

Pillar 3

# Trusted and responsible producer

Strong business ethics, transparency, corporate governance and culturally appropriate engagement with all stakeholders defines MMG's work across complex jurisdictions.



# Business ethics and transparency

MMG values, strong business ethics and approach to transparency underpins the way we work and grow our operations across complex jurisdictions.

Ethical Business  
Conduct



We maintain strong corporate governance, business practices and standards, disclose this publicly in corporate reporting processes and adhere to all national and regional requirements. To do this, we prioritise ongoing, culturally appropriate engagement with our key stakeholders, including investors.

## Anti-corruption Policies and Procedures Communication and Training

		2022	2023
1	Total number and percentage of governance body members where anti-corruption policies and procedures have been communicated to	100%	100%
2	Total number and percentage of employees where anti-corruption policies and procedures have been communicated to	100%	100%
3	Total number and percentage of business partners where anti-corruption policies and procedures have been communicated to	100%	100%
4	Total number and percentage of governance body members that have completed anti-corruption training	70%	60%
5	Total number and percentage of employees that have completed anti corruption training by employment level	78% of Level 2 and above (Professionals up to CEO level)	87.6% of Level 2 and above (Professionals up to CEO level)

### CASE STUDY

#### Our supplier code of conduct

With a large and geographically diverse supply chain, we recognise the importance of setting clear standards for our suppliers, working with those who align with our values and embracing a fair, sustainable, socially responsible and ethical approach to conducting business. Our Supplier Code of Conduct (Code) contains our minimum standards for suppliers (and their subsidiaries and subcontractors) on compliance with laws, human rights, health and safety, environment, anti-fraud, anti-bribery, anti-corruption and other ethical business practices.

We communicate our Code to suppliers during the contracting process and screen them during the onboarding process to be certain they have read, understood and comply with the Code. We monitor Code compliance through our contract management practices. Our suppliers can raise concerns about any actual or suspected breach of the Code with their MMG representative or through the independent MMG Whistleblower Hotline (including anonymously if they choose).



Read the MMG  
**Supplier Code of Conduct**

# Trust and geo-political risk

Ethical Business  
Conduct



We are committed to regulatory, environmental, tax and revenue compliance across all operating jurisdictions, in line with our organisational values and standards. Together with our regional teams and local stakeholders we are managing and foreshadowing any sovereign and geopolitical risks and adapting our business, as necessary, to changing conditions.

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**\$307.1 million**

Total tax contribution (US\$)

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**\$147.6 million**

Royalties paid (US\$)

## CASE STUDY

### Creating positive legacies from sustainable assets

Our multi-billion dollar regional expenditure, outlined in our [tax summary](#) includes contributions to public investment, development programs, and tax and royalty payments. Beyond these headline figures, **MMG's pledged infrastructure assets will benefit the generations that follow. Notable projects helping to build respect and trust include improved access to schools, bridges, healthcare centres and agricultural food security ventures designed to promote community and individual self-sufficiency.** MMG works closely with our local communities to understand and develop the programs and infrastructure required in that area. Skilled workforces and successful small businesses are other beneficiaries of MMG-funded social enterprise schemes.

Additionally, through our in-country purchasing of goods and services we are also bringing local businesses a platform to strengthen their own regional supply networks, fostering greater independence outside of our mutually beneficial contracts.

At the geo-political risk level, we are committed to limiting human induced global warming by hastening our renewable energy business strategies that align with industry peak body targets and ambitions.



# Privacy and cyber security

Ethical Business  
Conduct



As we move into an increasingly digital and interconnected future, privacy and cyber security measures are fundamental to a stable and continuous operation with protections for our people. We diligently manage these business-wide risks by protecting our online technology and systems infrastructure from potential threats through continuing training and control measures.

## CASE STUDY

### Global online security training

Securing our data, devices, networks and workplaces from cyber risks brings several protections. We prevent costly interruptions and, by doing so, safeguard growth, productivity, our business systems and individuals' vulnerability. **Employee vigilance is a key defence measure with an 11,000-strong workforce. Company-wide mandatory security awareness training continued in 2023, alerting our people to recognise common cyber threats at work and in their personal lives.** Teams are educated on security essentials and the dangers of ransomware, phishing (being tricked by cyber criminals) and how to report phishing incidents.

No cyber security incidents occurred in 2023.



# The minerals we mine

We are proud that the minerals we mine directly contribute to meeting the global population’s increasing need for new, sustainable technologies and infrastructure.

This includes demand for clean energy technologies including electric vehicles, solar power and batteries. A future where net zero is achieved can only be done with key commodities, and ensuring this is possible and a part of our vision.

Our global portfolio supports copper, zinc and cobalt production – products that are critical to

achieving global decarbonisation and electrification targets. **At the same time, we extract commodities critical for a low carbon future guided by robust sustainability practices.** Coupled with this, the need to take meaningful action on climate change is becoming more urgent for every government, organisation and individual with extreme weather

events and significant water and food security challenges. Through our production of minerals essential for a more sustainable world, we expect ongoing demand for copper, zinc and cobalt particularly as the global shift towards renewable energy sources intensifies.

Our Products and Sustainable Value Chains



## CASE STUDY

### Our Critical Minerals plan

With global societies decarbonising their operations in pursuit of net-zero ambitions, there is still the requirement to extract and produce large scale minerals necessary for this transition. At MMG we mine several critical minerals, including copper, molybdenum and cobalt, with our portfolio perfectly positioning us to contribute to a more sustainable future. In 2024, MMG will progress our Critical Minerals Strategy. The work will be combined into one clear plan.



MMG portfolio	New electric vehicles		Solar/wind power		Power devices and energy storage		Grid enhancement		AET 1.5-degree scenario growth	
Cu Copper	6.4Mt	>300%	0.8Mt	~80%	~	~	6.9Mt	85%	>2x	
Zn Zinc	~	~	0.9Mt	~180%	0.1Mt	>1000%	~	~	~2x	
Co Cobalt	49kt	>80%	~	~	72kt	~120%	~	~	~1.5x	

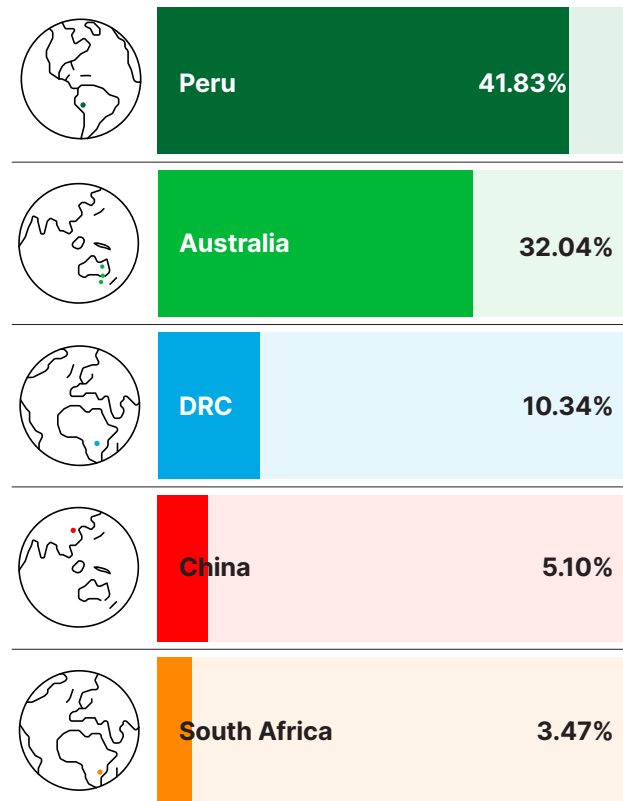
# Value chain sustainability

We are mindful of our circular economy role during the mining, processing and ultimate consumption of our tenement resources.

This includes a keen awareness of the socioeconomic impacts of artisanal and small-scale mining that take place near some of our operations and our endeavours to minimise risks to those exposed to these practices. **Risk minimisation includes embedding innovative processes into our business to reduce any impacts and respecting human rights across our operations and supply chain through onboarding processes and feedback mechanisms.** Our value chain extends from initial exploratory work to identifying and extracting prospective mineral deposits from ore, through to responsibly closing sites by monitoring environmental and social impacts and land restoration for future use. Raw materials are despatched by road, rail and sea from our mines in-country to export ports and are marketed to customers as saleable products.

In 2023, MMG had 6,422 active suppliers and a total spend of US\$2,790 million. The graph to the right shows percentage of suppliers across our top five sourcing countries.

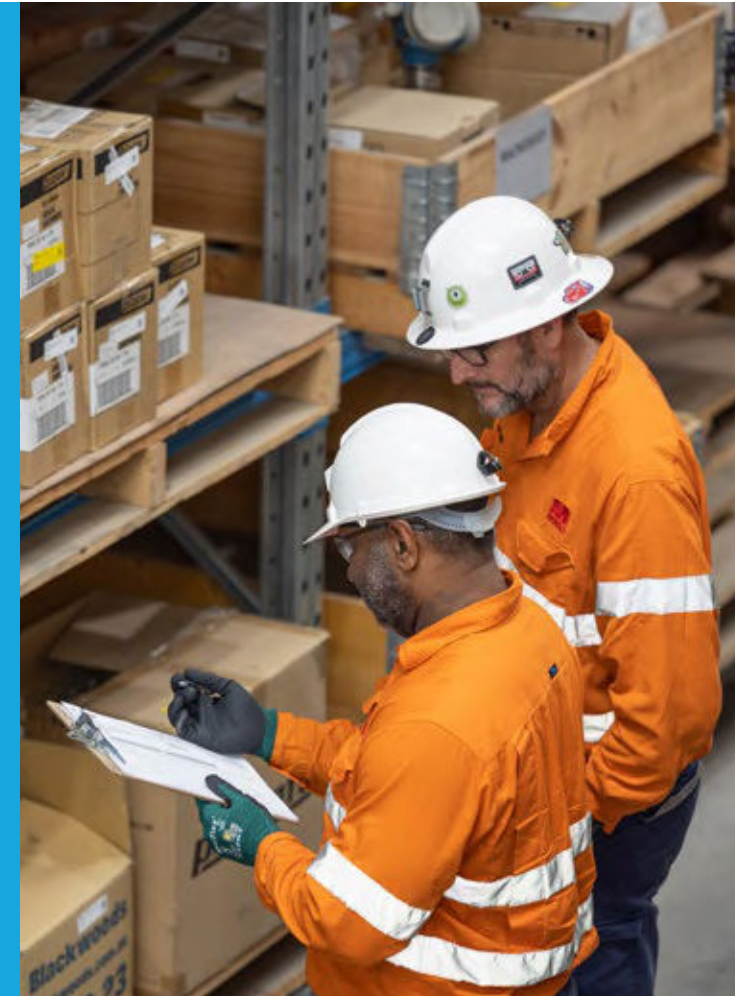
Percentage of suppliers by country for 2023



## CASE STUDY

### Improving our suppliers' practices to mitigate modern slavery risks

Our Australian supply chain team trialled a new questionnaire designed to identify and prevent modern slavery risks. In support of this goal, our human rights specialist developed a guide detailing potential risk indicators, good practice guidance notes and how any potential risks would be addressed. Notably, our supply chain team is collaborating with our suppliers to improve their approach. For example, in a case where a supplier disclosed that they did not have a grievance mechanism for their workers to raise concerns, we assisted the supplier to better understand our expectations for an effective grievance mechanism to be implemented, and agreed on a timeline and review process for their proposed approach.



Our Products and Sustainable Value Chains



# Supply chain resilience

By engaging with both our upstream and downstream global partners to promote supply chain resilience, we are capturing a better understanding of how to minimise potential impacts through training and awareness initiatives.

Our operations support local economies and businesses by prioritising, when possible, the regional purchase of products, services and training designed to bring long-term economic viability to the countries where we base our operations. **In 2023, MMG spent US\$2.8 billion on goods and services excluding taxes and royalties. Our sites committed over US\$2.2 billion with in-country suppliers. Of this, US\$279.5 million was spent with suppliers in the same province or state of our operations and**

**US\$481.8 million with suppliers in the immediate near-mine area. MMG sources goods and services through a global supply chain. In 2023, we managed 6,422 active suppliers of which 14.49 per cent were local providers.** MMG also established business relationships with 510 new suppliers.

We guard against supply chain risks by setting clear supplier expectations that extend across their subsidiaries and apply to subcontractors. These work partners must align with our Supplier Code

of Conduct, respect human rights and protections so that they do not engage in, or tolerate, the use of forced, bonded or compulsory labour including trafficking, child labour and slavery. Modern slavery risk assessments of our tier one suppliers are undertaken to identify suppliers, categories, and countries that are potentially at a higher risk of these practices. Our supply chain teams participated in online awareness raising sessions and contributed to the modern slavery risk assessment.

Our Products and Sustainable Value Chains



## CASE STUDY

### Strengthening local supply opportunities

Las Bambas has strengthened value chain capability through the Entrepreneurship Network, Kuska Wuñasun. This local company directory equips strategic partners and subcontractors to tender for Las Bambas work opportunities. A mutually beneficial regional commerce model embraces key business, safety, finance and internship drivers, promoting circular business growth.



We are committed to identifying, preventing and addressing our potential involvement in modern slavery in our supply chains. The key steps we are taking include:

**1** Setting clear expectations for our suppliers



**2** Regular risk assessments with a focus on due diligence activities



**3** Training to raise awareness on the risks of modern slavery



## Supply chain resilience (continued)

### 2023 Procurement spend by zone (US\$ 000,000)

Site name	Near-mine (Zone 1)	% (Zone 1)	Provincial/State level (Zone 2)	% (Zone 2)	National level (Zone 3)	% (Zone 3)	International (Zone 4)	International (Zone 4)	Total spend
Corporate	15.39	24.3%	3.80	6.0%	36.72	57.9%	7.50	11.8%	<b>63.41</b>
Dugald River	12.51	4.2%	141.01	47.4%	141.97	47.7%	2.30	0.8%	<b>297.79</b>
Kinsevere	336.77	59.7%	56.68	10.0%	21.20	3.8%	149.50	26.5%	<b>564.15</b>
Las Bambas	101.55	5.9%	31.72	1.6%	1,332.21	77.6%	251.76	14.7%	<b>1,717.24</b>
Rosebery	15.78	10.7%	46.29	31.4%	84.74	57.4%	0.79	0.5%	<b>147.58</b>
<b>Total</b>	<b>481.80</b>	<b>17.3%</b>	<b>279.50</b>	<b>10.0%</b>	<b>1,616.84</b>	<b>58.0%</b>	<b>411.85</b>	<b>14.8%</b>	<b>2,790.16</b>





