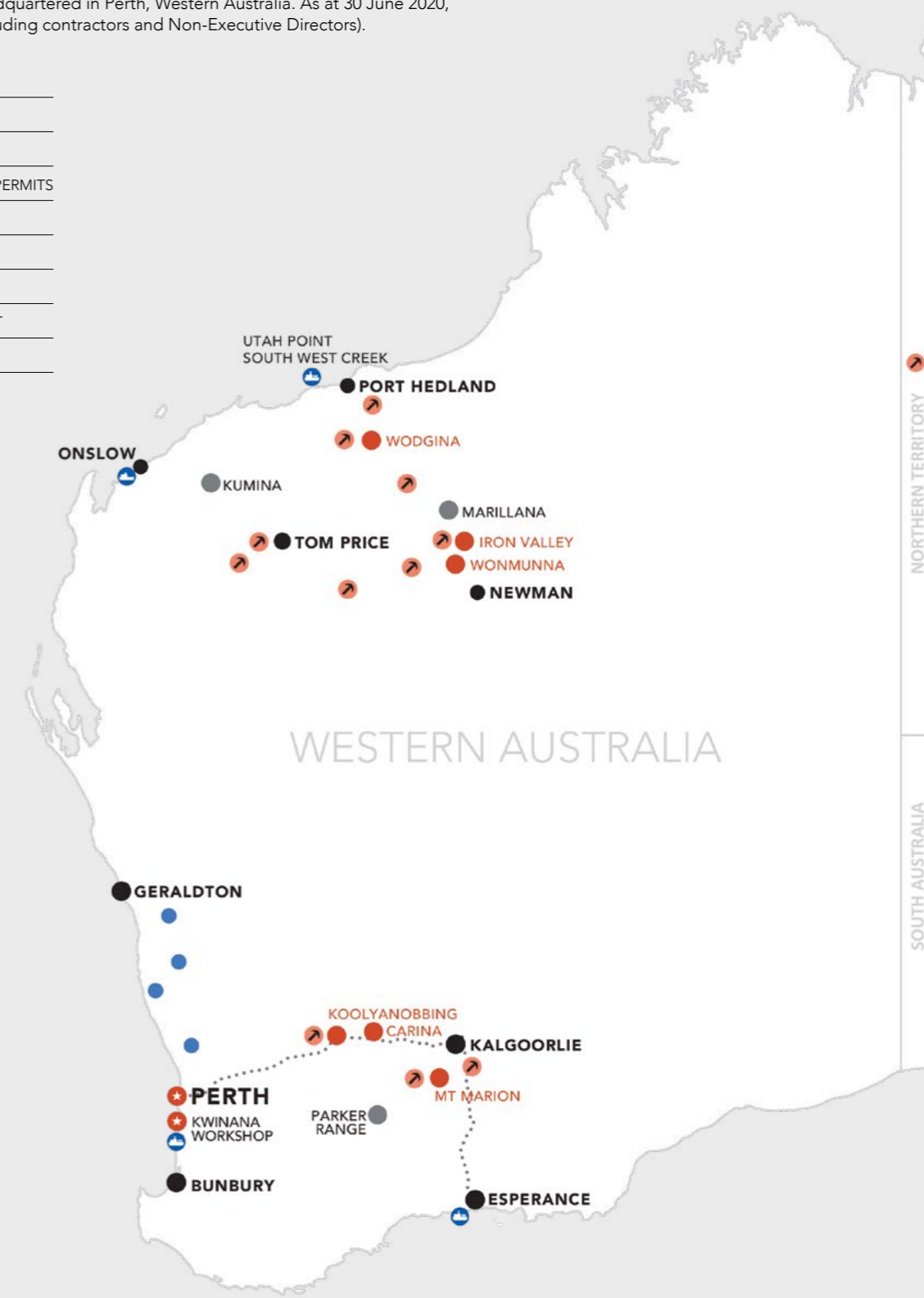
MINERAL RESOURCES AT A GLANCE

OUR BUSINESS AND SUPPLY CHAIN

OUR OPERATIONS

MRL is an Australian mining services company with a growing portfolio of operations across multiple commodities, including iron ore and lithium. MRL is listed on the Australian Securities Exchange (ASX: MIN) and headquartered in Perth, Western Australia. As at 30 June 2020, we had 2,347 employees (excluding contractors and Non-Executive Directors).

- KEY**
- MRL MINE
 - CSI MINING SERVICES
 - PERTH BASIN EXPLORATION PERMITS
 - ⋯ RAIL LINE
 - ⚓ SEA PORT
 - ★ OFFICE / WORKSHOP
 - MRL DEVELOPMENT PROJECT
 - TOWN



MRL AT A GLANCE: VALUE CREATION

INPUTS



HUMAN CAPITAL:

Our employees and contractors (3,100+ as at 30 June 2020) who provide the skills, experience and manpower required to undertake our business activities.



NATURAL CAPITAL:

The natural resources such as water, land, materials and energy required to undertake our business activities.



SOCIAL AND RELATIONSHIP CAPITAL:

The relationships we have with communities, government agencies and other stakeholders, as well as our reputation and brand that are essential to our social licence to operate and the long-term sustainability of our business.



FINANCIAL CAPITAL:

The pool of funds provided by shareholders, bondholders and banks, or generated through investments and operations that are required to undertake our business activities.



MANUFACTURED CAPITAL:

The manufactured tangible objects such as buildings, plant, equipment and infrastructure that are required to undertake our business activities.



INTELLECTUAL CAPITAL:

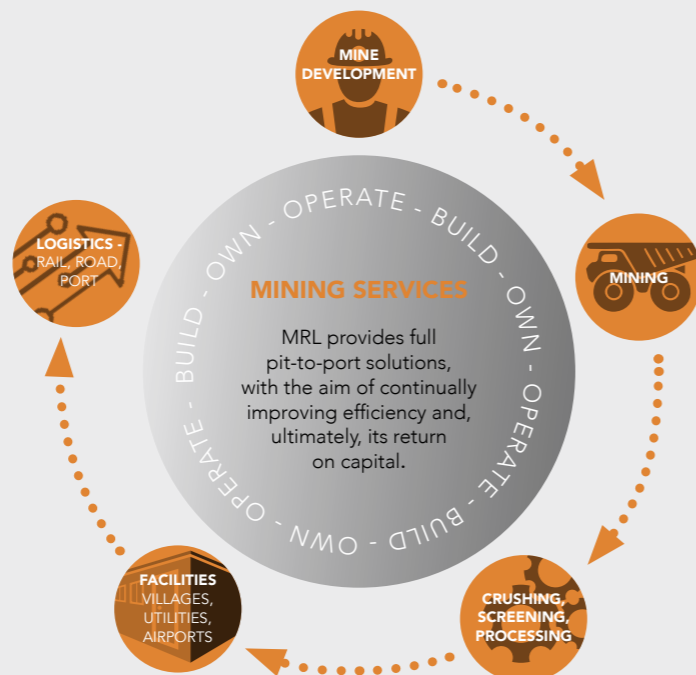
Intangible aspects such as intellectual property, organisational knowledge, systems and processes required to undertake our business activities.

VALUE CREATION BUSINESS MODEL

LEVERAGING OFF OUR EXISTING FOOTPRINT, INFRASTRUCTURE AND SKILL SET, WE HAVE BUILT A **STRONG AND DIVERSIFIED PORTFOLIO** IN MINING SERVICES AND MINING OPERATIONS, PROVIDING **LONG-TERM SUSTAINABLE GROWTH**, WITH 20-50 YEAR BUSINESS HORIZONS.

We achieve this by:

- Targeting stranded deposits and partnering with junior miners
- Acquiring a project stake and developing it at the lowest cost in an expedited time-frame
- Optimising the mine plan, increasing efficiency and maximising profitability
- Monetising the asset and divesting for maximum capital gain
- Retaining the life-of-mine, build-own-operate mining services contracts



FY20 OUTPUTS

Total Material Moved
92.2Mt

Iron Ore Production
14.1Mt

Spodumene Production
394kt

Mining Services volume increase
65%

Lower GHG emissions intensity
19%

COVID-19 Screenings
22,500

Return on Invested Capital (ROIC)
49.6%

FY20 OUTCOMES

HUMAN CAPITAL

TRIFR	3.29
LTIFR	0.00
Employee wages and benefits paid	\$359m
Overall female representation	15.4%
Graduates, Apprentices and Traineeships	78

NATURAL CAPITAL

Energy consumption	4,059,330GJ
Solar energy generation	3,712GJ
Scope 1 & 2 GHG emissions	272,194tCO ₂ e
Total material moved	92.2Mt
Rehabilitated land	695ha

SOCIAL AND RELATIONSHIP CAPITAL

Community contributions	\$2.6m
Suppliers screened for Modern Slavery	35
Payment to federal, state and local governments	\$185m

FINANCIAL CAPITAL

Underlying net profit after tax	\$334m
Share price	\$21.17
Dividends	\$1.00

MANUFACTURED CAPITAL

Capital expenditure	\$391m
Mines owned/operated	4
Crushing & processing operating plants	22

INTELLECTUAL CAPITAL

NextGen 2 modular crushing plant	5Mtpa-30Mtpa
Spodumene concentrate processing	1.15Mtpa
Kemerton lithium hydroxide	50ktpa capacity

OUR BUSINESS AND SUPPLY CHAIN

CORPORATE GOVERNANCE

MRL's corporate governance structure consists of a Board of Directors (Board), whose role is to represent shareholders, promote and protect the interests of the Company, and to build sustainable value for our shareholders.

The MRL Board has three sub-committees that support the Board in discharging its responsibilities, as shown in Figure 1.

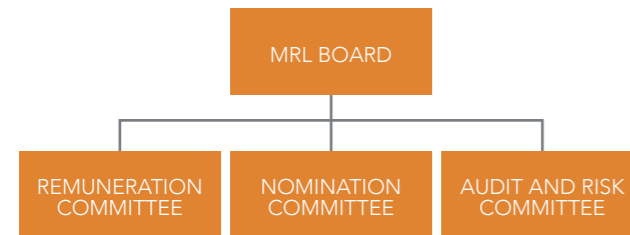


Figure 1: MRL Board and Sub-Committees

MRL's Board oversees the management of sustainability by considering the social, ethical and environmental impact of the Company's operations, approving policies and monitoring compliance with the Company's sustainability policies and practices, including its response to Modern Slavery.

During the reporting period, MRL established a cross-functional Sustainability Working Group to support and advise the business in the management and monitoring of key sustainability topics.

The Sustainability Working Group meets on a monthly basis and includes senior representatives from the Human Resources, Environment, Community, Health and Safety, Procurement, Energy, Investor Relations and Sustainability teams.

Refer to our [Corporate Governance Statement](#) for further information about our Corporate Governance practices based on the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

COVID-19

The COVID-19 pandemic has resulted in unprecedented global health, economic and socio-economic impacts. Business is affected through physical distancing, travel restrictions, supply chain disruptions, workforce health and availability, increased Personal Protective Equipment (PPE) and hygiene requirements, amongst other influences.

MRL has taken a responsible and proactive approach to managing the risks of COVID-19 implementing a range of precautions to:

- Keep our people safe and well
- Maintain safe and reliable operations and providing continuous support to our customers
- Support the Western Australian economy and communities.

In response to the outbreak of the COVID-19 pandemic, MRL immediately sought solutions to ensure the safety of our people. We secured world-class, US-made, Thermo Fisher Screening Machines capable of performing PCR-SARS-CoV-2 tests, the most accurate test in the world today. MRL also engaged two independent NATA accredited pathology laboratories and trained over 40 nurses and collectors in the swab - screening process. We

secured the best reagents possible and opened up ten screening facilities – three in the Perth metropolitan area and seven in regional areas of WA - Port Hedland, Geraldton, Busselton, Kalgoorlie, Newman, Albany and Esperance.

The MRL COVID-19 Screening Program has the capacity to test up to 10,000 people per day, which equates to the whole of the WA resource industry Fly-in Fly-out and Drive-in Drive-out workforce, if needed. We offered our screening services, at cost and independently audited by EY, to other resources companies to support the continuity of the WA resources industry. At the peak of the pandemic in Australia, more than 60 companies were using the MRL COVID-19 screening program. MRL established a COVID-19 Steering Committee tasked with keeping our operations running, working with our suppliers to ensure supply chain continuity and to look at various scenarios that may occur in the future. We are in regular contact with others in our industry and government departments, sharing knowledge and working together to find solutions. We are also actively contributing to the Western Australian Chamber of Minerals and Energy COVID-19 working group to ensure a coordinated response from the resources industry.

The COVID-19 pandemic has disrupted global supply chains through travel restrictions, limiting in-person commercial activities, workforce reductions and factory closures. There has also been a surge in demand for PPE and hygiene goods in response to the pandemic, placing additional pressure on certain supply chains. Sudden changes to supply chain structures can disproportionately affect some workers and increase their exposure to Modern Slavery and other forms of exploitation. To support our suppliers during this period, MRL accommodated several requests from suppliers for reduced payment terms and advanced deposit payments to assist with cash flow.

OUR SUPPLY CHAIN

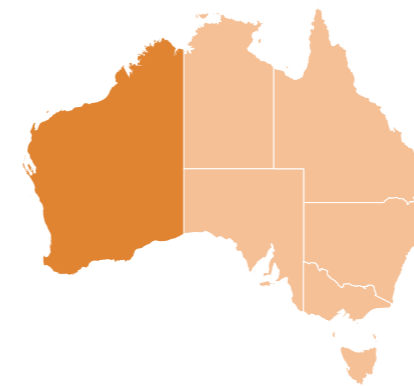
Our Supply function supports the business through the acquisition of utilities, goods and services that we need to operate. We have a centralised Supply function based in our Perth corporate offices, and a dedicated Executive General Manager for Procurement.

LOCATION OF OUR SUPPLIERS

In FY20, MRL had over 2,000 active suppliers. A breakdown of our suppliers by location has been provided in Table 1. The overwhelming majority (91%) of our suppliers are Australian, with a large proportion (72%) based in Western Australia.

Table 1: Overview of MRL suppliers

Type of Supplier	Percentage of Suppliers	Spend
WA Based	72%	74%
Australian	91%	83%
International	9%	17%



WA 72% suppliers 74% spend
AUSTRALIA 91% suppliers 83% spend

In FY20 we had 181 international suppliers representing 9% of our suppliers. The majority of international suppliers are located across China, followed by Singapore, USA, United Kingdom, Hong Kong and New Zealand.

OUR KEY PROCUREMENT CATEGORIES

In FY20, MRL procured the following categories of goods and services:

- Fuel and Energy
- Hire: labour hire, machinery and equipment hire
- Logistics and Transport Services: domestic freight, dry bulk haulage, international freight, material handling services

- Machinery Vehicles and Equipment: Buildings/facilities, material handling equipment, measuring and testing equipment, mineral processing equipment, mining/construction machinery, power generation, pumps, workshop machinery
- Operational Parts and Supplies: building/facility supplies, electrical; componentry, electrical consumables, electronic equipment, explosives supplies, gases, general industrial supplies, grinding equipment components, IT supplies, lifting and rigging equipment, machinery/vehicle components and parts, material handling equipment components, medical/health equipment and supplies, mineral processing consumables, mineral processing equipment components, office supplies, oils and lubricants, plant equipment components and parts, PPE and clothing, pump components and parts, raw materials, safety supplies, structural material and supplies, tools, warehouse/logistics supplies
- Services: building/facility maintenance services, construction services, engineering services, environmental services, fabrication, machinery and surface treatment services, facility operation services, health services, hospitality services, legal services, machinery, vehicle and equipment maintenance, mining services, professional services, oil and gas services, sales/marketing and media services, security services, site services, technology and communication services, utilities, waste collection and disposal
- Site Village Supplies: beverages, good, tobacco products, catering supplies and amenities
- Travel and Accommodation



IDENTIFYING RISKS OF MODERN SLAVERY

IN COMPLYING WITH THE ACT WE MUST IDENTIFY AREAS OF OUR OPERATIONS AND SUPPLY CHAIN THAT MAY BE AT RISK OF MODERN SLAVERY

OUR OPERATIONS

All of MRL's operations are based in Australia which, according to the Global Slavery Index³, has both a low prevalence of, and vulnerability to, Modern Slavery. As an Australian company operating in Australia, MRL is governed by Australian Federal and State Government legislation, which promotes fair-trading and competition while protecting the environment and the community. From a labour relations perspective, the *Fair Work Act 2009* and the *Fair Work Regulations 2009* govern the employee/ employer relationship in Australia. They provide a safety net of minimum entitlements, enable flexible working arrangements and fairness at work.

Furthermore, as set out below, MRL has a strong policy environment which is designed to minimise risk of our operations causing, contributing or being directly linked to Modern Slavery. Key recruitment and labour management processes include:

- Undertaking checks before MRL enters into an employment contract. This includes requesting a copy of identification documents (such as passport and/or driver's licence) to confirm age and identity. No original travel or identification documents are retained.
- All non-Australian citizens also have a Visa Entitlement Verification Online (VEVO) check undertaken to ensure appropriate rights to work in Australia are in place.
- All workers are provided with a written employment contract with employment terms clearly described.
- All workers are free to lawfully resign their employment without any penalties or restrictions.
- All workers are paid their legal pay entitlements on time and provided with payslips that define wage payments and deductions. No workers are required to lodge security deposits or pay recruitment fees.
- Safe accommodation is provided at our mine-site accommodation villages and workers are free to leave at will.
- MRL has a Code of Conduct and Business Integrity and training on this is mandatory for all MRL employees. In FY20 an e-learning package on the Code of Conduct and Business Integrity was developed and implemented throughout the business. Over 75% of our employees and a number of our contractors completed this training in FY20, and as at the date of this report, over 90% of our employees have completed the training. We are aiming for full completion by the end of FY21.
- MRL has an independent external Whistleblowing service, MinRes Integrity Assist, which allows MRL's stakeholders to raise concerns of suspected or actual misconduct in the workplace.

No instances of Modern Slavery were found in, or reported via our Whistleblowing Service within our operations in FY20.

³ The Munderoo Foundation Pty Ltd, 2018:Global Slavery Index. Available from: <<https://www.globalslaveryindex.org/>>

OUR SUPPLY CHAIN

While the risk of Modern Slavery practices in our operations is minimal, there is a risk that Modern Slavery may be present in our supply chain. Although no instances of Modern Slavery were found in our supply chain in FY20, we continue to develop and implement appropriate due diligence processes.

In order to understand our potential exposure, we followed a risk-based approach to identify types of suppliers that may have a higher risk of Modern Slavery practices. We define potentially high-risk suppliers based on their geographical location and the nature of the goods or services they provide. Suppliers who meet certain criteria are considered potentially high-risk by MRL and are subject to additional due-diligence processes.

Table 2 provides an overview of potentially high-risk criteria and a description of why they may be high risk. Mitigating factors, where present, are also described based on the nature of MRL's procurement practices and operating policies.



Table 2: High risk criteria for Modern Slavery and Mitigating Factors

High-risk criteria	Risk Description	Mitigating Factors
Geographical Risks	Goods that are sourced from a country that has a Modern Slavery vulnerability score of over 50/100 (as per the Global Slavery Index ⁴) are considered by MRL as potentially high-risk for Modern Slavery. The vulnerability scores are measured based on a number of risk drivers linked to the risk of Modern Slavery including governance issues, lack of basic needs, inequality, disenfranchised groups and the effects of conflict. Without appropriate due diligence there is a risk that companies sourcing goods or services from high risk geographies could contribute to, or be directly linked to Modern Slavery.	MRL undertakes a due-diligence process on suppliers that represent a potentially high-risk of Modern Slavery. Refer to 'Due Diligence' section for further information.
Third party labour hire arrangements	Where third party labour hire arrangements or significant labour outsourcing are in use there is reduced visibility over recruitment and labour management practices, which introduces a higher risk of Modern Slavery practices. Short-term labour hire arrangements are of particular significance, as these are more likely to attract migrant workers, who may be more vulnerable to competition and requested to pay recruitment fees. Without appropriate due diligence there is a risk that companies using third party labour hire arrangements could contribute to, or be directly linked to Modern Slavery.	MRL undertakes a due-diligence process on suppliers that represent a potentially high-risk of Modern Slavery. Refer to 'Due Diligence' section for further information.
Sourcing of electronics (including components)	The electronics industry is a global and highly competitive industry with a high risk of Modern Slavery. Many electrical components require minerals such as tungsten, tin, coltan, copper and gold in their production, which could be sourced from conflict-affected and high risk areas. The manufacture of electronic goods and devices often occurs in high-risk geographies, where regulation is limited and labour is cheap, which makes workers more vulnerable to Modern Slavery practices. Without appropriate due diligence there is a risk that companies sourcing electronic goods and components could contribute to, or be directly linked to Modern Slavery.	MRL undertakes a due-diligence process on suppliers that represent a potentially high-risk of Modern Slavery. Refer to 'Due Diligence' section for further information.
Sourcing of safety supplies and garments	Safety supplies, in particular PPE and other garments, carry a higher risk of Modern Slavery. These goods are often produced in geographical locations which are more vulnerable to Modern Slavery and often involve complex supply chains. The raw materials involved in their production, especially cotton, may also have been sourced from regions where workers are exploited and subject to Modern Slavery conditions. Without adequate contractual arrangements and due diligence there is a risk that companies sourcing safety supplies could contribute to, or be directly linked to, Modern Slavery practices.	MRL undertakes a due-diligence process on suppliers that represent a potentially high-risk of Modern Slavery. Refer to 'Due Diligence' section for further information.
Sourcing of construction services	The construction industry carries a higher risk of Modern Slavery practices due to complex supply chains and the prevalence of base-skilled workers that are often sourced through third party labour hire companies. Raw materials could also be sourced from geographies that have a higher vulnerability to Modern Slavery. This poses a higher risk of Modern Slavery and without appropriate due diligence there is a risk that companies using construction services could contribute to, or be directly linked to Modern Slavery.	Construction activities associated with our mining-related infrastructure occurs in Australia, which has a low prevalence of and vulnerability to Modern Slavery according to the 2018 Global Slavery Index. Most construction services are sourced and undertaken by MRL employees, who are subject to working arrangements under the <i>Fair Work Act 2009</i> and the <i>Fair Work Regulations 2009</i> .

⁴ The Munderoo Foundation Pty Ltd, 2018:Global Slavery Index Vulnerability Score. Available from: <<https://www.globalslaveryindex.org/2018/data/maps/#vulnerability>>

IDENTIFYING RISKS OF MODERN SLAVERY

Table 2: High risk criteria for Modern Slavery and Mitigating Factors (continued)

High-risk criteria	Risk Description	Mitigating Factors
Sourcing of security services	Security services are often associated with base-skilled workers, who may be seasonal or migrant workers sourced under third-party labour hire arrangements. This poses a higher risk of Modern Slavery and without appropriate due diligence there is a risk that companies sourcing security services could contribute to, or be directly linked to Modern Slavery.	<p>Australia is not a conflict-affected country and as such the use of security services is significantly less than in more conflict-affected geographies. Security services at MRL operations are provided by contractors and relate to gate house security as part of COVID-19 site access restrictions and asset protection security. Contractors are subject to the same working arrangements and conditions as MRL employees, who are subject to working conditions under the <i>Fair Work Act 2009</i> and the <i>Fair Work Regulations 2009</i>.</p> <p>Security monitoring and patrol services are provided at our Perth-based offices by an outsourced security company. All suppliers are subject to the MRL Supplier Code of Conduct and Modern Slavery provisions in our General Services Agreements.</p>
Sourcing of cleaning and catering services	Cleaning and catering services are often associated with base-skilled workers, who may be seasonal or migrant workers sourced under third-party labour hire arrangements. This poses a higher risk of Modern Slavery and without appropriate due diligence there is a risk that companies sourcing cleaning and catering services could contribute to, or be directly linked to Modern Slavery.	Cleaning and catering services provided at MRL mine-site village accommodation and offices are all insourced services provided by direct-hire MRL employees. Should additional workers be required for cleaning or catering support on a temporary basis, this may be provided through labour-hire companies. Should this occur, labour-hire workers are subject to the same working arrangements and conditions as MRL employees, who are subject to working conditions under the <i>Fair Work Act 2009</i> and the <i>Fair Work Regulations 2009</i> .
Sourcing of shipping services	The shipping industry is a complex industry with a high risk of Modern Slavery practices. The COVID-19 pandemic has been particularly challenging for the shipping industry, with instances of seafarers being stranded on ships and unable to change crews, employment contracts expiring, wages being withheld, labour violations and poor living and working conditions. This poses a higher risk of Modern Slavery and without appropriate due diligence there is a risk that companies sourcing shipping services could contribute to, or be directly linked to Modern Slavery.	<p>MRL charter vessels from Head Owners and Operators either directly or via ship brokers. Prior to entering into a contractual agreement for the required shipment voyage, MRL will evaluate the vessel and counterparties involved including the ownership and management structure.</p> <p>MRL reviews information on the RightShip platform, a leading global maritime risk management organisation, as part of its vetting process. Rightship provides information on vessels that are owned or managed by a particular company; their Port State Control performance by individual vessel, or for the entire organisation, as well as the risk and environmental ratings of their fleet. Risks assessed include safety obligations, with instances of overworked or underpaid crew affecting a vessels' RightShip star rating.</p> <p>MRL also reviews the crew list to ascertain the length of time that crew have been on board, to ensure that International Transport Worker's Federation (ITF) Agreements are met. We also require the vessel owners to be covered by an ITF agreement or bona fide trade union agreement for the duration of the contract.</p>





DUE DILIGENCE

THE UNITED NATIONS **GUIDING PRINCIPLES** ON BUSINESS AND HUMAN RIGHTS STATES THAT 'IN ORDER TO IDENTIFY, PREVENT, MITIGATE AND ACCOUNT FOR HOW THEY ADDRESS THEIR ADVERSE HUMAN RIGHTS IMPACTS, BUSINESS ENTERPRISES SHOULD **CARRY OUT HUMAN RIGHTS DUE DILIGENCE.**

The process should include assessing actual and potential human rights impacts, integrating and acting upon the findings, tracking responses, and communicating how impacts are addressed.

OUR DUE DILIGENCE ACTIONS

During FY20, we made great strides in understanding our risk exposure and obligations under The Act through the development of a screening program to identify, assess and monitor the risks associated with Modern Slavery in the business and supply chain. Some of these actions included:

- Holding awareness sessions on Modern Slavery for employees in the Supply function
- Joining the Western Australian Industry Collaborative Working Group on Modern Slavery. For further information refer to 'Stakeholder Engagement and Collaboration'
- Developing policies and contractual terms related to Modern Slavery, an MRL Supplier Code of Conduct and MRL Human Rights Policy
- Developing a process to identify suppliers that are at higher risk of Modern Slavery and requiring high risk suppliers to complete Modern Slavery Self-Assessment Questionnaires (SAQs)
- Developing a process to assess Modern Slavery SAQs and engage with suppliers on red flag responses. Refer to 'Assessment of Modern Slavery SAQ responses' for more information.

AWARENESS OF MODERN SLAVERY

During FY20, we held three sustainability and Modern Slavery awareness sessions with the Supply team. These sessions covered the principles and drivers of sustainable procurement, the challenges of Modern Slavery and MRL's requirements under The Act. We established a fortnightly standing meeting with key representatives of the Supply Team to discuss practical approaches to integrate sustainability and Modern Slavery risk processes into the procurement function.

POLICIES AND CONTRACTUAL TERMS

We have included provisions in our General Services Agreements that contractors must be aware of, comply with, and ensure that

the Contractor's Personnel comply with the Supplier Code of Conduct, all applicable Anti-Slavery Laws, and any Company policies and standards relating to anti-slavery. This provision also requires Contractors to apply this to subcontractors that are involved in the provision of services under the General Services Agreement.

STAKEHOLDER ENGAGEMENT AND COLLABORATION

In late 2019, MRL joined the Western Australian (WA) Modern Slavery Collaborative Group ("Working Group"), which provides a forum for WA-based practitioners in the extractives, resources and energy sectors to contribute towards the meaningful implementation of The Act.

The Working Group standardised a common industry Modern Slavery SAQ Toolkit to understand the risk of Modern Slavery in business operations and their supply chains. The toolkit consists of three documents including; a SAQ, Frequently Asked Questions and a Modern Slavery Fact Sheet; which are available in English, Spanish, Chinese and Japanese.

SELF-ASSESSMENT QUESTIONNAIRE

MRL applies a risk-based approach to the application of the Modern Slavery SAQ. Only suppliers that represent a potentially high risk of Modern Slavery (based on the nature of the goods or services they supply, or their geographical location – see 'Identifying Risks of Modern Slavery' section) are required to complete the SAQ.

The SAQ consists of 18 questions and requires a signature and declaration from a duly authorised representative of the organisation. It requests information on:

- The organisation and its workforce
- The organisation's approach to supply chain management
- Employment conditions
- Policies or processes around the prevention of child labour, forced labour bonded labour and human trafficking in their operations and supply chains
- Grievance and redress mechanisms.

The Working Group meets on a regular basis to discuss the implementation of the SAQ and share good practice measures to assist member businesses with the effective and efficient management of Modern Slavery risks within their operations and supply chains.

During FY20, we requested 35 potentially high-risk suppliers to complete the Modern Slavery SAQ. The process to assess the Modern Slavery SAQ responses is described below. We continue to identify potentially high-risk suppliers and engage in Modern Slavery risk identification, assessment and monitoring activities.

ASSESSMENT OF MODERN SLAVERY SAQ RESPONSES

A process has been developed to identify and follow-up on significant 'red flag' responses, with the aim of enhancing awareness of Modern Slavery. Red flag issues include any instances where:

- Workers are not free to leave accommodation at will, and live in substandard or overcrowded living arrangements
- Child labour is present
- Original personal identification and travel documentation, such as passports or birth certificates, are retained
- Any financial penalties are applied
- Workers have no safe and easily accessible way to report grievances in their local language
- Workers are required to pay for a job or provide a security deposit to their employer or recruitment agency, including the payment of termination fees.

REMEDATION

The *United Nations Guiding Principles on Business and Human Rights*⁵ state that 'to make it possible for grievances to be addressed early and remediated directly, business enterprises should establish or participate in effective operational-level grievance mechanisms for individuals and communities who may be adversely impacted.

To demonstrate our commitment to promote a culture of ethical corporate behaviour, MRL provides the ability for grievances to be addressed through various mechanisms. In FY20, MRL developed a Whistleblower Policy, which demonstrates our commitment to promote a culture of ethical corporate behaviour. As part of this Policy, we commit to:

- Promote a culture of honest and ethical behaviour
- Provide internal and external channels through which a person who becomes aware of reportable conduct may report its occurrence
- Provide an external independent Whistleblowing service, MinRes Integrity Assist, to allow for reporting of reportable conduct
- Allow for anonymous reporting of reportable conduct
- Investigate all matters reported as soon as is practicable after the matter has been reported
- Protect Whistleblowers and ensure confidentiality associated with matters of reportable conduct
- Take all reasonable steps to ensure that a Whistleblower is not subject to any form of victimisation, discrimination, harassment, demotion, dismissal or prejudice as a result of having lodged a report.

⁵ United Nations, 2011: 'Guiding Principles on Business and Human Rights'. Available from: <https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf>

The Whistleblower Policy is supported by a Whistleblower Procedure, which outlines the processes by which stakeholders can report matters that they genuinely believe are in breach of MRL's Code of Conduct and Business Integrity or illegal.

Grievances can be reported through both internal and external reporting channels. In late 2019, MRL established the independent external Whistleblowing service, MinRes Integrity Assist. This independent external whistleblowing service, is an avenue for MRL's stakeholders to raise concerns of suspected or actual misconduct in the workplace. Deloitte provides this service and anonymous reports, if desired, can be made using any of the following methods:

- Email: minresintegrity@deloitte.com.au
- Phone: 1800 951 300
- Fax: +61 3 961 8182
- Visit website: www.minresintegrity.deloitte.com.au
- Mail to postal address:
MinRes Integrity Assist
Reply paid 12628 A'Beckett Street
Melbourne VIC 8006





ASSESSING OUR ACTIONS

MRL UNDERTAKES A NUMBER OF **DUE DILIGENCE ACTIONS** TO ASSESS AND ADDRESS THE RISKS OF **MODERN SLAVERY.**

The Act requires that organisations describe the effectiveness of the actions that have been undertaken.

MEASURING THE EFFECTIVENESS OF OUR ACTIONS

MRL is committed to continuously improving its response to Modern Slavery and assesses the effectiveness of actions undertaken through the following measures:

ENGAGEMENT WITH SUPPLIERS

Where a 'red flag' response to the Modern Slavery SAQ has been identified, MRL engages with the supplier to clarify their response and obtain further information. The supplier is encouraged to improve their performance and provide a response to MRL on its improvement within a defined period of time. Should a supplier not provide an adequate response, the matter is escalated internally for review. Depending on the severity of the issue, the matter may be escalated to the Audit and Risk Committee to make a decision about the ongoing relationship with the supplier.

REPORTING ON OUR ACTIONS

MRL publicly reports the actions it undertakes on Modern Slavery in its annual Sustainability Report and Modern Slavery Statement. This includes tracking the number of suppliers that have been screened for risks of Modern Slavery. Our Sustainability performance, including our response to Modern Slavery, is regularly reviewed by Environmental, Social and Governance (ESG) rating agencies who provide us with scores to benchmark our sustainability performance.

REVIEW OF OUR DUE DILIGENCE PROCESSES

A regular meeting is held with internal Supply and Sustainability stakeholders to discuss the MRL sustainable procurement and Modern Slavery program. Progress updates are provided on the number of suppliers that have been sent the SAQ, further due diligence focus areas and areas where processes could be improved.

INDUSTRY COLLABORATION

MRL continues to engage with the Working Group, which allows for the sharing of knowledge and best practice on responding to Modern Slavery.





LOOKING FORWARD

WHILE FY20 HAS BEEN A KEY YEAR IN **ESTABLISHING** THE FOUNDATIONS OF **OUR MODERN SLAVERY RESPONSE**, MRL AIMS TO CONTINUOUSLY **IMPROVE AND STRENGTHEN** ITS APPROACH TO MODERN SLAVERY OVER TIME.

During FY21, MRL will be undertaking a number of actions to enhance its response to Modern Slavery. These include:

- Continued rollout of our e-learning program on the MRL Code of Conduct and Business Integrity
- Assessing options to implement a system solution to support our supplier sustainability and Modern Slavery screening processes
- The continuous review of our existing supply base of potentially high risk suppliers
- Investigating training for suppliers on the risks of Modern Slavery
- Further supplier engagement to raise awareness of Modern Slavery and improve performance.





APPENDICES

This Modern Slavery Statement was prepared to meet the mandatory reporting criteria under the *Modern Slavery Act, 2018 (Cth)*.

Reporting Criteria	MRL FY20 Modern Slavery Statement
Identify the reporting entity	About This Statement (inside cover)
Describe the reporting entity's structure, operations and supply chains	Our Business and Supply Chain (page 6) Appendix 2: Subsidiary Companies and Joint Arrangements (page 34)
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Identifying Risks of Modern Slavery (page 14)
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	Due Diligence (page 20)
Describe how the reporting entity assesses the effectiveness of these actions	Assessing our Actions (page 24)
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)	About This Statement (inside cover)
Provide any other relevant information.	Looking Forward (page 28)



Mineral Resources Limited (ABN 33 118 549 910) is the parent entity and is registered at 1 Sleat Road, Applecross, Western Australia, 6153. For further information, refer to the MRL 2020 Annual Report.

MATERIAL SUBSIDIARIES

MRL has material subsidiaries that support our mining services and commodities businesses, by undertaking the following activities:

- Mine Development
- Mining
- Crushing, screening and processing
- Facilities: Mine accommodation villages, utilities and airports
- Logistics: Road, rail and port

MRL incorporates the assets, liabilities and results of the following material subsidiaries in accordance with its accounting policies. Most of these entities have only been established for financial reasons and all entities follow policies set by the reporting entity, MRL. As such, a detailed consultation process is not necessary. All of MRL's operations are in Australia.

Name	Country of incorporation	Ownership interest	
		2020 %	2019 %
Crushing Services International Pty Ltd	Australia	100.00%	100.00%
Mesa Minerals Limited	Australia	59.40%	59.40%
PIHA Pty Ltd	Australia	100.00%	100.00%
Polaris Metals Pty Ltd	Australia	100.00%	100.00%
Process Minerals International Pty Ltd	Australia	100.00%	100.00%
Auvex Resources Pty Ltd	Australia	100.00%	100.00%
Mineral Resources (Equipment) Pty Ltd	Australia	100.00%	100.00%
MRL Asset Management Pty Ltd	Australia	100.00%	100.00%
MIS Carbonart Pty Ltd	Australia	60.00%	60.00%
Mineral Resources Transport Pty Ltd	Australia	100.00%	100.00%
Wodgina Lithium Pty Ltd	Australia	100.00%	100.00%
Bulk Ore Shuttle Systems Pty Ltd	Australia	50.00%	50.00%
Energy Resources Ltd	New Zealand	100.00%	100.00%
Cattamarra Farms Pty Ltd	Australia	90.00%	90.00%
Yilgarn Iron Pty Ltd	Australia	100.00%	100.00%
Iron Resources Pty Ltd	Australia	100.00%	100.00%
Kumina Iron Pty Ltd	Australia	100.00%	100.00%
Mineral Resources Rail Pty Ltd*	Australia	100.00%	-
MinRes Health Pty Ltd (previously ACN 629 928 150)	Australia	100.00%	100.00%
Bungaroo South Pty Ltd**	Australia	100.00%	-
Buckland Minerals Transport Pty Ltd**	Australia	100.00%	-
Cape Preston Logistics Pty Ltd**	Australia	100.00%	-
Resource Development Group Limited**	Australia	75.00%	-

* Entity incorporated during the year

** Entity acquired during the year

JOINT ARRANGEMENTS

MRL also has jointly held assets, liabilities, revenues and expenses of joint operations, including Reed Industrial Minerals (50%) – which relates to our Mt Marion Lithium operation; and MARBL Lithium Joint Venture (40%) – which relates to our Wodgina Lithium operation, currently on care and maintenance. Both these operations follow MRL policies.





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