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WE MINE FOR PROGRESS

We mine to build wealth through the development of our people, partnering with local communities to drive economic growth and the value we deliver to our shareholders.

Our vision is to create a leading international mining company for a low carbon future.

We work in complex jurisdictions and across numerous cultures and communities, who have vastly differing experiences with resource development.

A long-term outlook, our pride in mining, our commitment to international standards and our respect for people, land and culture underpin our success.
INTRODUCTION

MMG Limited (“MMG,” “the Company”) was accepted as a full member of the Voluntary Principles Initiative (VPI) in May 2022. This report is the third VPI report, the first as a full member, covering the period from 1 January to 31 December 2022.

Three years into the COVID-19 pandemic, MMG continues to work collaboratively with local communities and authorities to protect our people and host communities from the highly contagious virus. Safety guides strategies developed by MMG’s Crisis Management and operational Emergency Management teams.

MMG continued to approach its broader public response through a human rights lens. We recognise that public health emergencies such as COVID-19, have far-reaching and long-lasting implications for communities, their livelihoods and wellbeing. MMG took into consideration the most appropriate support required by its host communities and regions and continued to predominately focus on supporting health and hygiene initiatives, support for local and regional government and food security programs. The challenges of the pandemic continued to impact the execution of our VPI action plan during the first half of the year, with more in-person training resuming in the second half of 2022.
Commitment to the Voluntary Principles
1. PUBLIC COMMITMENT AND ENDORSEMENT

Commitment and endorsement

Implementing the Voluntary Principles on Security and Human Rights (VPSHR) is important to MMG throughout its global portfolio, with a particular focus on identifying and managing risks in the Democratic Republic of the Congo (DRC) and Peru. MMG is committed to increasing awareness of the intent of the Voluntary Principles Initiative (VPI), as well as recognition and respect for human rights across all our people and asset protection activities. We operate in accordance with the VPSHR, as well as the rules of engagement, and the United Nations Basic Principles on the Use of Force and Firearms by Law Enforcement Officials.

MMG has issued a public statement on its corporate website stating its affiliation and engaged membership with the VPI and has also endorsed the VPI through the MMG Human Rights Policy (both available here).

In 2022, we highlighted our involvement in the VPI as an engaged member at our annual results presentation and as a full member at our inaugural sustainability briefing, as well as on our corporate and sustainability website we mine for progress.com. We also include information about our VPSHR alignment and work in both the Sustainability Report and the Modern Slavery Statement.

VPI awareness and promotion as well as potential human rights risk analysis across the business continue to be reviewed as part of MMG’s Code of Conduct and People Committee’s charter.

We have standardised our site security management plans (SMPs), and these plans align with the VPSHR in relation to the deployment and conduct of public and private security. We also ensure that public security forces supporting our sites are adequately trained in the use and application of the VPSHR.

MMG regularly engages in Pillar meetings, in-country meetings and dialogue with other members to support the implementation of the VPSHR and has committed to providing timely responses to requests for information related to the implementation of the VPSHR as required. Our participation in 2022 included verification presentations, Pillar meetings, participation in the strategic review of the VPI as well as online participation in some of the VPI Plenary meetings.

Transparency

MMG supports transparency while respecting commercial in-confidence matters. MMG’s corporate philosophy is underpinned by the International Council on Mining and Metals’ (ICMM) Mining Principles, of which we are a member, and the Extractive Industries Transparency Initiative (EITI). Being listed on the Hong Kong Stock Exchange, MMG is required (under the Hong Kong Listing Rules) to produce a report on the Company’s environmental, social and governance (ESG), and business performance. Our ESG report is published annually in MMG's Annual Report. Our annual Sustainability Report is prepared with reference to the Global Reporting Initiatives’ (GRI) 2021 Sustainability Reporting Guidelines. This report is externally assured as guided by the ICMM’s ‘Sustainable Development Framework: Assurance Procedure’ and details MMG’s approach to sustainability across our business and at each operation.

The approach to security and human rights is publicised by MMG in several ways:

- MMG reports on any serious circumstances, where market notification is necessary through public statements and tailored management plans.
- MMG reports on its approach to the management of security and human rights internally and through the company-wide grievance mechanisms in MMG’s sustainability reports. The MMG Sustainability Report provides an annual summary on our approach and performance across our material sustainability issues. Elements of our sustainability reports are externally assured in line with our commitments as a member of the ICMM. View MMG Sustainability Reports here.
3. EFFORTS TO PROMOTE AND ADVANCE IMPLEMENTATION OF THE VPSHR

In 2022, MMG representatives worked with civil society organisations and partners to promote the VPSHR, including our security contractors, national security forces and other organisations.

We work with local partners, including local government and communities, to raise awareness about the VPSHR, and continue to engage externally with peer companies, shareholders and other stakeholders about our membership to the VPI and our implementation experience.

2. EFFORTS TO PROMOTE AWARENESS OF THE VPSHR

We work with private and public security forces at our Kinsevere (DRC) and Las Bambas (Peru) sites. This work involves ongoing training and mentoring on security and human rights.

In 2022, the MMG Peru and DRC human rights working groups continued to work on the implementation and assessment of their site-specific VPI Action Plans. The Australian Operations human rights working group will complete their assessment and develop their own region-specific action plan in 2023.

Modern Slavery online training was completed by MMG's supply teams in 2022. The sessions were designed to increase their awareness on modern slavery risks in the supply chain and to contribute to the supply chain modern slavery risk assessment. We also included some broader human rights considerations as part of this training.

We also engage regularly with host governments as well as authorities at all levels about the VPI, including participating in workshops, training exercises, national dialogue spaces and advocacy.
Policies, procedures and related activities
4. RELEVANT POLICIES AND PROCEDURES

MMG's standards on human rights and security are based on a strong commitment to respecting the rights of individuals as described in the UN Universal Declaration of Human Rights, the UN Global Compact principles, the International Finance Corporation's Performance Standards and the core conventions of the International Labour Organization.

Our commitment and approach to human rights is 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, SMPs, engagement, social investment and formal grievance mechanisms. Our approach to managing human rights risk is embedded into our broader risk management framework. All our documents are available in the official languages of the jurisdictions in which we operate – English, Chinese, French and Spanish.

MMG also has robust assurance processes to ensure all mandated requirements within MMG's standards are being met. This 'three lines of defence' approach ensures specific actions are developed and executed to provide line management with first line assurance on the processes executed by the functional department. Processes are then implemented to provide line and functional management with second line assurance on actions executed by assets. Head Office Functional Discipline Leads are responsible for second line, providing assurance to the accountable executive committee member/s and relevant site General Managers. A Board-reviewed and mandated internal audit process provides third line defence.

VPSHR requirements are included in the Safety, Security, Health, Environment (SSHE) Performance Standard and the SSHE team at Head Office performs second line assurance to support and review the implementation of the VPSHR and provide feedback to executive committee members.

MMG respects the sovereign laws of the countries in which it operates, and in doing so its commitment to security and human rights remains its priority. MMG does this by mandating the SSHE Performance Standard across the business. The standard requires MMG sites to develop, implement and maintain site-specific SMPs based on the identification and analysis of site-related security threats and respective critical control, and it must also comply with the VPSHR.

MMG sites need to develop, implement and maintain site-specific procedures for MMG-controlled firearms management that complies with the International Association of Oil & Gas Producers, specifically firearms and the use of force (Report 320).

As a member of the ICMM, MMG also adheres to ICMM Mining Principles in its operations and standards.
In 2023, MMG will be undertaking a company-wide human rights risk assessment to determine the most salient human rights and security risks and will work with each of our operations to undertake their own assessments.

6. COMPANY PROCEDURES TO REPORT SECURITY-RELATED INCIDENTS

MMG captures and records significant incidents through our centrally managed electronic Incident and Event Management system (IEM), which oversees corrective actions for incidents, near-misses, high-risk hazards, legal non-compliances, inspections and audits. This includes any security-related incidents with human rights implications by public or private security forces. We track, monitor and manage these the same as any other significant incident that takes place at our operations, with investigations led as required by the corporate office to ensure impartiality and timely resolution of incidents.

Where a significant incident has taken place, our site teams are required to report this to the relevant authorities within the host country to decide how best to respond to the incident, as well as ensure the corresponding action is taken to manage and prevent a similar incident from occurring again. Regular dialogue with government representatives, members of the public security force and briefings would be required, as outlined in our site-specific SMPs.

We support efforts for strengthening the protections for human rights within the public institutions in our host countries through ongoing advocacy and regular engagement channels.
7. COMPANY PROCEDURE TO CONSIDER VPSHR IN SECURITY RELATIONS

MMG's SSHE Performance Standard requires private security companies to be a signatory to, or commit in writing that they comply with, the International Code of Conduct (ICoC) for private security providers and the VPI. Public security agencies that support MMG's operations are advised of MMG's commitment to the VPI and its expectation of their adherence to the principles, confirming this, where possible, in a memorandum of understanding (MoU). VPSHR requirements have been included in a scope of works, and providers are requested to produce a certificate/proof of being a member of International Code of Conduct for private security services providers.

MMG periodically reviews and amends MOUs with security forces. These MoUs articulate MMG's expectation of private and public security provider's code of conduct, their use of firearms, and the use of force responses appropriate to any given threat.

MMG's approach to training continues to focus on building a solid foundation and awareness about the VPI across the company.

In 2022, MMG trained 446 public security personnel across the business, with 343 located in Peru and 103 in the DRC. We also trained a total of 535 private security contractors throughout the year. This does not include the extra police and private security personnel that were trained at Las Bambas prior to short-term security postings, which is mandatory before any security officer undertakes an operation near our site. Both operations provided mandatory refresher training for all private security personnel on site during the year.

8. COMPANY PROCEDURE TO INVESTIGATE SECURITY-RELATED INCIDENTS BY SECURITY FORCES

MMG's grievance mechanisms are governed by MMG-wide procedures, which include managing alleged security and human rights abuses. Each site is required to follow these procedures while also taking into account individual cultural and legal contexts.

Proactive communication, community engagement, training and grievance resolution are pivotal elements within MMG's human rights framework. MMG's Stakeholder Grievance Management Work Quality Requirement (WQR) helps to identify impacts, address them at an early stage and provide remedy where applicable.

MMG Security Training Snapshot (1 Jan 2022 to 31 Dec 2022)

<table>
<thead>
<tr>
<th>Country</th>
<th>Training topics</th>
<th># Participants who received training</th>
</tr>
</thead>
<tbody>
<tr>
<td>DRC</td>
<td>• VPSHR</td>
<td>• 103 police force members (public security)</td>
</tr>
<tr>
<td></td>
<td>• Rules of engagement</td>
<td>• 298 WS Insight employees (private security contractors)</td>
</tr>
<tr>
<td></td>
<td>• Detainee transfer procedure</td>
<td>• 33 MMG Security employees</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 434 people in total</td>
</tr>
<tr>
<td>Peru</td>
<td>• VPSHR</td>
<td>• 343 police force members (public security)</td>
</tr>
<tr>
<td></td>
<td>• Rules of engagement</td>
<td>• 237 private security employees</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 19 MMG Security employees</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 599 people in total</td>
</tr>
</tbody>
</table>
Each of our operations has a site-specific grievance mechanism in place, aligned with the common MMG Stakeholder Grievance Management WQR, aimed at facilitating a timely, culturally appropriate investigation and response to grievances raised by community members. Reporting can occur through a company registry, an independent whistle blower service, Human Resources or MMG people.

MMG’s site-specific external facing Stakeholder Feedback Portals provide a transparent way to record, report and monitor the handling of any security-related incidents with human rights implications by public/private security forces operating on any MMG sites. This has been integrated into our broader site-specific grievance mechanisms and ensures any and all complaints received by stakeholders are addressed through a structured process, aligned with international best practice. These can be raised anonymously and has been designed to protect stakeholders from fear of reprisal or repercussions.

MMG’s Whistleblower Framework outlines the process for reporting any improper conduct (including human rights breaches or other breaches of the MMG Code of Conduct), the protections afforded to people who report improper conduct, how such reports will be dealt with and the type of action that may be taken as a result. The framework applies to all current and former officers, employees, associates, suppliers and others. Concerns can be raised internally within MMG or externally via the independent and confidential Whistleblower Service. MMG also has dedicated contact officers with whom employees can contact to raise a concern. External parties, such as suppliers, are given access to MMG’s confidential Whistleblower Service, via the Code of Conduct and Supplier Code of Conduct, to raise any concerns they may have in relation to improper conduct. The Whistleblower Framework is available here.
CASE STUDY

Implementing learnings in security management at Las Bambas

In April 2022, our Las Bambas operation was invaded by individuals from a number of communities to protest alleged failures of the company to deliver social commitments. On 28 April, Las Bambas security forces, supported by the National Police of Peru (PNP), executed an Extrajudicial Possession Defence seeking the departure of these individuals from the site. All actions were conducted in line with the VPSHR, with security forces from the PNP, private security forces and the Las Bambas security team completing refreshed training prior to the event.

In light of this, Las Bambas was forced to shut its operations for a few weeks and engagement with the community to resolve pending issues continued until the end of 2022. This incident also gave the security team a chance to review processes and strengthen on-site systems, to prevent a similar situation from occurring again.

In mid-December 2022, the security team became aware of a plan from individuals in a nearby community to take occupation of part of MMG’s tenement to conduct illegal mining activities. Through a thorough risk analysis undertaken by the Las Bambas Human Rights Working Group, including site Legal, Security, Social Performance and SSHE teams, the site was able to prevent the invasion from taking place. This was achieved through a preventative strategy that focused on the physical presence of Las Bambas employees and private security forces to deter potential incursions, as well as a concerted strategy to engage with the community to resolve the concerns of individuals, as well as raise awareness of the illegality of the planned actions.

Las Bambas has used the learnings from this incident to further strengthen their security and human rights protections on site.
Country implementation
• An operational Kinsevere human rights working group overseeing governance mechanisms and any potential human rights grievances.
• Ensuring compliance with the SSHE and Social Performance standards and following the updated site-specific Stakeholder Grievance Management procedure.
• Ensuring effectiveness of Security Management Plan.
• Onsite training on the stakeholder grievance management procedure, including special considerations for human rights-related grievances.

Peru
• In 2022, political and social uncertainty continued to impact Peru, with significant social unrest impacting businesses and the broader society.
• Ongoing political instability and corruption scandals added to a slow economic recovery may increase the probability of institutional crisis.
• The existing political challenges are expected to continue in 2023 with the mining sector likely to be pressured by the Executive Branch and social demands.
• Unrest near our Las Bambas operation resulted in a number of road blocks and social incidents, including the invasion of our property in April and May of 2022 by a number of local communities. The communities were removed from the property through the exercise of the Peruvian government's possessive defence laws, with all actions taken in full accordance with the VPSHR.
• During 2022, Las Bambas continued work on increasing understanding and disseminating the VPSHR to all staff involved in security functions, as well as to public and private security forces. In 2022, Las Bambas developed its commitment to the VPSHR by:
  • Continuing to work against the VPI action plan developed in 2021.
  • Participation in forums organised by the Peruvian government to discuss the National Plan for Companies and Human Rights.

9. OVERVIEW OF COUNTRY OPERATIONS SELECTED FOR REPORTING

DRC
• The DRC is still recovering from a series of conflicts in the 1990s. It remains a fragile country with tremendous economic and social development needs, including governance.
• The security situation in eastern DRC remains unstable. Armed groups are present and intercommunal violence can affect the political, security and humanitarian situation. There are continued reports of several towns in eastern DRC being attacked by, or falling under temporary control of, armed groups. There are reports of attacks and kidnappings, including against staff from NGOs and international organisations.
• There were no recordable complaints/grievances in 2022, related to security or human rights at Kinsevere in the reporting year.
• The adoption of the VPSHR is ongoing in the DRC. In 2022, the DRC team continued to focus on the following:
  • Presentation and training to the heads of all departments within the operation about the VPI and MMG's commitment to the VPSHR.
  • Actioning and completion of Annual VPI Action Plan
  • Retraining and refreshing VPSHR knowledge among MMG onsite teams, as well as public and private security forces.
  • Participation and active lobbying about the importance of the VPI as part of a tripartite working group (civil society, the state and private extractive companies) for the Haut-Katanga province VPSHR working group. The monthly meetings and advocacy of this group has led to the DRC to request admission to the VPI.
  • A presentation of MMG's inclusive security good practice to the Chamber of Mines in Lubumbashi
  • Participation in a workshop organised by the National Ministry of Human Rights and IDAK in Kolwezi.
  • Participation in a four-day seminar on VPSHR implementation and its importance with other extractive companies, civil society and government representatives in November.
COUNTRY IMPLEMENTATION CONTINUED

- Updating all operational documents and governance mechanisms (for internal and external stakeholders) to include human rights content including the risk management procedure, grievance and complaints procedure, security management plan, environmental plan (water & biodiversity), whistleblower procedure, stakeholder management plan, supply procedures, internal labour regulation and other human resources documents.
- Activating the regional human rights working group, nominating a key stakeholder to be responsible for its progress and for reporting to head office, with appropriate high-level management sponsorship.
- Ensuring compliance with the SSHE and Social Performance standards and updating its site-specific Stakeholder Grievance Management procedure.

Australia

Our Australian Operations Human Rights Working Group continues to work on the initial steps required to undertake their VPShR gap analysis, risk assessment and action plans, which will be completed during the course of 2023.

10. ENGAGEMENT WITH STAKEHOLDERS ON COUNTRY IMPLEMENTATION

This year the focus continued to be on training the PNP officers in Peru and training the mine police officers in the DRC. Both countries also significantly increased their participation in workshops, seminars and dialogue with civil society and government on the importance of the VPI.

11. VPI CONSIDERATIONS IN THE SELECTION OF PRIVATE SECURITY PROVIDERS

MMG’s supplier engagement and contract award processes include a comprehensive assessment across a range of criteria including commercial, social, safety, environment, quality and technical capabilities. As part of the supplier selection processes, we also assess a range of non-financial criteria around supporting sustainable development in the regions where we work, including local community training and commitment to local employment. As part of our supplier engagement process,

CASE STUDY

Engagement with stakeholders about VPShR in the DRC

In Kinsevere, our team has been working hard to increase awareness about the VPShR and our security management plans, both internally and externally.

The team has held numerous awareness sessions on site with managers and teams, ensuring that all senior management understand the importance of the VPI, and the role security teams play in protecting human rights. This work will increase in 2023, with plans to hold site-wide workshops as well as a broader communication and awareness campaign across the operation and continuing to promote the Whistleblower Service and Stakeholder Grievance mechanism to ensure any concerns are raised in a timely manner.

Externally, the Kinsevere team has undertaken considerable engagement with local, regional and national stakeholders to promote the work the site has done and to advocate for greater alignment across the DRC. This has included assistance in a Haut-Katanga provincial working group, that meets monthly, as well as numerous seminars and workshops with other extractive companies, civil society and government representatives.

The work of these groups has contributed to the DRC government officially registering their desire to become part of the VPI, and the team will continue to advocate and support this initiative.
we seek formal agreement from suppliers to comply with our Code of Conduct and Anti-Corruption Standard, as well as with all relevant Company standards, policies and procedures. This includes the Supply, Fatal Risk, Social Performance and SSHE Performance Standards.

Selection of private security providers is done by MMG sourcing and contracting teams at each site. The process is conducted through a tender process. The criteria and requirements are communicated in the scope of work and MMG expectations are clearly articulated. The documentation, due diligence and assessment of information is done in partnership with the sourcing and contracting teams and the security teams. Security teams specifically focus on assessment of security, safety and human rights practices. Once the bidders are shortlisted, then security teams undertake site visits to assess each short-listed bidder. Those bidders who are successful are awarded a contract.

12. EXAMPLES OF SUPPORTING OUTREACH, EDUCATION AND/OR TRAINING

Las Bambas is an active participant in National Society for Mining, Oil and Energy’s Human Rights team and through this group it supports training and education initiatives. They also participated in a number of workshops and seminars about the VPI and VPShR.

Our Kinsevere team played an active role in the Haut-Katanga tripartite VPShR working group, which includes representatives from civil society, the state and private extractive companies. The monthly meetings and advocacy of this group has led to the DRC to request admission to the VPI.

13. COMPANY PROCEDURE TO REVIEW PROGRESS ON IMPLEMENTING VPShR AT LOCAL FACILITIES

Human rights working groups at each site continued to regularly meet and progress their work in 2022.

The working groups support and guide the site as it implements the VPShR. These working groups consist of representatives from Security, Social Performance, Legal, Human Resources, Supply Chain, Corporate Affairs and SSHE functions, who come together to review and address site-specific issues and advance the VPI Action Plan.

Site-specific policies, procedures and processes are reviewed in conjunction with the gap analysis and risk assessments to develop further actions for improvement.

The working groups meet with MMG head office representatives at least once a quarter to update on progress and gain any additional support as required.
Lessons and issues
2022 was a challenging year for Las Bambas, with a number of community protests, road blocks and site invasions impacting the operation. Social unrest and increasing demands for compensation and employment, as well as ongoing issues around local, regional and national political instability, have caused Las Bambas to review its VPI action plan to implement some new controls. In 2023 the site will be undertaking a comprehensive human rights review of its systems and processes, to ensure they can accurately address the current and emerging issues at a local level.

Issues relating to ongoing social unrest and artisanal mining activity around the Kinsevere operation continue to cause problems for the operation, with incidents recorded of community members or miners encroaching the Kinsevere tenement. All situations were managed in accordance with the VPSHR. The site social development and security teams are working closely together to continue strengthening community engagement ties and look for alternative forms of employment and opportunities, to reduce the risk of encroachment moving forward.

The work undertaken in 2021 to complete gap analyses and develop actions plans continues, with the human rights working groups working hard to ensure compliance with these plans, in coordination with the relevant Head Office functions.