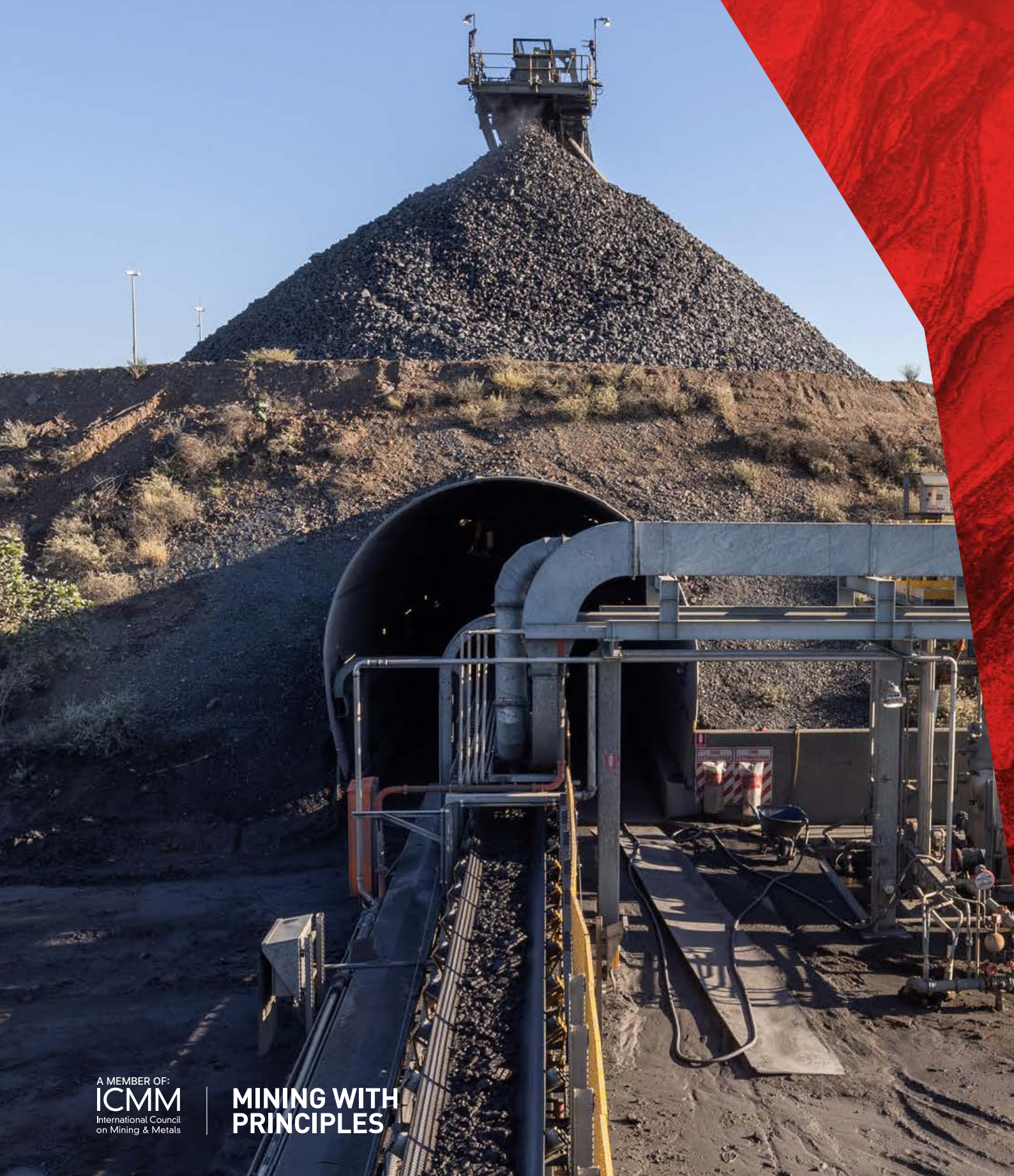


HKEX: 1208

MMG LIMITED MODERN SLAVERY STATEMENT 2022



A MEMBER OF:
ICMM
International Council
on Mining & Metals

**MINING WITH
PRINCIPLES**



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ABOUT THIS STATEMENT

This is our third Statement under the Australian Modern Slavery Act 2018 (Cth). The Statement is for the financial year commencing 1 January 2022 and ending 31 December 2022 and has been reviewed and approved by MMG's Board on 22 May 2023.

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.

The Statement has been prepared in consultation with the above MMG Reporting Entities.

A list of principal subsidiaries within the MMG Group can be found in Note 15 of MMG's Annual Report 2022. 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 the 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 table below sets out the mandatory reporting criteria of the Act and where each has been addressed in this statement:

Reporting requirement	MMG response
Identify the reporting entity and describe its structure, operations and supply chains;	About this Statement , page 03; Our business, structure and operations , page 04; and Our supply chain , page 05
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity;	Modern slavery risk profile , page 06
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;	Our approach , page 07; Due diligence and remediation , page 09; Training , page 11; and Grievances and remedy , page 11
Describe how the reporting entity assesses the effectiveness of these actions being taken to assess and address modern slavery risks;	Assessing effectiveness , page 11
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 , page 07; and Communication, engagement and disclosure , page 12

OUR BUSINESS, STRUCTURE AND OPERATIONS

MMG has a vision to create a leading international mining company providing the materials essential for the transition to a low carbon future.

We are a 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 Democratic Republic of Congo (DRC) and Peru.

MMG is a public liability company with approximately 11,000 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. To learn more about our people and structure, our MMG Sustainability Report 2022 can be [accessed here](#).

Our Head Offices are in Melbourne, Australia and Beijing, People’s Republic of China and we have corporate offices in Hong Kong, Johannesburg and Lubumbashi.

Our Global Business Services are based in Vientiane, Laos and provide services such as master data maintenance, payroll, accounts payable, purchasing and accounting.

MMG, through its subsidiaries, operates four mines;



Dugald River

A zinc mine, located approximately 65 kilometres north-west of Cloncurry in Queensland, Australia.



Kinsevere

A copper mine located in the DRC, approximately 35 kilometres from Lubumbashi, Katanga Province.



Las Bambas

A large, long-life copper mine located in Cotabambas in the Apurimac region of southern Peru.



Rosebery

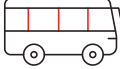
A polymetallic base metal mine located approximately 300 kilometres north-west of Hobart in Tasmania, Australia.





OUR SUPPLY CHAIN

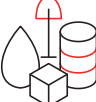
MMG sources goods and services through a global supply chain to satisfy the requirements of our operating sites and functions and including the following:

- 

Operational and Technical Services: Construction and services with fixed plant and mobile assets including labour hire.
- 

Transport Services: Logistics both road and sea (trucks and charter vessels); workforce transportation (buses, charter flights and helicopters).
- 

Support Services: Security, workforce accommodation, maintenance, cleaning and catering.
- 

Corporate and Administrative Services: Property management, facilities management, travel management, corporate administration services (such as insurance services, accounting and audit)
- 

Procurement of Goods/Commodities: Personal protective equipment (PPE), uniforms including footwear for our workforce; fuel; explosives; chemicals; bulk commodities; such as lime; copper ore; stationery; medical supplies and tools.
- 

Procurement of Equipment: Electronics, minor electrical equipment; motor vehicles; mining equipment and infrastructure; mobile fleet, including parts.

In 2022, MMG managed over 4,800 active suppliers, of which 88% were local providers. The Company entered into or renegotiated 906 supply contracts in 2022, with a total value of \$1.7 billion. MMG also established business relationships with 560 new suppliers. Our total spend in 2022 was over US\$2.45 billion.

Our Head Office supply team provides governance functions and compliance roles to site-based supply teams and on 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.



MODERN SLAVERY RISK PROFILE

We recognise that the extractives sector is considered high risk for modern slavery practices. Our mining operations located in Peru and the DRC, are in countries that are recognised to be at higher risk for modern slavery practices, according to indicators of modern slavery risk including the Transparency International's Corruption Perceptions Index and International Trade Union Confederation's Global Rights Index. Although Australia is considered to be lower risk for modern slavery practices comparatively, we recognise that modern slavery risks are present in every country.

In our operations we recognise that we could potentially cause, contribute to or be directly linked to modern slavery risks. We have implemented appropriate controls at our operations to manage these risks, in line with our existing commitments and approach to respecting human rights embedded in our Human Rights Framework (detailed in Our Approach on the next page).

We consider the risks to be higher in our supply chains where we are aware that we could potentially contribute to or be directly linked to modern slavery practices. Through our supply chain risk assessment (detailed in supplier due diligence on page 10) we have identified categories in our supply chains that due to their characteristics are potentially at higher risk for modern slavery practices, these categories include:

- Shipping,
- Construction,
- Labour hire,
- Site management services (such including catering, cleaning and maintenance),
- Uniforms/PPE and
- Third party ore purchases.



OUR APPROACH

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 that we are not complicit in human rights abuses, including modern slavery. Our approach to managing human rights risk, including modern slavery risk is embedded in our broader risk management framework.

Governance

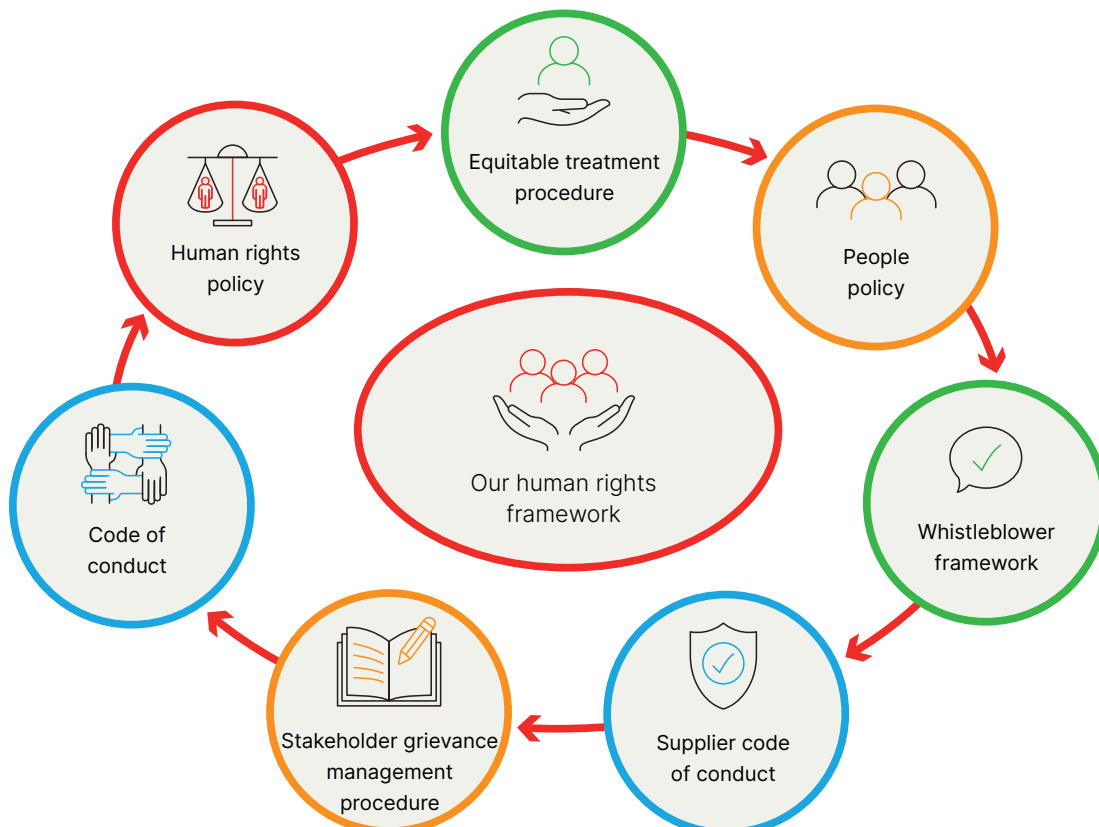
MMG's Board of Directors (the Board) is accountable for the Company's sustainability performance. This includes health and safety, security, the environment, social performance, human rights and modern slavery, as well as other environmental, social and governance-related issues including the MMG Sustainability Framework, more information about this framework can be found in MMG's Sustainability Report 2022 which can be [accessed here](#).

The MMG Board regularly reviews and discusses sustainability related issues at their meetings, including through a quarterly Safety, Health, Environment and Community report, and decisions are delegated to the Executive Committee for their execution.

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 has been in place since 2015.

Human Rights Framework

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, security management, community engagement, social investment and formal grievance mechanisms. More information on MMG's commitment to human rights can be [accessed here](#).



OUR APPROACH

CONTINUED

Our Human Rights Framework also embeds the commitments we have made through our membership and support of:

- We were accepted as a full member of the Voluntary Principles on Security and Human Rights initiative in 2022 and we adhere to the United Nations Basic Principles on the Use of Force and Firearms by Law Enforcement Officials.
- We are a member of International Council on Mining and Metals (ICMM) and adhere to ICMM Mining Principles and Position Statements.
- We are aligned with the United Nations Global Compact Principles.

Human Rights Policy

Through our Human Rights Policy we are committed to respecting human rights and rejecting any form of slavery, forced or child labour, and working to ensure that such practices are not present in our business or supply chain. Our Human Rights Policy is foundational for MMG's policies on People and Safety, Security, Health, Environment and Community (SSHEC) (as appropriate) that contain human rights commitments. Our Human Rights Policy can be [accessed here](#).

Code of Conduct

Our Code of Conduct emphasises our commitment to respect human rights and can be [accessed here](#).

People Standard

Our People Standard defines the requirements for the recruitment of our employees, including the remuneration and benefits, onboarding and equitable treatment and inclusion.

Supplier Code of Conduct

Our Supplier Code of Conduct (released in 2020) is the key standard of communicating MMG's expectations to suppliers (and their subsidiaries and subcontractors). The Code clearly sets our minimum standards, including for respecting human rights.

Our Code states that MMG has no tolerance for the use of forced, bonded, compulsory labour, slavery or human trafficking. The Code also expects suppliers to adhere to the minimum legal working age in their jurisdiction or with the standards set by the International Labour Organization (ILO), whichever is higher and ensure children under the age of 18 are not employed in hazardous work or in work incompatible with their development.

We assess suppliers throughout the contracting process to ensure they are aligned with MMG's Supplier Code of Conduct and other relevant policies and procedures. This is also managed through our contract management practices.

We also ask our suppliers to monitor their compliance to the Code 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 Supplier Code of Conduct can be [accessed here](#).



DUE DILIGENCE AND REMEDIATION

Operations

Our business conducts an annual material sustainability issue assessment to help identify and understand the relative importance of specific Environmental Social and Governance (ESG) risks. We have identified human rights as a material theme, through material topics including value chain sustainability, employee value proposition and local communities and Indigenous Peoples.

Our Risk Management Standard defines the approach to identify and manage risks including ESG risks. Sites are required to develop a risk register in accordance with requirements set out in the Risk Management Standard and to implement controls and actions to manage the risks.

We also regularly assess grievance trends to determine the root underlying cause of issues that underlie grievances to support ongoing human rights due diligence processes, as well as to assist us in managing and preventing similar grievances from taking place in the future.

Supply chain

Strong and effective supplier partnerships are essential to realising our vision and aligning with our values. We seek to work with safe, environmentally and socially aware and responsible organisations.

In our supplier engagement and contract award process, we undertake a comprehensive assessment across a range of criteria including commercial, quality and technical capabilities. When selecting suppliers, we also assess a range of non-financial criteria including health and safety management and performance, environmental management, local capability training, social contribution and commitment to local employment.

As part of our supplier engagement process, we also seek formal agreement from suppliers to comply with our Supplier Code of Conduct and Anti-Corruption policies as well as other relevant Company standards, policies and procedures, including those related to human rights, health and safety and the environment. The Supplier Code of Conduct makes it clear that MMG is willing to work with suppliers, as appropriate, to address breaches, however 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.



DUE DILIGENCE AND REMEDIATION

CONTINUED

Supplier questionnaire

In 2022 we continued to use our modern slavery questionnaire to screen new suppliers for modern slavery risks. Launched in 2021, the 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 their own assessment of such risks.

In 2023, we will undertake a review of the current process to review the effectiveness of the supplier questionnaire and consider how we can align its use with the findings of our modern slavery risk assessment.

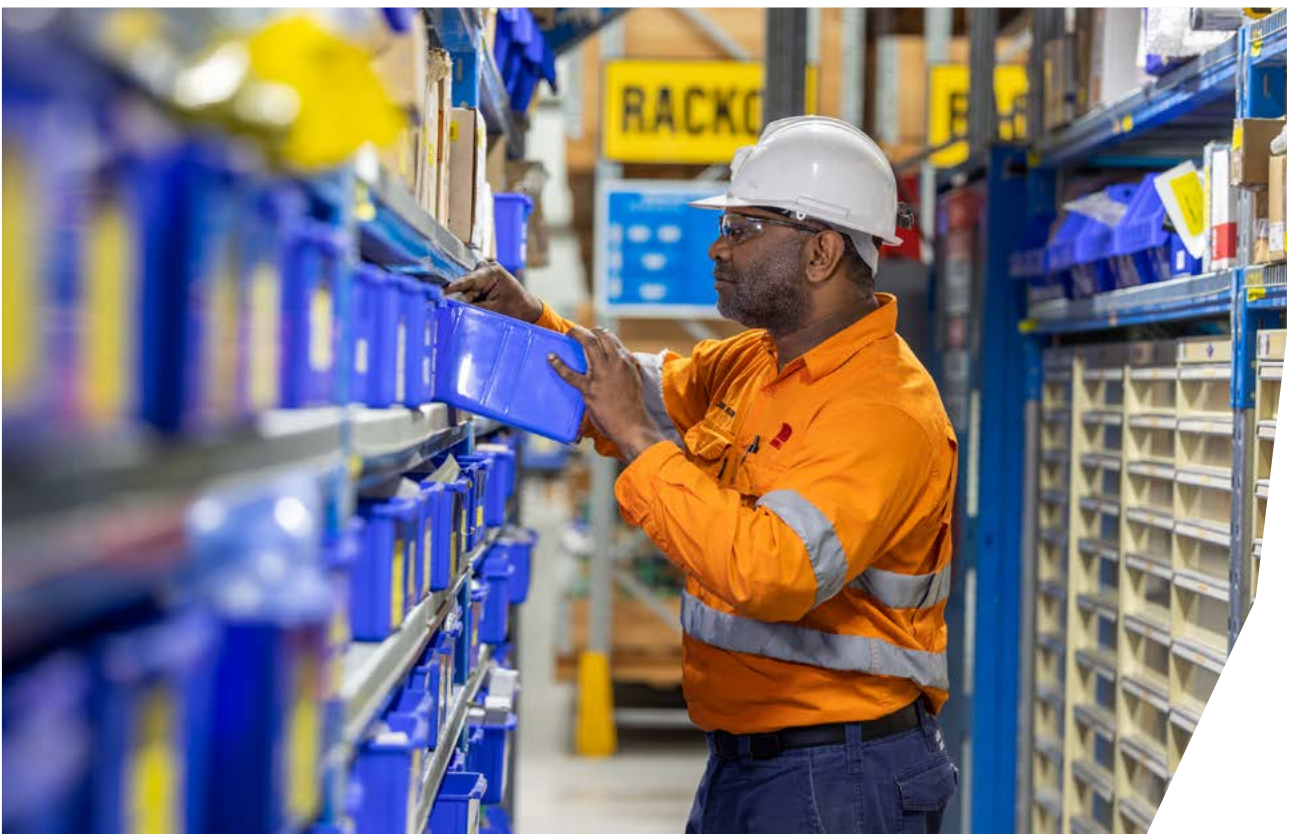
Supplier due diligence

Our supplier due diligence process includes questions in relation to the assessment of modern slavery compliance requirements prior to onboarding or award of contract. The aim of the due diligence process is to check any human rights and other ethical violations, as well as compliance with the MMG Supplier Code of Conduct.

In late 2022 we conducted a modern slavery risk assessment of all our tier 1 suppliers, the assessment considered:

- the country risk profile of the supplier. We referred to risk sources such as; ILO indicators, Transparency International's Corruption Perception Index and International Trade Union Confederation's Global Rights Index to assess country risk.
- the category risk profile of the supplier. We referred to external information from the Business and Human Rights Resource Centre and Verite's Responsible Sourcing Tool and internal feedback from our supply chain teams to assess the category risk.

In 2023 we plan to continue to build on the modern slavery risk assessment to align our approach to the high risk categories (identified in our modern slavery risk profile above).



DUE DILIGENCE AND REMEDIATION

CONTINUED

Contract terms and conditions

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

Since 2020 our standard contract templates have a modern slavery clause. The clause specifically requires compliance with modern slavery laws in the applicable jurisdictions and prohibit modern slavery practices (as defined under Australian legislation) more generally. The clause also requires our suppliers to identify and address modern slavery in their operations and supply chains.

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.

Training

We are committed to improving the capacity of our teams to understand, identify and manage the risks of modern slavery in our operations and across our value chain.

During 2022, our supply teams participated in an online training session to increase their awareness on modern slavery risks in the supply chain and to contribute to the supply chain modern slavery risk assessment.

A Human Rights working group has been established at each site and members will complete online training on Modern Slavery risk identification and mitigation in the first half of 2023. The teams will then also run face-to-face training on modern slavery risks, as well as broader human rights risks, across all the sites throughout 2023.

Grievances and remedy

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 identify we have caused or contributed to human rights harm.

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.

Our Whistleblower Framework provides a mechanism for grievances to be reported through our Whistleblower Service. The Whistleblower Service is an independent, confidential hotline service for reporting unacceptable conduct, including modern slavery. The Whistleblower Service can be [accessed here](#).

All our sites are required to have a site-specific grievance mechanism in line with our MMG Stakeholder Grievance Management Work Quality Requirement (WQR). This grievance WQR was updated in late 2022 to strengthen modern slavery and human rights related controls, and sites will receive training in this in the first half of 2023 before being required to update their own mechanisms. In 2021, we also launched an online Stakeholder Feedback Portal to allow stakeholders to anonymously lodge and track grievances directly into our system.

We are not aware of any modern slavery complaints via our grievance mechanisms in 2022.

Assessing 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 2022, we continued to develop an internal modern slavery action plan and considered priorities for 2023 and beyond. We will continue to monitor our progress through Code of Conduct and People Committee meetings and take corrective measures as required.

MMG's assurance program focuses on verifying that the critical controls required to manage material risk events, including modern slavery risks, are implemented and effective. We apply a 'Three Lines of Defence' approach to assurance.

The First Line of Defence involves standard implementation by the business, for example our procurement teams are responsible for identifying and managing risks in the supply chain.

The Second Line of Defence is undertaken by Group Functions. It involves periodic review of the control framework for modern slavery risk management.

DUE DILIGENCE AND REMEDIATION

CONTINUED

The Third Line of Defence is MMG's internal audit program, which tests the design and effectiveness of our approach and the effectiveness of the first and second lines of defence. Internal audit also reviews key process areas highlighting good practices and areas that management may consider for further improvement. The internal audit program is managed by MMG's Audit, Risk and Assurance team.

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. Our regional and site-based teams across the MMG Group are engaged through our assurance program, material sustainability issue assessment, modern slavery risk assessment and training initiatives.

Accordingly, this Statement was prepared by a cross functional Head Office team including Sustainability, Supply Chain, Legal, Human Resources and Corporate Affairs in consultation with each of the MMG Reporting Entities and subsidiaries in the MMG Group, including 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 Head of 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 CEO, MMG's Executive Committee, the Board Governance, Remuneration, Nomination and Sustainability Committee and approved by the Board of MMG Limited on behalf of the MMG Reporting Entities on 22 May 2023.



LI Liangang
CHIEF EXECUTIVE OFFICER (INTERIM)

