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ABOUT THIS REPORT

This *Sustainability Report* is a summary of Mineral Resources Limited’s material sustainability topics and performance for the financial year ended 30 June 2021. 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 ‘year’ are to the financial year ended 30 June 2021 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. Figures in tables and in the text presented in this report may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

Any questions about this report can be sent to esg.reporting@mrl.com.au

Photography by Russell James.
Creative direction by Ali Franco.

IMPORTANT NOTICE

This document has been prepared by Mineral Resources Limited (“MRL” or “the Company”). This document has been prepared in accordance with the Global Reporting Initiative. MRL engaged an independent external Ernst and Young, to provide limited assurance over six of our sustainability performance indicators (refer to page 115 of this report for a copy of the Independent Limited Assurance Statement).

This document contains forward-looking statements, including, but not limited to expectations regarding:

- Climate change and climate related risks and opportunities
- Future execution of MRL’s Net Zero Emissions Roadmap
- Achievements of net zero emissions in accordance with the projections from 2023-2050
- Development and implementation of technologies or emission reduction projects
- Trends in commodity prices and their supply and demand
- Regulatory and policy developments

When used herein, the words “anticipate”, “believe”, “could”, “estimate”, “expect”, “going forward”, “intend”, “may”, “plan”, “project”, “seek”, “should”, “will”, “would” and similar expressions, as they relate to the Company, are intended to identify forward looking statements.

The forward-looking statements are based upon certain assumptions and information available to the Company as at the date of this document. These assumptions may prove to be incorrect.

Mineral Resources Limited acknowledges the Traditional Custodians and their Ancestors of the lands across Australia where we conduct our business.

MRL recognises and acknowledges the Traditional Custodians’ connection to Country and pays our respects to their Elders and Leaders past, present and emerging.

There are also limitations with respect to scenario analysis and it is difficult for the Company to predict which scenarios (if any) may eventuate.

Forward looking statements are not a guarantee of future performance as they involve risks, uncertainties and other factors, many of which are beyond the Company’s control and may cause results to be different from statements in this document. The Company cautions against undue reliance on any forward-looking statements.

This document does not purport to be all inclusive or to contain all information which its recipients may require to make an informed assessment of the Company’s sustainability performance.

To the fullest extent permitted by law, MRL and its affiliates and their respective officers, directors, employees and agents, accept no responsibility for any information provided in this document, including any forward-looking statements, and disclaim any liability whatsoever (including for negligence) for any loss howsoever arising from any use of this document or reliance on anything contained in or omitted from it or otherwise arising in connection with this. In addition, MRL accepts no responsibility to update any person regarding any inaccuracy, omission or change in information or the Company’s expectations in this document or any other information made available to a person, nor any obligation to furnish the person with any further information.

This document should not be relied upon as a recommendation by, or advice from, MRL to deal in its securities. This document should be read in conjunction with MRL’s other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX).

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.

MINERAL RESOURCES
WE’RE DIFFERENT

VISION

To be recognised as a great Australian company and a leading provider of innovative and sustainable mining services and mining operations.

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.

OUR VALUES

AGILE

- You won’t hear “I don’t know” or “I can’t” very often at MRL
We employ the best in the business to keep us moving forward
- We act fast and seize opportunities
- We think differently

FAMILY

- We show up for each other and have each other’s backs
- We care for each other and the world around us
- We celebrate our differences because they make us stronger
- Above all else, we are family

ACHIEVE

- Every person in our business contributes to our success
- We do challenging work and we achieve incredible things
- We have the courage to take on the impossible and the passion to make it happen

ON BEHALF OF THE BOARD, IT IS MY PRIVILEGE TO PRESENT THE **SUSTAINABILITY** REPORT FOR THE 2021 FINANCIAL YEAR.



We are proud to have made meaningful advances in our sustainability strategy this year, which has underpinned our strong operating and financial performance. As a business, Mineral Resources is committed to best-practice Environmental, Social and Governance performances because we know these areas are essential for a sustainable future and are at the core of growing shareholder value. This includes our never-ending push for innovative solutions to make our operations more sustainable, environmentally considered and energy efficient, and to enhance the Company's status as a leading employer and partner, with ambition for the highest levels of transparency and governance.

We further strengthened our commitments during the past year by joining the United Nations Global Compact. We look forward to sharing with you over the coming years how we integrate the Ten Principles covering the areas of human rights, labour, environment and anti-corruption into our business strategy, the MRL culture and the Company's daily operations. We are dedicated to expanding on our performance metrics to enhance disclosure under the guidance of the Ten Principles, the United Nations' Sustainability Development Goals and leading frameworks such as the Global Reporting Initiative and the Sustainability Accounting Standards Board.

Our skilled and committed team go hand-in-hand with a sustainable future. We continue to invest heavily in the next generation of MRL employees, whether they be apprentices, graduates or trainees. It has again been rewarding to see so many second-generation MRL employees join our Company as it speaks volumes about the positive, family-based culture at MRL.

We continued to promote our culture of ethical behaviour and have reviewed and strengthened our *Code of Conduct* to reaffirm and drive a culture of respect and inclusion at all levels of the MRL business. We are united in the view that sexual harassment, sexual assault and bullying are completely unacceptable and have no place in any setting, including the workplace.

We put wellbeing and safety at the forefront of all we do and know mental health is just as important as physical health. Our business is supported by an in-house psychologist and we have prioritised mental health initiatives across all of our activities, in Perth and on our remote sites.

We have invested in safety through improved hazard identification, controls and training, resulting in a reduction of our Total Recordable Injury Frequency Rate for FY21 to 2.31. This is an encouraging result given our workforce increased in size by 39 per cent over the year. Unfortunately, we experienced our first Lost Time Injury in two years when one of our employees sustained a serious finger injury. Notwithstanding a high-quality medical response and successful treatment, this incident reinforced our need and commitment to remain vigilant so that we can maintain safe operations and ensure the safety of our workforce.

We continue to work on gender equity and workforce diversity. In the past year we increased female representation in our workforce to 17 per cent, exceeding our gender diversity target. We welcomed Susie Corlett as a Non-Executive Director in January, achieving gender parity among the

Board's four Independent Non-Executive Directors. We have also taken strides to improving the percentage of Indigenous employees in our workforce and will be accelerating those efforts in FY22. Our progress to improve workforce diversity across all levels of the Company has been pleasing although we know that we have more work to do.

Making sure we have positive relationships with the Traditional Owners on whose lands we operate is critical to our operations. We have strengthened our commitments in this very important area with the development of our first Board-approved Reconciliation Action Plan (RAP), which has been submitted to Reconciliation Australia. Our steps over the past year have focused on establishing and maintaining meaningful, mutually beneficial and sustainable long-term relationships and implementing agreements based upon mutual trust, respect and success.

MRL prepared its inaugural Modern Slavery Statement in 2021, which communicates our commitment to identifying and preventing modern slavery across our supply chains. This past year, 93 per cent of our supply base was in Australia as a result of our focus to prioritise procurement in the communities in which we operate. This not only benefits our Company and the resilience of our supply chain but contributes to the further development of the communities in which we operate.

The Board has spent considerable time overseeing the Company's sustainability strategy, especially our response to climate change. Our business recognises the need for meaningful action to address climate change and the role MRL can play. During the year, we announced the goal to achieve net zero emissions by 2050. To help MRL achieve this, we have developed a *Roadmap to Net Zero Emissions* that is informed by comprehensive modelling, and which incorporates decarbonisation into our planning and decision making. This Sustainability Report describes how MRL is positioned for the low-carbon

transition while improving our business' cost effectiveness and guaranteeing high levels of reliability for our customers.

MRL is committed to managing its environmental footprint by enhancing water stewardship and resource efficiency. This report also outlines in detail our biodiversity management, water stewardship and enhanced framework for mine closures. These are important topics and a core element of the Company's sustainability approach.

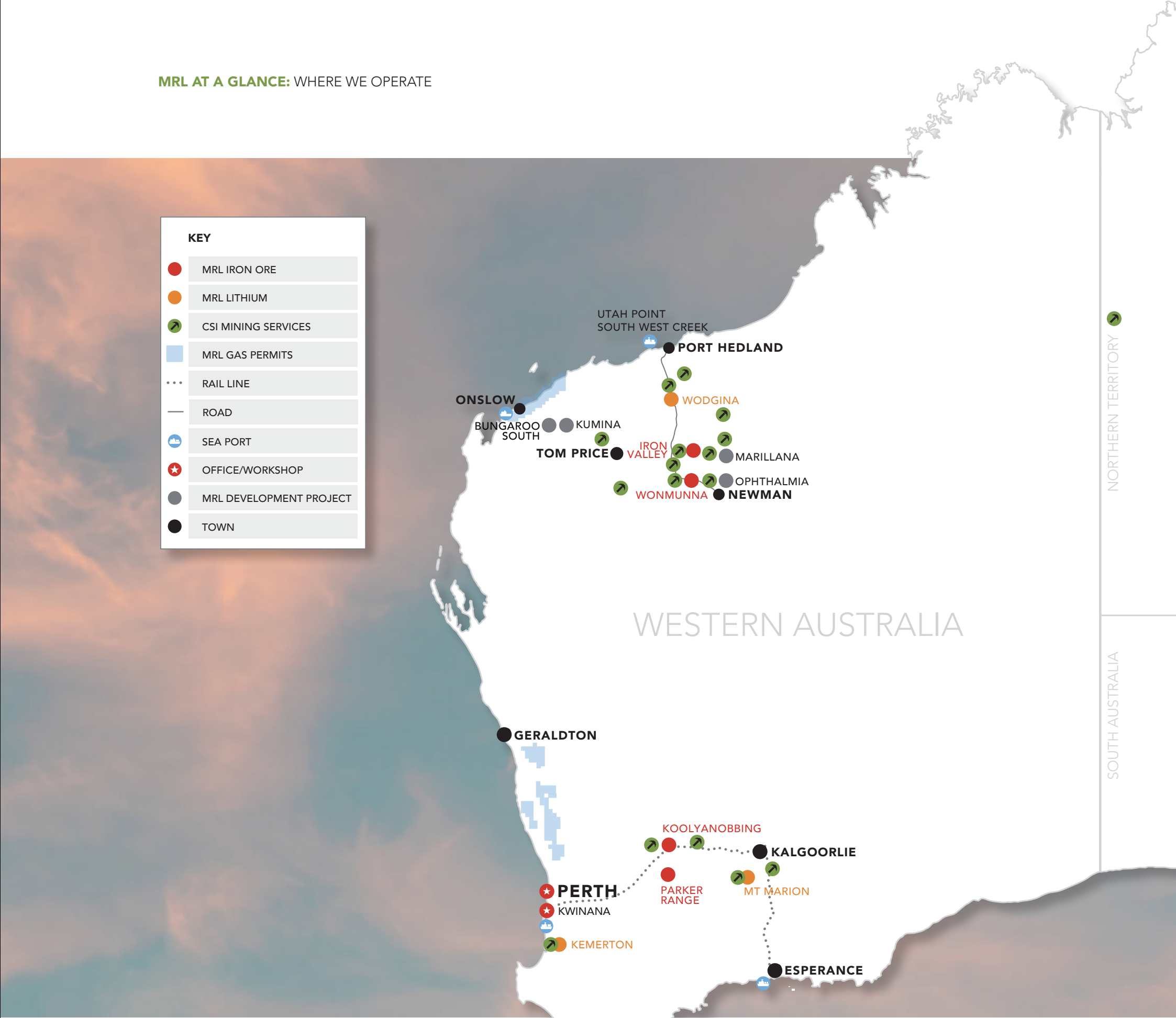
FY21 has been an excellent year for all involved with MRL and I am proud of the progress the Company has made to improve sustainability outcomes in what has been a challenging operating environment. As we move forward, we will need to continue to manage the impacts of COVID-19 on our community and remain vigilant to ensure that we keep the virus out of our operations. I thank everyone for embracing the measures MRL put in place to keep our operations virus free, ensuring the health of our workforce and their families. It is a true testament to the 'can-do' attitude of the MRL family that we have continued and improved operational performance despite the impacts of the virus.

Thank you to my fellow Directors for their commitment and dedication. On behalf of the Board, I also extend my sincere thanks to our Managing Director, Chris Ellison, and his leadership team for continuing to grow the business while raising the bar year-on-year on our sustainability efforts and outcomes.

Peter Wade
Non-Executive Chairman

MINERAL RESOURCES AT A GLANCE

MRL AT A GLANCE: WHERE WE OPERATE



INPUTS



HUMAN CAPITAL:

Our employees and contractors (5,000+ as at 30 June 2021) that provide the skills, experience and knowledge 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:

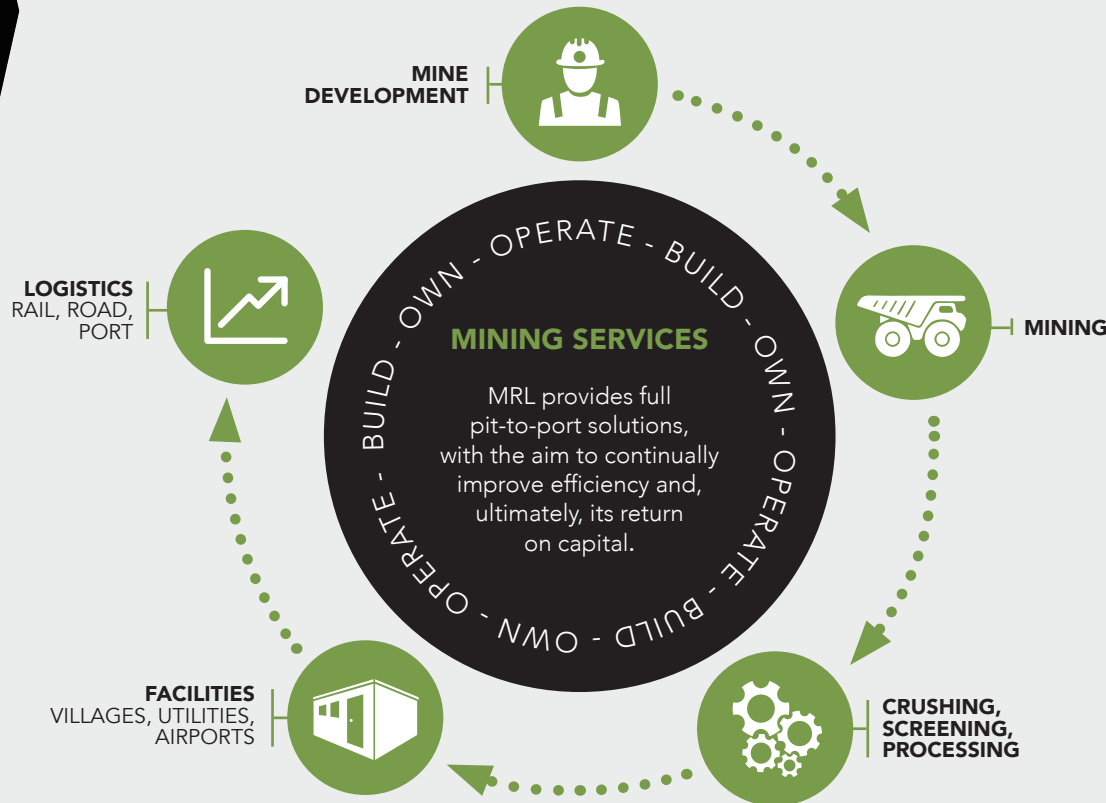
Intangible aspects such as intellectual property, organisational knowledge, systems and processes required to undertake our business activities.

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



FY21 OUTPUTS

TOTAL MATERIAL MOVED

131.6Mt

IRON ORE PRODUCTION

19.5Mt

SPODUMENE PRODUCTION

485kt

MINING SERVICES VOLUME INCREASE

20%

REDUCTION IN GHG EMISSIONS INTENSITY

5%

COVID-19 SCREENINGS

84,207

RETURN ON INVESTED CAPITAL (ROIC)

38.6%

FY21 OUTCOMES

HUMAN CAPITAL

TRIFR	2.31
LTIFR	0.12
Employee wages and benefits paid	\$479.9m
Overall female representation	16.98%
Graduates, apprentices and trainees	130

NATURAL CAPITAL

Energy consumption	4,359,773GJ
Solar energy generation	3,462GJ
Scope 1 & 2 GHG emissions	298,336tCO ₂ e
Total material moved	131,565Mt
Rehabilitated land	1,220ha

SOCIAL AND RELATIONSHIP CAPITAL

Community contributions	\$5.25m
Suppliers screened for Modern Slavery	15
Payment to Federal, State and Local governments	\$693m

FINANCIAL CAPITAL

Underlying net profit after tax	\$1,103m
Share price	\$53.73
Dividends	\$2.75

MANUFACTURED CAPITAL

Capital expenditure	\$745m
Mines owned/operated	5
Crushing & processing operating plants	26

INTELLECTUAL CAPITAL

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

OUR **SUSTAINABILITY** APPROACH



WE STRIVE TO
**GENERATE
SHAREHOLDER
VALUE** BY MANAGING
OUR MATERIAL
SUSTAINABILITY
TOPICS AND
MAINTAINING OUR
SOCIAL LICENCE
TO OPERATE.

OUR SUSTAINABILITY JOURNEY

Our sustainability reporting covers activities for which MRL and its subsidiaries have operational control and is prepared in accordance with the Global Reporting Initiative (GRI) Standards (Core option), the Sustainability Accounting Standards Board (SASB), and recommendations from the Taskforce on Climate-related Financial Disclosures of the Financial Stability Board. See our 2021 Sustainability Performance Data Tables, available on our **website** for a copy of the GRI and SASB content index.

MRL has obtained external assurance for six of our sustainability performance indicators (refer to page 115 of this report for a copy of the Independent Limited Assurance Statement).

MRL has joined the United Nations Global Compact (UNGC) and outlines in this report how the Ten Principles – covering human rights, labour, environment, and anti-corruption – are integrated into our business strategy, culture and daily operations.

MRL is committed to continually improving its sustainability performance to provide the metals and minerals which the world needs to transition to a low-carbon future. We strive to make a difference through our leadership in mining services and operations, encouraging responsible business practices and advancing the UN Sustainable Development Goals. MRL has a Sustainability Policy outlining our commitment to sustainability risk and opportunity identification, management, performance measurement and reporting.

The Sustainability Policy is supported by a suite of governance policies including a Human Rights Policy, Anti-Bribery and Corruption Policy and a Supplier Code of Conduct. Our governance embeds sustainability throughout our business and is supported by a cross-functional Sustainability Working Group, which develops our sustainability strategy and manages and monitors key sustainability topics.

OUR MATERIAL SUSTAINABILITY TOPICS

IDENTIFYING AND PRIORITISING OUR MATERIAL SUSTAINABILITY TOPICS

MRL applies GRI reporting principles for defining report content by undertaking a thorough review process to understand our material sustainability topics. The materiality assessment is undertaken annually to identify the most critical sustainability issues influencing our ability to create and maintain value in the short, medium and long term.

Our FY21 materiality process is informed by:

- Stakeholder engagement
- Investor roadshows
- Material issues defined by peer organisations
- Mining industry analyses undertaken by prominent advisory firms
- Media reviews
- Criteria assessed by Environment, Social and Government (ESG) rating agencies
- SASB – Metals and Mining Sustainability Accounting Standard
- United Nations (UN) Global Compact’s Ten Principles
- UN Sustainability Development Goals



Figure 1: Materiality process

MRL’s Sustainability Working Group conducted a prioritisation exercise to consider the ‘sustainability topics’ influencing stakeholders and the significance of their economic, environmental and social impacts. Key management personnel validated the list of sustainability topics identified as material to MRL.

As a result of the analysis, six material topics were identified: business ethics and integrity, health and safety, people, environment, climate change and social engagement.

While this is consistent with the previous reporting period, some of the material sustainability topics have been updated as shown in Figure 2.

Table 1 shows our material sustainability topics mapped against the UN SDGs and UN Global Compact’s Ten Principles. MRL’s progress and performance in each of these areas is highlighted, with further detail provided in each section of this report.

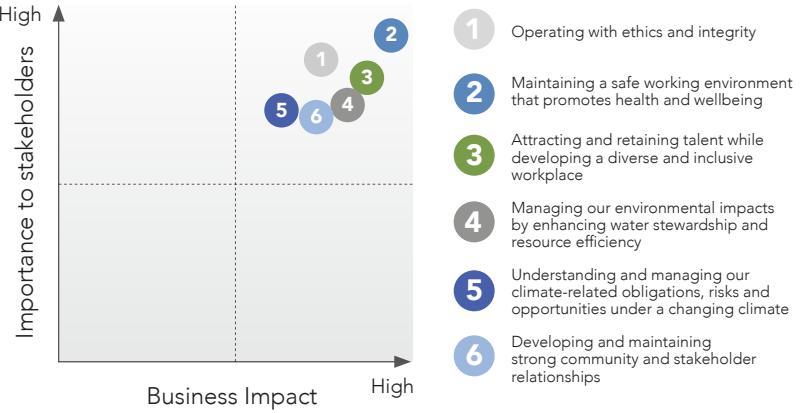


Figure 2: MRL Material Sustainability Topics











Theme	Material Sustainability Topic	Relevant Ten Principles of the United Nations	Relevant Sustainable Development Goal	An Overview of MRL's Performance
Business Ethics and Integrity	1. Operating with ethics and integrity	 HUMAN RIGHTS  ANTI-CORRUPTION	 8 DECENT WORK AND ECONOMIC GROWTH  10 REDUCED INEQUALITIES  16 PEACE, JUSTICE AND STRONG INSTITUTIONS	<p>MRL is committed to operating ethically and with integrity in all business activities and stakeholder relationships.</p> <p>MRL's <i>Code of Conduct and Business Integrity</i> (the Code) represents our commitment to uphold the highest standards of ethics in our business practices.</p> <p>In FY21, MRL:</p> <ul style="list-style-type: none">• Improved our e-learning package on the Code and set annual training requirements• Widely communicated our Whistleblower Policy and supporting Whistleblower Procedure• Maintained our independent external whistleblowing service, MRL Integrity Assist• Released our first <i>Modern Slavery Statement</i>• Enhanced our sustainable procurement and modern slavery screening program
Health and Safety	2. Maintaining a safe working environment that promotes health and wellbeing		 3 GOOD HEALTH AND WELL-BEING  8 DECENT WORK AND ECONOMIC GROWTH	<p>MRL strives to maintain a healthy and safe working environment for our employees, contractors and visitors; and enhance the wellbeing of our people.</p> <p>In FY21:</p> <ul style="list-style-type: none">• MRL continued to achieve strong health and safety performance and has made significant strides in mental health, wellbeing and critical risk management• COVID-19 remains a significant part of our health and safety activities and we continued to manage the changes it brings. MRL's response has focused on three key areas:<ul style="list-style-type: none">- Keeping our people safe and well- Maintaining safe and reliable operations- Supporting our communities• MRL continued to support the broader resources industry by undertaking COVID-19 testing with its gold-standard PCR testing equipment for over 60 organisations• MRL developed and trained 255 Critical Risk Management (CRM) leaders within the business and trained 1,784 additional people in the CRM Program• 40 staff have been trained and now accredited as Mental Health First Aiders through our partnership with Lifeline WA• 700 staff have participated in mental health literacy modules – promoting a greater likelihood of accessing support earlier
People	3. Attracting and retaining talent while developing a diverse, inclusive and fair workplace	 LABOUR	 5 GENDER EQUALITY  10 REDUCED INEQUALITIES	<p>MRL is committed to creating a fair, diverse and inclusive workplace that supports us in attracting and retaining talent.</p> <p>Our people are the foundation of our business and instrumental to our success. We understand developing a diverse and inclusive workplace brings many benefits to our business including improved organisational performance and positive impacts on organisational culture, reputation, employee attraction, retention and performance.</p> <p>In FY21, MRL:</p> <ul style="list-style-type: none">• Commenced construction of a new head office with sustainability ratings targeted at:<ul style="list-style-type: none">- 6-Star Green Star Design and As Built V1.2- Platinum WELL V2- 5-Star National Australian Built Environment Rating System (NABERS)• Updated our leave entitlements:<ul style="list-style-type: none">- Maternity leave approach to include superannuation- Formalised approach for paid family and domestic violence leave and support- Formalised the process for the flexible work arrangements procedure

Table 1: Mapping MRL Sustainability Topics to UN Sustainable Development Goals








Theme	Material Sustainability Topic	Relevant Ten Principles of the United Nations	Relevant Sustainable Development Goal	An Overview of MRL's Performance
People. (Continued)	3. Attracting and retaining talent while developing a diverse, inclusive and fair workplace			<ul style="list-style-type: none">• Established the Safe and Respectful Behaviours Steering Committee• Updated the Code to reinforce that discrimination, bullying and harassment, including sexual harassment, will not be tolerated under any circumstances• Joined National Association of Women in Operations (NAWO) as a Gold Corporate Member• Increased female participation by 1.6 per cent compared to last year, employing an additional 194 female workers. Met and exceeded our target achieving 17 per cent overall female participation• Forty-eight female operators participated in our innovative Entry Level Operator Haul Truck Program, designed to provide opportunities for women within industry
Environment	4. Managing environmental impacts and enhancing resource efficiency	 ENVIRONMENT	 6 CLEAN WATER AND SANITATION  12 RESPONSIBLE CONSUMPTION AND PRODUCTION  15 LIFE ON LAND	<p>MRL is committed to environmental management that maintains our licence to operate in an environmentally responsible and sustainable manner. Our approach to managing environmental issues follows the precautionary principle.</p> <p>In FY21, MRL:</p> <ul style="list-style-type: none">• Commenced our water stewardship pathway and reviewed our water risk assessments across operations• Enhanced our disclosure and reporting on air quality, water withdrawal, tailings, biodiversity, waste, land disturbance and rehabilitation for the second year• Developed a corporate closure framework to support transition to closure effectively and ensure all risks are well managed, aligned where possible with the aspirations of the UN's Decade on Ecosystem Restoration (2021 – 2030)• Completed a detailed gap assessment across our directly controlled and managed tailings facilities to measure compliance with <i>Global Industry Standard on Tailings Management</i> (GISTM) requirements. The assessment identified no operational gaps
Climate Change	5. Understanding and managing our climate-related obligations, risks and opportunities under a changing climate	 ENVIRONMENT	 7 AFFORDABLE AND CLEAN ENERGY  13 CLIMATE ACTION	<p>MRL is committed to understanding and managing our climate related obligations, risks and opportunities as we operate within an increasingly carbon constrained and changing climate.</p> <p>In FY21, MRL:</p> <ul style="list-style-type: none">• Set a target of net zero operational emissions by 2050• Developed our <i>Roadmap to Net Zero Emissions</i> to support the transition to a low-carbon future and decarbonise our operations, informed by detailed climate modelling of our operations• Conducted workshops across the business, generating over 300 decarbonisation ideas, of which 83 were considered for integration into our roadmap• Investigated alternative energy and low-carbon solutions• Increased our contributions to support climate transformation through industry partnerships• Reviewed our key climate-related risks and opportunities in line with the Taskforce on Climate-Related Financial Disclosures (TCFD)

Table 1 (continued): Mapping MRL Sustainability Topics to UN Sustainable Development Goals

Theme	Material Sustainability Topic	Relevant Ten Principles of the United Nations	Relevant Sustainable Development Goal	An Overview of MRL's Performance
Social	6. Developing and maintaining strong community and stakeholder relationships		<div><div>1 NO POVERTY</div><div>4 QUALITY EDUCATION</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div></div>	<p>MRL strives to develop and maintain strong community and stakeholder relationships as part of our social licence to operate.</p> <p>In FY21, MRL:</p> <ul style="list-style-type: none">Submitted our first Board-approved Reconciliation Action Plan (RAP) to Reconciliation AustraliaUpdated our Community Grievance Mechanism to better respond to stakeholder concernsImplemented our Stakeholder Engagement Management Plan to engage effectively with local communities, government and other key stakeholders on environmental, land access, heritage and community matters during all phases of our operationsMaintained and built new relationships with more than 70 community partners, increasing our community contribution spend to \$5.25 millionProvided apprenticeships, traineeships, work experience and graduate programs that focus on introducing new talent to our organisation. We recognise the benefits of having a diverse workforce and are proud that our female representation of apprentices for 2021 has more than doubled compared to last financial year

Table 1 (continued): Mapping MRL Sustainability Topics to UN Sustainable Development Goals

OUR VOLUNTARY SUSTAINABILITY INITIATIVES

MRL is involved with a number of voluntary sustainability initiatives, including:

- Reporting in accordance with the GRI's Standards
- Aligning climate disclosure with recommendations from the TCFD
- The Ten Principles of the United Nations Global Compact (inaugural communication on progress disclosed as part of our 2021 Sustainability Report and our 2021 Annual Report)
- Increasing adoption of SASB
- Participation in the Carbon Disclosure Project (CDP) Climate Change Questionnaire
- Reporting to the Bloomberg Gender Equality Framework
- Alignment with the UN Sustainable Development Goals
- Engaging with other top-tier organisations that assess the ESG performance – such as FTSE Russell, MSCI, Sustainalytics and Institutional Shareholder Services (ISS) – all of which rate us based on publicly available information
- Continuing to assess alignment with other emerging frameworks



OUR TARGETS

Board approved sustainability performance targets have been set against each of our material sustainability topics. In the development of these targets, we considered our material sustainability risks and global challenges – with a focus on those defined by the UN Sustainable Development Goals and UN Global Compact Ten Principles. In FY22, MRL will target:

Ethics and Integrity	Climate Change	Social and Community
<ul style="list-style-type: none">Zero incidents of bribery and corruption≥ 90 per cent employee completion rate of our Business Code of Conduct and Integrity training as at end of year¹≥ 90 per cent employee completion rate of our in-person Safe & Respectful Behaviours trainingConduct risk review of 100 per cent of our supplier base≥ 90 per cent high-risk rated suppliers screened for modern slavery risks	<ul style="list-style-type: none">Net zero operational emissions by 2050Implementation of Wonmunna 2.1MW peak solarMRL head office energy efficiency, purchasing 100 per cent carbon neutral electricity	<ul style="list-style-type: none">Zero major social incidents≥ 80 per cent of our employees completing cultural learning and awareness training at all MRL owner/operator sites¹Implementation of our RAP with endorsement from Reconciliation Australia
Safety, Health and Wellbeing	Environment	Diverse and Inclusive Workplace
<ul style="list-style-type: none">Zero fatalities and total permanent disabling injuries/illnesses< 4.5 Annual Total Recordable Injury Frequency Rate (TRIFR)²< 4.5 Annual High Potential Event Frequency Rate (HiPoFR)> 15,000 Annual Lead Indicator Frequency Rate³≥ 5 per cent of our workforce engaging in professional proactive psychological support services through either EAP and/or in house consultations	<ul style="list-style-type: none">Zero major environmental incidents⁴Completion of ≥ 85 per cent of our planned progressive rehabilitation across operations≥ 90 per cent seed collection against targetDevelop business wide waste management strategyCompletion of water efficiency audits across operationsCompletion of water modelling across operations aligned with the Mineral Council of Australia – Water Accounting Framework	<ul style="list-style-type: none">≥ 17.1 per cent female participation in our workforce⁵10 per cent increase year-on-year Indigenous representation for full time employment≥ 70 per cent employee engagement in our company wide perception survey, Your Voice.≥ 80 per cent Your Voice engagement score related to key Diversity and Inclusion indicators≥ 90 per cent actions completed of our gender equity strategy

¹ Based on employees engaged with the company for greater than three months.

² TRIFR external target is reset given growth and changing composition of the workforce in FY22.

³ MRL leading indicators incorporate - Audits, Inspections, Hazards, Meetings and Observations.

⁴ Identified as environmental incidence with an actual level consequence of ≥4.

⁵ In FY21, our workforce achieved 17.0 per cent (rounded) female participation, exceeding our previous Board approved target of 16.1 per cent. Proposed 17.1 per cent target is set to increase participation given company growth and changing workforce composition in FY22.

Table 2: FY22 Sustainability Performance Targets

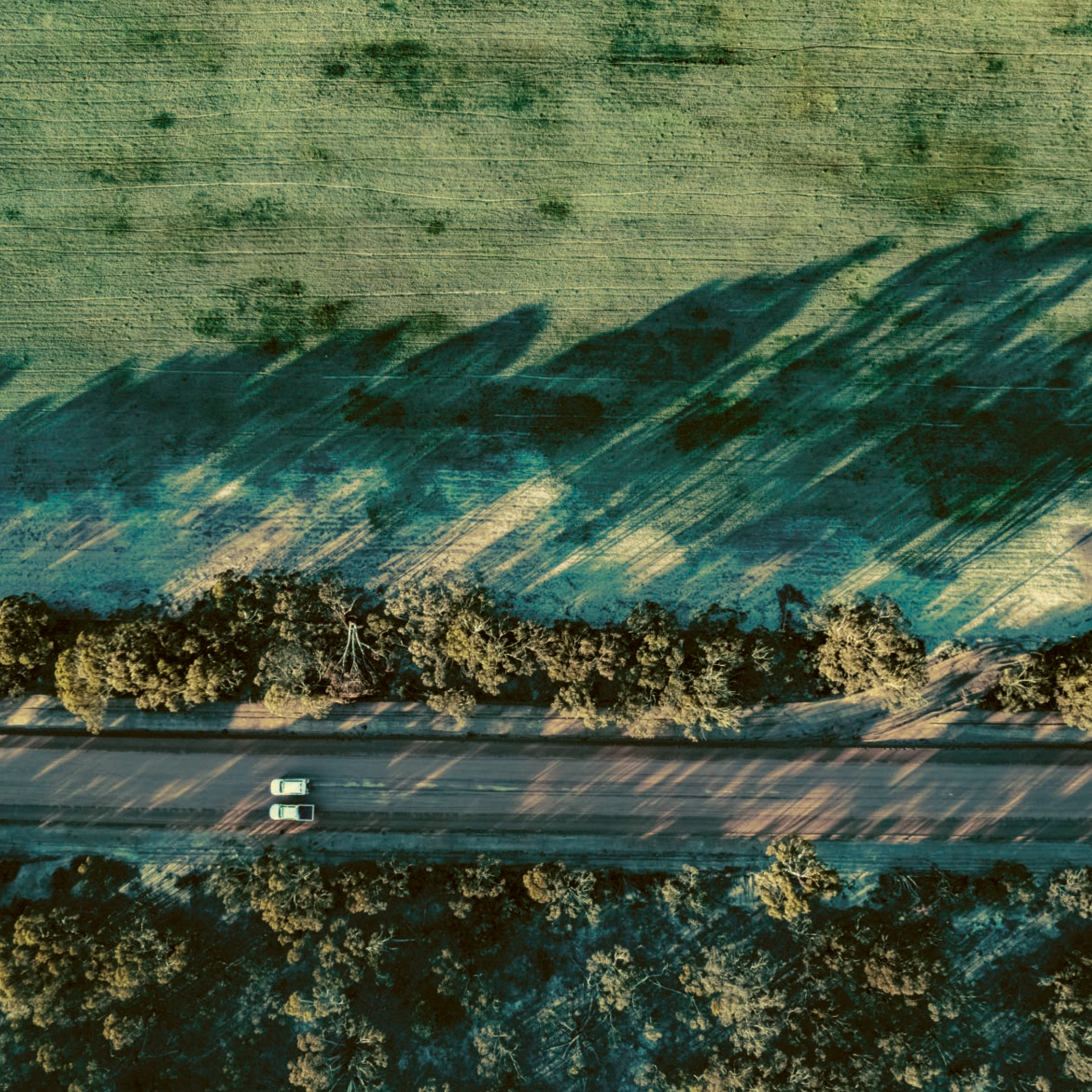
OUR STAKEHOLDERS

Stakeholder engagement is an important mechanism to inform our materiality assessment and understand the broader impact of our business. MRL engages with a diverse range of stakeholder groups as part of managing our social licence to operate. We continue to work on improving and maintaining our reputation and relationships with our stakeholders. Table 3 shows our key stakeholder groups; our engagement mechanisms; the issues that matter to our stakeholders and how we manage those issues.

OUR SUSTAINABILITY APPROACH (CONTINUED)

Stakeholder Group	How We Engage	What Matters	How We Manage What Matters
Finance providers and investors	<ul style="list-style-type: none">Investor roadshowsFull-year and half-year results briefingsAnnual General MeetingAd hoc meetings, conversations and periodic reporting to analysts, financial institutions, ratings agencies, proxy advisors, retail investors and institutional investors	<ul style="list-style-type: none">Financial performanceDisclosure of the management of material sustainability topics that influence the ability of MRL to create and sustain valueRemunerationCorporate governance	<ul style="list-style-type: none">ASX announcementsDisclosure of quarterly exploration and mining activities report, half-year and full-year financial report and Annual ReportDisclosure of annual Sustainability ReportInformation packs released to the ASX, along with full-year and half-year results, that provide additional supporting information to assist in understanding, analysing and projecting our financial performanceParticipation in verification of ESG rating agency requestsEngagement with key institutional investors on corporate governance and sustainability
Suppliers	<ul style="list-style-type: none">Ad hoc meetings and conversations with suppliersQuarterly meetings with critical, high-spend suppliers	<ul style="list-style-type: none">Providing Goods and services free from Modern Slavery to MRLSupplier diversityGetting paid on timeContinuity of business relationshipsIndigenous and local procurementSupplier engagementSustainable sourcing	<ul style="list-style-type: none">MRL utilises a P2P platform, which provides business intelligence to our procurement systems and processesImplementing our Sustainable Procurement and Modern Slavery screening program and supplier onboarding form. The new form considers critical ESG matters and allows for more detailed information on local and Indigenous status to be capturedStrengthened capacity of our procurement function through a dedicated Sustainability Procurement role increasing oversight and management of our supply chain sustainability performance
Employees and contractors	<ul style="list-style-type: none">MRL intranetSnapComms application – which allows company messages to be distributed to MRL staff via MRL owned and personal devicesSMS of critical messagesMRL weekly newsletter sent to staff via SnapComms, email and posted on noticeboards and the MRL intranetNoticeboardsNetworking eventsDaily shift meetingsSite and office inductionsOther training events and programsTeam meetingsBarbecues, morning teas and fundraising eventsIndustry eventsNAIDOC Week activitiesManaging Director “town hall” sessions	<ul style="list-style-type: none">Safe and supportive working environmentHealth and wellbeingFair employee remuneration and recognition	<ul style="list-style-type: none">Our COVID-19 responseOur Safety Management Framework ensures we have a healthy and safe working environmentOur <i>Code of Conduct and Business Integrity</i> defines the way we do businessEmployee Assistance Program, a professional and confidential service for employees and their families funded by MRLWorkPerks – our way of saying thanks to our people by offering access to a range of deals and discounts for retail, accommodation, travel, health and wellness and financial servicesExtensive health and wellbeing programs as we recognise employee mental health as a top prioritySupport for training and professional developmentMarket reviews of remunerationOffering flexible working arrangements

Table 3: Stakeholder Engagement



OUR SUSTAINABILITY APPROACH (CONTINUED)

Stakeholder Group	How We Engage	What Matters	How We Manage What Matters
Trade unions	<ul style="list-style-type: none">• Unions undertake regular visits to MRL sites• MRL responds to union issues and queries as and when appropriate	<ul style="list-style-type: none">• Employment terms and conditions• Site accommodation• Safe working environment• Local jobs and opportunities	<ul style="list-style-type: none">• Unions are provided right of entry access to all MRL sites as per legislation• Employees and their representatives are consulted over any major workplace change• Employees are remunerated at market comparable rates• A high standard of site accommodation is provided• MRL has a strong safety management framework in place• MRL provides local training and apprenticeship opportunities
Customers	<ul style="list-style-type: none">• Building strong customer relationships with timely and transparent communication on our sustainability performance, action plans and commitments• Customer visits	<ul style="list-style-type: none">• Quality product or service delivered on schedule according to customer agreement	<ul style="list-style-type: none">• Quality services and products are provided as per customer agreements• Committing to continuous improvement of our practices and processes
Joint venture partners	<ul style="list-style-type: none">• Meetings at a frequency agreed by both parties• Joint venture reporting of financial and operational results	<ul style="list-style-type: none">• Meeting contractual obligations• Reliability of supply• Product quality• Value-add and profitability	<ul style="list-style-type: none">• Engaging on key matters in joint venture partnerships
Local, State and Federal Government	<ul style="list-style-type: none">• Ongoing liaison with regulators and government agencies• Attendance at local council meetings	<ul style="list-style-type: none">• Legal and regulatory compliance• Local economic development• Employment opportunities• Land management and rehabilitation	<ul style="list-style-type: none">• Submissions as part of legal and regulatory approval processes• Notifications when applying for new tenements• Regulatory reporting• Increasing proactive engagement
Local and Indigenous communities	<ul style="list-style-type: none">• Support and participation in local community events• Ad hoc information sessions and meetings with community members• Heritage surveys• Meetings with claim groups and Traditional Owners	<ul style="list-style-type: none">• Local economic development• Contracting and employment opportunities• Heritage conservation and respect for sites• Land management and rehabilitation• Indigenous community health	<ul style="list-style-type: none">• Agreements with Native Title groups• Community partnerships• Community donations and sponsorships• Employment and work experience opportunities such as traineeships• Engaging with local Indigenous business opportunities• Capacity building through local Indigenous business opportunities, facilitating cross industry support to expand the customer base
Other tenement holders/ private land holders	<ul style="list-style-type: none">• Notifications when applying for new tenements	<ul style="list-style-type: none">• Access to land when putting utilities or infrastructure in place• Land management and rehabilitation	<ul style="list-style-type: none">• Establishing access agreements
Industry associations	<ul style="list-style-type: none">• Attendance at industry association events• Participation in industry forums	<ul style="list-style-type: none">• Developing local business opportunities• Advancing the development of standards and constructive policy• Jobs in their region	<ul style="list-style-type: none">• MRL maintains membership with various industry associations, including:<ul style="list-style-type: none">- Association of Mining and Exploration Companies (AMEC)- Chamber of Minerals and Energy (CME)- Australian Petroleum Production and Exploration Association (APPEA)- Chamber of Commerce and Industry of WA (CCI), Chambers of Commerce for Kalgoorlie, Esperance, Kwinana, Rockingham and the Mid West- Future Energy Exports Cooperative Research Centre (FEnEX CRC) as a supporting partner• In FY21, MRL joined the National Association of Women in Operations (NAWO)• MRL participates in industry association forums and provides feedback on requests for comments

Table 3 (continued): Stakeholder Engagement



CREATING VALUE THROUGH OUR BUSINESS

The value-added statement in Table 4 demonstrates the value that MRL generated and distributed in FY21. We continue to increase the value distributed to Federal, State and Local Governments; employees; our suppliers and contractors year-on-year.

		FY19 \$M	FY20 \$M	FY21 \$M
Value generated	Revenue	1,512.0	2,124.6	3,733.5
Value distributed ¹	Payment to Federal, State and Local Governments	124.1	185.1	692.7
	Employee wages and benefits paid	265.5	359.3	479.9
	Community contributions	1.9	2.7	5.25
	Payments to suppliers and contractors	891.4	1,035.4	1,227.2
	Investment in infrastructure and exploration and innovation	857.8	399.2	774.5
	Financing costs	19.4	97.6	86.4

¹ Values referenced from the MRL FY21 Cash Flow Statement

Table 4: Value generated and distributed

OUR **BUSINESS CONDUCT**



WE ARE COMMITTED TO OPERATING ETHICALLY AND WITH INTEGRITY IN ALL BUSINESS ACTIVITIES AND STAKEHOLDER RELATIONSHIPS.

MATERIAL TOPIC 1: OPERATING WITH ETHICS AND INTEGRITY

8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



HUMAN RIGHTS

PRINCIPLE 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

PRINCIPLE 2: make sure that they are not complicit in human rights abuses.



ANTI-CORRUPTION

PRINCIPLE 10: Businesses should work against corruption in all its forms, including extortion and bribery.

MRL believes consistent and proper business conduct creates loyalty and trust with our stakeholders and we are committed to promoting a culture of ethical corporate behaviour. This is aligned to Our Purpose, which is to operate with integrity and respect, working in partnerships with our clients, our customers, our people and our community and underpinned by Our Values, to care for each other and the world around us.

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. This strong regulatory environment has set the foundation for a robust and stable economy with strong governance practices.

Our corporate governance practices, which set the rules, relationships, systems and processes by which MRL is directed and controlled, are core to our stable operating environment. Our governance supports us to actively and effectively manage our exposure to governance risks and opportunities. Good corporate governance also supports our performance and promotes investor confidence.

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 (refer to Figure 3). The Board discharges this responsibility by having regard for the interests of all relevant stakeholders. As defined by the Board Charter, the Board also has a specific responsibility to oversee 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.

The Board has three sub-committees that operate on a recommendation basis:

- The Remuneration Committee provides assistance and recommendations to the Board in fulfilling its responsibilities in overseeing the overall remuneration strategy of the Company and its specific application to the Managing Director, Key Management Personnel and Non-executive Directors. The Remuneration Committee also reviews and makes recommendations to the Board on diversity within the Company, measurable objectives for achieving diversity and progress against such objectives.
- The Nomination Committee provides assistance and recommendations to the Board to ensure the best possible Directors are selected, appointed to the Board and retained. It also assists with providing advice on the appointment and succession of the Managing Director.
- The Audit and Risk Committee assists the Board in fulfilling its responsibilities providing oversight to accounting and reporting practices, risk identification and management, internal and external audit functions, treasury and capital management practices, taxation practices and compliance with applicable legal and regulatory requirements.

Sustainable development and leadership are embedded throughout MRL with focused committees and working groups formed with a targeted range of expertise and management representation. The following committees and groups have provided support and guidance with respect to MRL values, sustainability strategy requirements and future growth:

- COVID-19 Steering Committee
- Decarbonisation Pathway Working Group
- Diversity and Inclusion Steering Committee
- Modern Slavery Working Group
- Risk Working Group
- Safe and Respectful Behaviours Steering Committee
- Sustainability Working Group



Figure 3: Sustainability Governance

During FY21, the Charters for the Board, Remuneration Committee, Nomination Committee and Audit and Risk Committee were reviewed and updated with the assistance of external corporate governance specialists. All Charters are available on the Corporate Governance section of the MRL website.

Corporate Governance Principles and Recommendations

As an ASX listed company, MRL is required to publicly report its application of the ASX Corporate Governance Council Corporate Governance Principles and Recommendations. For FY21, MRL has followed the fourth edition of the Principles and Recommendations, which is structured around eight key principles:

1. Lay solid foundations for management and oversight: A listed entity should clearly delineate the respective roles and responsibilities of its Board and management and regularly review their performance.
2. Structure the Board to be effective and add value: The Board of a listed entity should be of an appropriate size and collectively have the skills, commitment and knowledge of the entity and the industry in which it operates, to enable it to discharge its duties effectively and to add value.
3. Instil a culture of acting lawfully, ethically and responsibly: A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly.
4. Safeguard the integrity of corporate reports: A listed entity should have appropriate processes to verify the integrity of its corporate reports.
5. Make timely and balanced disclosure: A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.
6. Respect the rights of security holders: A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively.
7. Recognise and manage risk: A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.
 - a. Within this Principle is Recommendation 7.4, which states that: ‘A listed entity should disclose whether it has any material exposure to environmental or social risks and if it does, how it manages or intends to manage those risks’.
8. Remunerate fairly and responsibly: A listed entity should pay Director remuneration sufficient to attract and retain high quality Directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity's values and risk appetite.

Refer to MRL’s *Corporate Governance Statement* for further information about our Corporate Governance practices against the ASX Corporate Governance Council Corporate Governance Principles and Recommendations.

Sustainability Working Group

MRL embeds sustainability throughout our business, supported by a cross-functional Sustainability Working Group to advise the management and monitoring of key sustainability topics. The Sustainability Working Group meets every other month and includes senior representatives from Human Resources, Environment, Community, Health and Safety, Procurement, Energy, Investor Relations, Finance and Sustainability.

The Sustainability Working Group developed an *FY21 Sustainability Plan* that outlined three focus areas for the year: governance, project performance and reporting, as shown in Table 5. The Sustainability Working Group provides the Board with regular updates on progress against the *FY21 Sustainability Plan*.

Focus Area	Activities
Governance	<ul style="list-style-type: none">• Update of our <i>Code of Conduct and Business Integrity</i> training• Conduct human rights and Anti-Bribery and Corruption review of operations• Develop our first Modern Slavery Statement• Increase Sustainability Memberships (i.e. Global Compact of the United Nations)
Performance/ Projects	<ul style="list-style-type: none">• Implement the Critical Risk Management Program throughout the business• Strengthen our focus on mental health wellbeing, training and awareness• Develop a health and hygiene management system• Change management for WELL building standard – employee wellness and mental health• Adopt Paris-aligned climate-related risk framework with an ambition to become a net zero company for operational emissions by 2050• Conduct cross functional workshops engaging operations and top leaders on climate change to develop our roadmap to work towards achieving net zero emissions by 2050• Continue development of a frontline coaching and leadership program• Expand our support for existing managers and new recruits• Enhance our succession and career planning activities• Appoint an apprentice mentor and develop a program to support new and future apprentices• Enhance our data analytics capabilities to ensure our remuneration and benefits are competitive in the market• Formalise process to support flexible work arrangements• Develop a Geographic Information System to capture, analyse and disseminate environmental spatial data throughout the business• Improve processes for planning and implementation of rehabilitation and closure works for operational sites and those in care and maintenance• Development of Sustainable Procurement approach and processes to ensure compliance with the <i>Modern Slavery Act 2018 (Cth)</i>• Enhance water reporting in accordance with the Water Accounting Framework
Reporting	<ul style="list-style-type: none">• Continue to improve and simplify environmental systems and processes• Strengthen our focus on internal monthly sustainability reporting and KPI tracking• Ongoing improvement of sustainability reporting through the annual <i>Sustainability Report</i>, participation in voluntary questionnaires such as CDP Climate Change and the Bloomberg Gender Equality Index• Enhanced engagement with ESG rating agencies

Table 5: Sustainability Plan Focus Areas

BUSINESS ETHICS AND CONDUCT

MRL believes consistent and proper business conduct creates loyalty and trust with our stakeholders and we are committed to promoting a culture of ethical corporate behaviour.

Code of Conduct and Business Integrity

MRL's *Code of Conduct and Business Integrity* (the Code) defines the way we do business, which is based on our Values and represents our commitment to upholding the highest standards of ethics in our business practices.

MRL expects our employees to act honestly, with integrity and objectivity, always striving to contribute positively to MRL's reputation and performance. During FY21, MRL committed to providing refresher training on the Code annually, and employees must acknowledge and agree to abide by the most recent Code and other relevant Company policies.

The Code covers a range of aspects including:

- MRL expectations and values
- Zero tolerance for retaliation
- Where to go for help
- Ensuring a safe workplace
- Fitness for work
- Respecting difference
- Discrimination, bullying and harassment
- Working within our communities
- Workplace violence
- Human rights
- Native Title and heritage
- Caring for our environment
- Acting lawfully
- Bribery and corruption
- Gifts, hospitality and entertainment
- Conflicts of interest
- Fair and open competition
- Insider trading
- Privacy
- Government and international obligations
- Representing MRL
- Consequences of breaching the Code

MRL prohibits any form of punishment, disciplinary or retaliatory action being taken against anyone for raising or helping to address a business conduct concern. Failure to comply with the Code is a serious matter that may lead to disciplinary action, including dismissal and/or legal action.

Discrimination, Bullying and Harassment

MRL's stance is that any form of harassment, assault or bullying is completely unacceptable and has no place in any setting, including our workplace.

Every person in our business is responsible for behaving in a way that is safe and respectful every day.

Our senior leadership team is focused on:

- ensuring strong leadership, governance and education on safe and respectful workplace behaviour
- promoting positive workplace relationships built on respect
- creating a culture and work environment that supports people from all backgrounds and life experiences
- listening to and learning from the experiences of our people

We expect all of our people to:

- treat each other with respect and ensure their behaviours are aligned with our values
- **show up** for our colleagues, **stand up** to unacceptable behaviour and **speak up** to address situations and if required listen to and learn from the experiences of others

During FY21, we established an internal working group to focus on safe and respectful workplace behaviours and commenced a review of our governance, framework, training culture and practices in relation to safe and respectful behaviours.

We reaffirmed our focus on encouraging and maintaining safe and respectful workplace behaviours through strengthening the Code. This key business document outlines MRL's expectation that all employees and contractors behave with fairness, honesty and respect towards others.

The updated Code further reinforces our stance that discrimination, bullying and harassment – including sexual harassment – will not be tolerated under any circumstances, while also providing additional guidance on avenues for reporting, investigating and addressing complaints.

In FY22, the focus will be on in-person safe and respectful behaviours training and implementing a 'show up, stand up and speak up' campaign to ensure our messaging on the need for safe and respectful behaviours is cascaded through all of our workplaces, refer to Figure 4. The underlying premise of this campaign is to encourage people who witness or experience unacceptable behaviour in the workplace to call it out, every time.

There are three simple actions employees will be encouraged to take to ensure our workplace is safe, respectful and inclusive:

Show up means supporting colleagues and friends at work by never accepting bullying, racism, sexism, discrimination, harassment or inappropriate behaviour towards anyone. One of our MRL values is family; and we want everyone to treat their work colleagues like they would their own family.

Stand up means supporting any person being harassed or insulted and showing that support publicly, making note of incidents and stepping in where appropriate.

Speak up means raising concerns with a direct manager/supervisor, HR representatives or through our confidential whistleblower service, MRL Integrity Assist.



Figure 4: Safe and respectful behaviours campaign messaging

During FY21, our e-learning package on the Code was widely communicated and implemented throughout the business and 89 per cent of our employees completed the training, as illustrated in Figure 5.

Training on the Code is mandated prior to commencing employment at MRL, with refresher training required on an annual basis to ensure all employees understand their requirements and acknowledge and agree to abide by the most recent Code and other relevant policies.

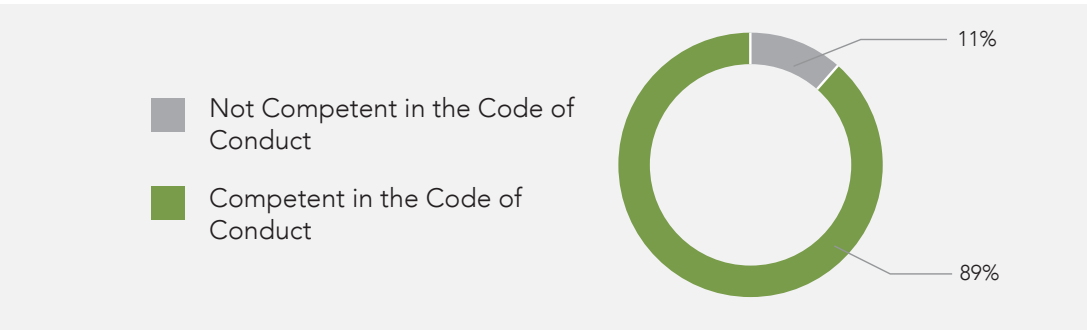


Figure 5: FY21 Code of Conduct competency



Whistleblowing provisions

MRL has 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, MRL Integrity Assist, to allow for reporting of inappropriate conduct
- Allow for anonymous reporting of inappropriate conduct
- Investigate in a thorough and timely manner
- Protect whistleblowers and ensure confidentiality associated with matters of reportable conduct
- Take all reasonable steps to ensure a whistleblower is not subject to any form of victimisation, discrimination, harassment, demotion, dismissal or prejudice, as a result of having lodged a report

The *Whistleblower Policy*, and its supporting *Whistleblower Procedure*, outlines the ways stakeholders can report matters they genuinely believe are in breach of the Code or are illegal.

Reportable conduct may include any conduct that involves:

- Actions that are dishonest, fraudulent or corrupt, including bribery or other activity in breach of the Bribery and Corruption provisions of the *MRL Code of Conduct and Business Integrity*
- Illegal activity such as theft, violence, harassment or intimidation, criminal damage to property or other breaches of State or Federal law
- Unethical behaviour or behaviour in breach of MRL's policies, such as dishonestly altering company records or data, adopting questionable accounting practices or wilfully breaching MRL's *Code of Conduct and Business Integrity* or other Group policies or procedures
- Potential exposure to unsafe work practices
- Potential damage to MRL's property or resources
- Abuse of authority
- Financial loss to MRL, damage to MRL's reputation or any other issue that may be detrimental to MRL's interests
- Sexual harassment, harassment, discrimination, victimisation or bullying
- Any other kind of misconduct, observation or perception of an issue that may impact MRL in any of the areas outlined above
- Engaging in or threatening to engage in detrimental conduct against a Whistleblower

Inappropriate behaviour and conduct can be reported through internal and external reporting channels. MRL ensures continued accessibility to our independent external whistleblowing service, MRL Integrity Assist, which is widely communicated to employees and contractors.

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

Anti-Bribery and Corruption Policy

Bribery and corruption adversely affect the business environment by undermining legitimate business activities. During FY21, MRL's *Anti-Bribery and Corruption Policy* was updated and we reaffirmed our commitment to fair and legal business practices and avoiding bribery, corruption and fraud.

As part of this *Anti-Bribery and Corruption Policy*, MRL commits to:

- Comply with all relevant anti-bribery and anti-corruption laws and regulations and does not tolerate bribery or corruption or any actions constituting fraud
- Uphold appropriate controls around political donations and offering or accepting gifts, entertainment or hospitality
- Educate our employees and stakeholders on the role they play in MRL's commitment to this Policy
- Prohibit any form of retaliation, discrimination, harassment or intimidation against any person reporting, in good faith, a breach or suspected breach, of this Policy

MRL will not directly or indirectly:

- Offer, promise, pay, authorise, accept or request bribes of any form (including facilitation payments and secret commissions)
- Seek to improperly influence the decisions of a public official in any country
- Give or receive benefits, sponsored travel or inducement where the purpose of the provider is to improperly influence a decision or obtain an illegitimate commercial advantage
- Engage in any form of money laundering in connection with our business activities

Human Rights Policy

MRL's *Human Rights Policy* outlines our commitment and joint responsibility to ensure that our business activities respect the rights and dignity of all people.

As part of the *Human Rights Policy*, MRL commits to:

- Conduct our business in a manner that upholds and respects human rights and complies with all legal requirements
- Respect internationally recognised human rights principles, including those contained in the *United Nations Universal Declaration of Human Rights* and the *United Nations Declaration on the Rights of Indigenous Peoples*
- Foster diversity and inclusion at all levels of the organisation regardless of gender identity, nationality, marital or family status, sexual orientation, age, disability or impairment, ethnicity, cultural background, religious beliefs, political conviction, union membership, socio-economic background, perspective or experience
- Allow the freedom of association and collective bargaining
- Prohibit any form of forced labour, including child labour, slave labour and human trafficking
- Work to comply with our obligations under the *Modern Slavery Act 2018 (Cth)* 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 commitments with suppliers that encourage them to adhere to MRL's *Supplier Code of Conduct*
- Work to align our business activities with Guiding Principles contained in the United Nations Guiding Principles on Business and Human Rights
- Communicate this Policy and our commitment to human rights to all stakeholders, including employees, contractors and suppliers
- Educate our employees and stakeholders on the role they play in MRL's commitment under this Policy
- Prohibit any form of retaliation, discrimination, harassment or intimidation against any person reporting, in good faith, a breach or suspected breach, of this Policy

RISK MANAGEMENT

MRL's *Risk Management, Internal Compliance and Control Policy* outlines risk management process, internal compliance and controls, which include:

- Establishing the Company's goals and objectives and implementing and monitoring strategies and policies to achieve these goals and objectives
- Continuously identifying and reacting to risks (including climate-related risks) that might impact upon the achievement of the Company's goals and objectives and monitoring the environment for emerging factors and trends that affect these risks
- Formulating risk management strategies to manage identified risks and designing and implementing appropriate risk management policies and internal controls
- Monitoring the performance of and continuously improving the effectiveness of, risk management systems and internal compliance and controls, including an ongoing assessment of the effectiveness of risk management and internal compliance and control

Each business unit tracks and monitors their risks via risk registers on an ongoing basis. A consolidated business risk register is used to maintain enterprise-wide risks and is reviewed and reported to the Audit and Risk Committee on a quarterly basis. Following the review by the Audit and Risk Committee, high and extreme risks are then reported to the Board on a quarterly basis.

The Business Risk Register considers all strategic, operational, compliance, regulatory and financial risks impacting MRL. Our sustainability and climate-related risks are also incorporated into the Business Risk Register. Risk workshops are conducted across the business to encourage awareness and ensure sustainability issues are integrated appropriately into day to day operations.

During FY21, MRL conducted a review and update of its risk management framework and approach. The review was performed with the Risk Working Group and included multiple workshops attended by subject matter experts from across the business.

Understanding MRL's risks, and managing these risks appropriately, will enhance our ability to successfully deliver on objectives and provide greater certainty and confidence for shareholders, employees, customers and suppliers and the communities in which we operate.

Our approach to Enterprise Risk Management is aligned to ISO31000:2018, refer to Figure 6, which supports MRL in managing and mitigating risks including sustainability risks and tracking our sustainability performance.

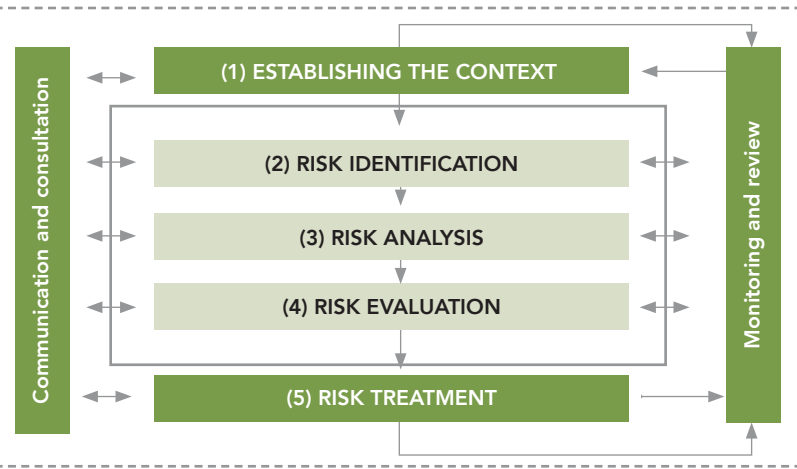


Figure 6: Enterprise Risk Management framework

The ‘Four-Ts’ model was applied during our risk management review to support the formulation of our risk management strategy as outlined in Figure 7.

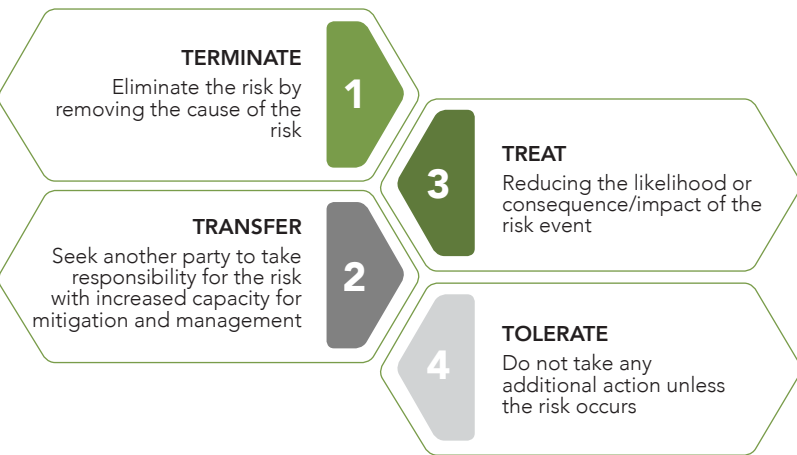


Figure 7: The Four T's model for determining a risk treatment strategy.

COVID-19 risk management

MRL has a COVID-19 Steering Committee which oversees our response to the evolving COVID-19 operational environment. The Committee is tasked with keeping our people safe, ensuring our readiness to keep our operations running, working with our suppliers to ensure supply chain continuity and planning for various scenarios that may occur in the future.

Our workforce is kept up-to-date through targeted communications, a dedicated MRL intranet page which provides relevant, accurate and updated information. Intranet content includes advice from the World Health Organisation and Australia's Federal and State Government health departments, along with specific travel, site and office information and procedures relevant to each MRL site.

MRL continues to review and refine appropriate risk mitigation strategies, including risks to critical infrastructure at our operations. We are in regular contact with peer organisations and members of industry and government departments, sharing knowledge and working together to ensure best practice strategies. For further information about our COVID-19 response, refer to *Material Topic 2: Maintaining a safe working environment that promotes health and wellbeing – Our COVID-19 response*; as well as MRL's 2021 Annual Report.

Cybersecurity risk management

Cyberattacks on critical infrastructure was rated the fourth top risk in the World Economic Forum's 2021 *Global Risks Report*.

Like many large businesses, MRL faces the ever-evolving threat of cyberattacks as they become more sophisticated in attempting to disrupt business services, steal or destroy valuable data and hold business systems to ransom. This has been enhanced as workforces become further dispersed as more people work remotely due to the continued presence of COVID-19.

MRL's Information Technology team has adopted a risk-based security approach using the Australian Government's Australian Signals Directorate 'Top 35' security framework. This ensures that we measure the effectiveness of controls and have adequate and effective mitigation strategies in place to manage cybersecurity risks.

The measures we have in place to protect our business against cybersecurity risks include:

- A security plan which sets out the policies and operational guidelines for a proactive defensive security environment
- Active monitoring and blocking of malicious external and internal attacks
- Regular cybersecurity risk assessments to ensure new technology is appraised for security risks before implementation
- Encryption of laptops and mobile devices to ensure that information is inaccessible when these devices are lost or stolen
- Disaster recovery plans
- Implementation of security awareness training

SUSTAINABILITY, ETHICS AND MODERN SLAVERY IN OUR SUPPLY CHAIN

MRL's Supply function supports our business through the acquisition of utilities, goods and services that we need to operate. In FY21, we continued to build strong relationships and helped support a number of our suppliers' business continuity through COVID-19.

In FY21, we had over 2,350 active suppliers with 93 per cent of our tier one¹ supplier base located in Australia. Five percent of our supplier spend was allocated to businesses in the United States of America, China, Singapore and Hong Kong.

MRL does not operate or source any material from countries designated in the 40 lowest rankings of the 2020 *Transparency International Corruption Perception Index (TICPI)*. Less than one per cent of our procurement spend was through Indigenous businesses, which we look forward to increasing next year. We have also developed a regional supplier registration portal to improve local and Indigenous supplier engagement, and our RAP will help support and drive these endeavours, once endorsed by Reconciliation Australia.

Sustainable procurement is a powerful lever for influencing the sustainability performance and business conduct of suppliers. By integrating sustainability into procurement policies and practices, businesses can manage sustainability risks and opportunities, minimise adverse impacts and promote positive environmental, social and economic outcomes.

MRL has identified no modern slavery instances in our supply chain and we continue to monitor and assess our high-risk supplier base to ensure understanding of their commitment towards modern slavery.

In FY21, we have continued to strengthen sustainability as a performance driver in procurement by:

- Developing our first **Modern Slavery Statement** which aims to increase business awareness of modern slavery risks and improve transparency across global supply chains
- Appointing a dedicated Sustainable Procurement Principal to lead the business in promoting ethical sourcing practices and work closely with the community and Indigenous engagement teams executing on our local content and Indigenous engagement procurement strategies
- Progressing integration of an enterprise solution into our existing supply chain risk management
- Conducting sustainability and business conduct evaluations as part of our tender processes
- Participating in the *Human Rights Resource and Energy Collaborative*

- Implementing our process to identify suppliers that are at higher risk of modern slavery incidents
- Requiring high-risk suppliers to complete *Modern Slavery Self-Assessment Questionnaires (SAQs)*
- Holding awareness sessions with the procurement team on sustainable procurement and modern slavery

Sustainable procurement and modern slavery awareness

MRL continues to raise awareness of the potential risks of modern slavery. Our Modern Slavery Working Group meets regularly with key representatives from the Procurement and Sustainability teams to discuss practical approaches for integrating sustainability and modern slavery risk processes into the procurement function.

Our first **Modern Slavery Statement** was developed as part of the reporting obligations under the *Modern Slavery Act 2018 (Cth)* which aims to increase business awareness of modern slavery risks and improve transparency across global supply chains. Our Modern Slavery Statement was submitted to the Australian Border Force for publication in March 2021 on the online public register.

Supplier Code of Conduct and Human Rights Policy

MRL has a **Supplier Code of Conduct** outlining our expectations of our suppliers conduct with regard to business integrity, health and safety, environmental, labour and human rights issues. We have also included a requirement in our *General Services Agreements*, for which contractors must maintain awareness and compliance. Contractor personnel must also comply with our *Supplier Code of Conduct*, all applicable Anti-Slavery Laws and any Company policies or standards relating to anti-slavery. This provision must be applied to any sub-contractors involved in the provision of services under the services agreement.

Our **Human Rights Policy** supports our *Supplier Code of Conduct*, which outlines MRL's commitment to:

- Prohibit any form of forced labour, including child labour, slave labour and human trafficking
- Work to comply with our obligations under the *Modern Slavery Act 2018 (Cth)* by undertaking risk assessments to identify areas 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 commitments with suppliers that encourage them to adhere to MRL's *Supplier Code of Conduct*
- Communicate this Policy and our commitment to human rights to all stakeholders, including employees, contractors and suppliers

¹ Tier one suppliers are those that supply goods or services (including patents and/or intellectual property) directly to MRL.

OUR BUSINESS CONDUCT (CONTINUED)

While MRL does not operate in any high-risk or conflict affected areas, we recognise there may be a risk of significant adverse impacts associated with extracting, trading, handling and exporting minerals from conflict-affected and high-risk areas. MRL has a responsibility to respect human rights and not contribute to conflict.

MRL will engage in responsible production and sourcing to minimise the risk of significant adverse impacts associated with extracting, trading, handling and exporting minerals from conflict-affected and high-risk areas.

If MRL ever sources or operates in a conflict-affected and high-risk area, we are committed to refraining from any action which contributes to the financing of conflict.

MRL will be guided by the Organisation for Economic Co-operation and Development (OECD) *Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas*, and comply with the Conflict Minerals Project, relevant United Nations sanctions resolutions or, where applicable, domestic laws implementing such resolutions.

Evaluation of sustainability and business conduct in tenders

MRL implements evaluation criteria for sustainability and business conduct as part of its standard tender process. This supports the existing assessment of health and safety, environment, financial stability, technical and cost considerations.

Evaluation criteria for sustainability and business conduct include considerations of corporate governance, the presence of sustainability policies, programs and reporting, the quantification of greenhouse gas (GHG) emissions and initiatives to reduce GHG emissions, policies or practices to enhance diversity and inclusion, business ethics and conduct, as well as community support.

Environmental and health and safety considerations include a range of policies and management plans, risk assessments, incident reporting and performance metrics. Any person entering an MRL site is required to complete a corporate safety induction and a site specific or workplace specific induction.

Human Rights Resource and Energy Collaborative

MRL continues to participate in the *Human Rights Resource and Energy Collaborative* (Group), which provides a forum for practitioners in the extractives, resources and energy sectors to contribute towards the meaningful implementation of the *Modern Slavery Act 2018 (Cth)*.

The Group developed a common industry *Modern Slavery Self-Assessment Questionnaire* (SAQ) toolkit to understand the risk of modern slavery in business operations and their supply chains. 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 child labour, forced labour, bonded labour and human trafficking
- Grievance and redress mechanisms

The Group meets regularly 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 operations and supply chains.

Modern slavery supply chain screening

MRL applies a risk-based approach to the application of the modern slavery SAQ. Only suppliers that present a high-risk of modern slavery (based on the nature of the goods or services they supply) are required to complete the SAQ.

To assist in defining whether a supplier is high-risk, MRL developed a decision tree to guide our procurement practices. We define potentially high-risk suppliers as suppliers who meet any of the following criteria:

- Goods are sourced from a country that has a modern slavery vulnerability score of over 50/100 as per the *Global Slavery Index*
- Third party labour hire arrangements are in use
- The following goods are sourced: explosives, electronics (including components), safety supplies (including personal protective equipment and branded clothing), as well as general parts and consumables
- The following services are sourced: building, maintenance, security, cleaning, shipping and freight and construction services

MRL requested 15 Modern Slavery Self-Assessment Questionnaires during the year and no modern slavery risks were identified in our supply chain during FY21. While no instances of modern slavery were identified, several improvements were agreed and implemented to encourage suppliers to work towards developing policies and processes to identify, investigate and remedy the risk of modern slavery in their supply chain. We continue to monitor and assess our high-risk supplier base to ensure their understanding of our commitment towards sustainable procurement practices across our supply chain.



EVALUATION OF MODERN SLAVERY SAQ RESPONSES

MRL has a process to identify and follow up on significant 'red flag' responses, with the aim of enhancing awareness of modern slavery. Situations that constitute a red flag issue include:

- Workers are not free to leave accommodation at will and occupy substandard or overcrowded living arrangements
- Child labour is present
- Original personal identification and travel documentation, such as passports or birth certificates, are retained
- The application of financial penalties
- 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 termination fees

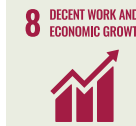
MRL has investigated several options to implement a system solution to support broadening our supplier sustainability and modern slavery screening processes. In FY22, we aim to implement a system solution to collect and monitor sustainability and modern slavery data across our supply base, with a target of 90 per cent of high-risk suppliers screened by 30 June 2022.

HEALTH AND SAFETY



WE STRIVE TO MAINTAIN A **HEALTHY** AND **SAFE WORKING ENVIRONMENT** FOR OUR EMPLOYEES, CONTRACTORS AND VISITORS, AND ENHANCE THE **WELLBEING** OF OUR PEOPLE.

MATERIAL TOPIC 2: MAINTAINING A SAFE WORKING ENVIRONMENT THAT PROMOTES HEALTH AND WELLBEING



8 DECENT WORK AND ECONOMIC GROWTH



3 GOOD HEALTH AND WELL-BEING

Health and safety performance are fundamental to MRL's overall success and pivotal to our social licence to operate. MRL works hard to protect the safety and wellbeing of the MRL family – our workforce, their families and the communities in which we operate.

MRL's Health and Safety Strategy is built around five key pillars:






- 1  **LEADERSHIP**
Highly engaged, visible and proactive safety leadership at all levels
 - Adaptive leader training
- 2  **OPERATIONAL DISCIPLINE**
Unwavering discipline and commitment to perform
 - Legistlative training and awareness
 - Enhanced Governance Audit Program
- 3  **'FIT FOR PURPOSE' SYSTEMS**
Continually improve and simplify systems and processes to ensure fit for purpose and no barrier to success
 - Increased analysis tools and training
 - Embedding OneMRL
 - Targeted progams in:
 - Isolation tagging
 - Road haulage
 - Permit to Work
 - Contractor Management
- 4  **CRITICAL RISK MANAGEMENT**
Ensuring critical risk activities are identified and managed with clear accountabilities for verification of critical controls
 - CRM implementation program
- 5  **RESILIENT PEOPLE**
Active investment in the health and wellbeing of our people through education and initiatives. We have a clear focus on our peoples' 'fitness for work' encompassing all elements of physical and mental health
 - Mental Health Strategy
 - MRL Health Centre
 - Increased site specific resources support

Figure 8: Five Pillars of Health & Safety Strategy

OUR COVID-19 RESPONSE

During FY21, COVID-19 continued to influence our activities due to lockdowns and state border closures across Australia.

From the beginning of the pandemic, MRL's response has focused on three key areas:

- Keeping our people safe and well
- Maintaining safe and reliable operations
- Supporting our communities

In FY21, MRL continued to mitigate the risk of COVID-19 to our workforce, operations, communities and our industry. This included conducting more than 84,000 COVID-19 tests through our screening facilities using our own gold-standard COVID-19 testing equipment capable of performing PCR-SARS-CoV-2 tests.

These screening and testing processes were made available to MRL employees and their families. In addition, more than 60 resource sector companies in Western Australia used MRL's screening facilities.

At the request of health officials, we also made our collection facilities and testing equipment available to the public during the COVID-19 outbreaks in Western Australia during FY21.

MRL remains alert and vigilant to the ongoing impacts of COVID-19 and other threats to our business. MRL's proactive approach to managing the risks of COVID-19 demonstrates our agility and resilience. MRL continues to implement a range of precautions to keep our people healthy and safe, our operations running and providing continuous service to our customers. As an important contributor to the Western Australian and Australian economies, we continue to work with government to help ensure our operations contribute positively to the economy and society through these challenging times.

Keeping our people safe and well

Our primary focus remains the safety and wellbeing of our workforce, their families, our contracting partners, and the communities in which we operate.

Some of the actions we continue to undertake to address the risk of COVID-19 on our operating conditions include:

- Implementing physical distancing in all workplace activities (when required)
- Limiting movements around our office and sites and prohibiting visitor access (when required)
- Supporting office-based employees to work from home where possible
- Enabling flexible working arrangements for employees to support family commitments
- Reducing contact between our shift workers
- Eliminating social events and gatherings in all of our workplaces (when required)
- Employing additional cleaners and increasing our cleaning schedules around our sites and offices
- Raising awareness of improved hygiene practices
- Implementing travel restrictions based on public health advice and maintaining a travel register
- Providing up-to-date information for our workforce and their families
- Continuously monitoring global developments and guidelines introduced by the Federal and State Governments and public health authorities
- Monitoring internal leading indicators to promote our safety culture
- Providing mental health and wellness support

The MRL COVID-19 screening program screened over 84,000 people through FY21, without putting any strain on the public health system. We have swab screening for our fly-in fly-out (FIFO) workforce as part of our total approach to minimising the spread of the virus.

Our aim is to ensure anyone travelling to site is free of the virus. There have been no COVID-19 cases at any MRL operation, and our mines have remained open and operating at 100 per cent capacity.

As we increase our understanding of COVID-19 on a global level, MRL works to ensure data from the MRL COVID-19 screening program is used for research purposes to inform future action. We continued to partner with Curtin University's Faculty of Health Sciences to provide our results for a study into incidence of asymptomatic infection within the FIFO worker population of WA. The data obtained through this research study is expected to be invaluable to the WA Government and public health officials responsible for managing the response to this crisis and beyond.

Maintaining safe and reliable operations

We strive to keep our operations running and provide safe continuous service to our customers. We have put in place strict protocols to keep our employees and contractors safe, enacted in line with Government guidance, directives, and advice from health officials.

- Changing the rosters of our fly-in fly-out workforce to assist with minimising the movement of people within and outside of Western Australia
- Reducing the number of people on flights, buses, and vehicles to comply with physical distancing rules
- Undertaking COVID-19 testing prior to mobilising to our sites and only permitting travel by demonstrating a "Not Detected" test result
- Implementing controls in dining areas to reduce the number of people present at any one time
- Implementing restrictions at site-based gyms and recreation facilities
- Providing increased support for our employees via increased medical staff (paramedics and nurses) on site and increased promotion of the Employee Assistance Program
- Providing regular updates from Executive Management to all workers on COVID-19 related developments

While many initiatives focus on hygiene and physical health, we are also acutely aware of the mental health implications of COVID-19 and the associated restrictions put in place. MRL has focused efforts on the mental health and wellbeing of our people through various initiatives (refer to *Material Topic 2: Maintaining a safe working environment – Health and Wellbeing* for more information).

Supporting the economy and communities

The resources industry is an important contributor to the Western Australian and Australian economies and MRL continues to work with the Government to help ensure our operations contribute positively to society.

MRL partnered with the Western Australian State Government to source a screening solution to minimise the risk of COVID-19 to the Western Australian resources sector without impacting or putting pressure on the public health system. Our decision to open MRL's screening process to other companies, at cost, is aimed at ensuring this pandemic does not force the closure of our local resources sector, which employs tens of thousands of Western Australians and is the economic lifeblood of our State.

OUR SAFETY COMMITMENTS

MRL is committed to complying with all health and safety laws and regulations governing our activities and has developed a suite of policies, standards, and procedures to guide compliance. We ensure we remain abreast of best practice by obtaining regular updates from safety law on occupational health and safety legislation, codes of practice, guidelines and published standards.

Through our updated *Health and Safety Policy*, MRL strives to:

- Conduct our business in a healthy, safe and sustainable manner for the benefit of all our employees and stakeholders
- Treat at all employees and stakeholders with dignity, care and respect; recognise achievements and promote successful outcomes of work groups and individuals
- Develop and implement management systems which enable us to conduct our business in a responsible and professional manner
- Ensure every incident is promptly reported, objectively and thoroughly investigated to confirm all causes and contributing factors, then implement corrective and preventative actions to reduce the likelihood of recurrence
- Comply with and exceed, where reasonably practicable, all applicable legislation, standards and codes
- Establish appropriate objectives and targets to continually improve our commitment to eliminating injuries and damage within our business

MRL's *Injury Management Policy* supports the *Health and Safety Policy* by outlining our commitment to the prevention and management of occupational illness and injury. We also have a *Fitness for Work Policy*, which ensures MRL takes all reasonable precautions under its duty of care to ensure employees are fit for work.

OUR SAFETY MANAGEMENT FRAMEWORK

Safe operations depend on technically sound plant equipment and work practices that are well designed, planned, executed and supervised. MRL has a dedicated Safety team, led by a General Manager and supported by operational Safety Managers. Monthly safety meetings are held with Executive Management and safety performance reported to the Board.

Our occupational health and safety system applies to all MRL and subsidiary employees, contractors, sub-contractors and visitors within our operational sites and facilities.

The foundation of the framework is our *Health and Safety, Injury Management and Fitness for Work Policies*; supported by cascading standards, procedures, plans and tools to meet the requirements of the *Mine Safety and Inspection Act 1994* and the *Mines Safety and Inspection Regulations 1995*. Our Cardinal Rules help to maintain a safe and healthy work environment and are a condition of employment at MRL. Breaches of the Cardinal Rules are monitored and evaluated.

HAZARD IDENTIFICATION, RISK ASSESSMENT AND INCIDENT MANAGEMENT

MRL has thorough processes for hazard identification, risk assessment and incident management. The *MRL Hazard and Risk Management Procedure* defines minimum requirements to identify, analyse, evaluate, control, monitor and review occupational hazards and risks within the business. Definitions of risk consequence levels, likelihood, risk ratings and a hierarchy of controls ensure consistent application across the business.

MRL has several hazard risk identification and assessment tools, including:

- Project risk assessments, which are facilitated risk assessment processes that identify key project risks prior to work being undertaken

- Task-based risk assessments, which focus on identifying hazards and risks occurring while undertaking a specific task. At MRL these include:
 - o Job hazard analysis – used as a pre-task planning tool for supervisors and work groups to analyse the task for hazards and risk and to apply controls
 - o Personal risk or 'take time' assessment – a pre-task planning process that focusses on hazard identification and control of an individual worker for a specific task about to be undertaken
- Hazard report cards completed by individuals undertaking routine or lower risk activities to identify workplace hazards prior to completing a task

Facilitators of hazard and risk assessment processes must be trained and competent in the tools and techniques used. MRL's workforce undertakes compulsory training on the task based assessment tools in use. We evaluate the effectiveness of the risk assessment process to mitigate hazards and ensure continuous improvement.

MRL has a clear focus on near miss reporting at all our operations. We believe learning from these events is essential in helping to prevent them reoccurring in the future and improving our safety performance over time.

Stop work authority

As part of creating a strong safety culture, reporting work-related hazards and hazardous situations is actively promoted through the *MRL Communication and Consultation Procedure* and during all safety inductions. This authority provides employees and contractors with the responsibility and obligation to stop work when a perceived hazard, or unsafe conditions or behaviours, may present danger to personnel, equipment or the environment.

Situations warranting a stop work authority may include alarms, lack of knowledge or understanding of the task, change in workplace conditions, reported hazards

and/or near-miss incidents, improper equipment use or other unsafe conditions and behaviours. The *Stop Work Authority Procedure* prohibits retribution following a stop work action initiated in good faith, even if it is assessed as unnecessary at a later stage.

Critical Risk Management Program

To manage the safety of our people while at work, MRL seeks to proactively identify and control hazards and minimise exposure to health and safety risks. MRL's Critical Risk Management (CRM) Program informs a detailed analysis of activities presenting the greatest risk of high-consequence injury.

This analysis is based on a review of industry statistics, historical MRL hazard and incident data, project risk registers, incidents with significant potential consequences, significant incident reports and the results of our safety management system audits.

During FY21, as part of the rollout of the CRM, MRL developed and trained 255 CRM leaders within the business and trained 1,784 additional people in the CRM Program.

We continue to focus on critical controls associated with our critical risk activities, as illustrated in Figure 9.



Figure 9: Critical Risk Activities

Incident management and investigation

MRL's *Incident Management Procedure* describes requirements for initial response, notifying and reporting, classification, and investigation of incidents. This includes an incident management flow chart and requirements for monitoring and closing corrective actions in the event management database. On investigation, incidents are assigned to a critical risk activity, where relevant. MRL's *Injury and Illness Classification Procedure* supports the *Incident Management Procedure* by clarifying the definitions for occupational injury and illness to ensure accurate classification of health and safety related incidents.

Hazardous substances management

Working with hazardous substances is one of MRL's critical risks. MRL requires the review and approval of all hazardous substances prior to use. We also require all hazardous substances to be appropriately managed, stored, handled and used in accordance with applicable Australian Standards and Safety Data Sheets. This includes storing hazardous substances in the correct storage areas as well as a consideration of secondary containment to capture spilling, fire prevention, ventilation, PPE, access by emergency response teams, safety signage and appropriate labelling.

Hazardous substances classified as dangerous goods must be managed, stored, handled and used in accordance with dangerous goods regulations. This includes ensuring any person involved with hazardous substances is trained, competent and authorised to do so. MRL uses an external web-based software program to develop a register of all chemicals and materials stored on each site. It also provides Safety Data Sheets and information about the health and environmental effects of the chemicals listed.

Emergency response and management

MRL operations are guided by a *Crisis and Emergency Response Management Plan*, which defines roles, responsibilities and arrangements to activate a rapid and organised response to emergency or crisis situations such as cyclones, security issues, fatalities, significant environmental damage, kidnappings, accidents and destruction of assets.

All MRL projects and facilities have documented *Emergency Management Plans* focused on:

- Ensuring the safety and health of all people associated with the project/contract/facility
- Protecting MRL property and assets
- Minimising the impact on the environment
- Ensuring business or project continuity as soon as practical
- Safeguarding MRL's business reputation and commercial viability

CONTRACTOR MANAGEMENT

Our contracting partners are an important part of our workforce and integral to the safe delivery of a high-quality product to our customers. Engagement of contractors is managed through the MRL Contracts and Procurement team, which assesses the contracting partner's capability to undertake work for MRL, or on our behalf. Contracting companies are required to submit to MRL a *Safety Management Plan* that systematically addresses all aspects of the intended work scope and compliance to all health and safety legislation, approvals, licences, permits and standards applicable to the work.

MRL's *Contractor Management Procedure* outlines the process to verify contractor and sub-contractor groups have the necessary skills, resources and equipment to safely undertake work activities assigned by MRL. Our *Contractor Safety Requirements Manual* (Manual) supports the *Contractor Management Procedure*, outlining minimum safety and health requirements required of all contractors undertaking work for MRL. The Manual is applicable to all contractors and sub-contractors across MRL and its subsidiary worksites.

Prior to the execution of any work by a contractor, a *Contractor Induction Checklist* and *Contractor Work Pack* of documents need to be reviewed, completed and approved. This includes a MRL *Medical Declaration Form*, a negative drug and alcohol screen and the pre-employment medical 'fit for work' assessment completed by a registered Medical Practitioner. All contractors are also required to complete the MRL *Corporate Safety Induction*, the *Code of Conduct* and *Business Integrity* training, and a site and area specific induction, prior to being mobilised to any MRL site.

To support the business in the effective management of our contracting partners, all leaders are required to complete an online training package for Contractor Management.

HEALTH AND SAFETY TRAINING

Training

All MRL operations include a robust health and safety induction program for all employees, contractors, sub-contractors and visitors. This provides an overview of our business, vision and values; key MRL policies and procedures; and critical health, safety and environmental information. It is compulsory for all employees, contractors, sub-contractors and visitors at MRL's sites to complete the corporate safety induction, which is deemed valid for two years post completion.

MRL also maintains site-specific induction packages, which can be completed prior to arriving on site. These training packages allow operational teams to receive site-specific information and transition to site in a more streamlined manner. MRL is transitioning to new e-learning packages to electronically onboard employees to our owner operator sites prior to attending site.

We continue efforts to streamline our training processes, conducting analysis of our training systems and onboarding process for all personnel joining the business.

Frontline Managers and Supervisors receive training on safety and leadership skills through MRL's internally developed Adaptive Leader Program.

MRL assesses the competency of our workforce to meet safety requirements through a verification of competency assessment. MRL has a *Verification of Competency Procedure* to ensure:

- Workers have the required skills and knowledge to successfully achieve their job scope safely
- Workers are competent to successfully complete their job scope to the required standard
- We comply with all legislative, organisational, industry and client requirements at all times

Awareness and safety culture

All sites and departments have a safety representative that actively engages on health and safety matters at a site level, including reported hazards, near misses and safety performance.

A weekly safety and training notification is sent to all operational teams with internal safety alerts and other health, safety and training notifications. This includes toolbox topic documents for discussion at pre-start and toolbox meetings for the following week. Toolbox topics have included: identifying, assessing and controlling risks; electrical awareness; road safety; noise induced hearing loss; tyre fires and explosions; isolation and tagging; and surviving nightshift and fatigue.

Worker health and safety meetings at project sites are held each month. Strong safety performance is recognised through safety achievement certificates as well as individual and team awards.

HEALTH AND WELLBEING

MRL has a dedicated Health Services team responsible for the full spectrum of health services support to maintain and improve employee health and wellbeing. MRL's program covers physical and mental wellbeing, injury prevention and management, and lifestyle and social wellbeing.

Fitness for work

MRL requires all employees and contractors to be fit for work while they are on our work sites or undertaking activities on our behalf. A number of factors may influence a person's fitness for work including, but not limited to, the adverse effects of alcohol and other drugs, fatigue, physical stress, heat illness, mental health/psychological issues, medications, medical issues, smoking, health and fitness and nutrition. The MRL *Fitness For Work Procedure* outlines the minimum standards for managing fitness for work.



Work-related ill health

MRL takes a proactive, holistic and risk-based approach to managing health and hygiene hazards across our workplaces. We identify health related hazards through the application of methodologies and standards from the Australian Institute of Occupational Hygienist (AIOH), the American Industrial Hygiene Association, Safe Work Australia and Standards Australia.

The types of health hazards we manage vary due to the demands of different roles and the varying environments in which our employees work. The most common health hazards that our employees and contracting partners are exposed to include:

- Noise from our mining and workshop operations
- Welding fumes
- Naturally occurring fibrous minerals encountered in mining operations
- Silica and general dust

These health hazards could result in work-related ill health such as hearing loss or respiratory illness. Gradual onset musculoskeletal disorders also pose a health hazard to our workforce and contracting partners.

MRL undertakes baseline medical assessments of physical, hearing and lung function to establish medical fitness for work prior to employment. We also monitor potential exposures to health hazards to develop health exposure risk profiles, and associated controls, to prevent occupational illness. We address work-related hazards with controls documented in our *Health and Hygiene Management Plans*. Each plan takes a risk-based approach to control hazards specific to the work areas where our people are potentially exposed.

MRL is committed to continuously enhancing our occupational health and hygiene risk assessment, monitoring and exposure controls to protect the long-term health of employees.

As a business, MRL proactively manages work-related hazards through a range of initiatives, including:

- Developing comprehensive health exposure risk profiles and categorising risks based on potential exposure levels, which are communicated to site leadership
- Educating our workforce on the health risks that may be present in their workplace, what controls are in place, and how to reduce their risk of ill health
- Site-specific noise control management plans which summarise noise control strategies
- Periodic noise and air contaminants monitoring to ensure exposure levels are within acceptable limits set by legislation and scientific bodies
- Worker education and awareness sessions focusing on the correct selection and fitting of PPE, such as hearing protection devices and respiratory protection equipment
- Provision of hearing testing
- Task related 'warm-up for work program', which focuses on assessing the risks associated with manual hazards and exercises to minimise musculoskeletal injuries
- Verification of existing controls through infield verification programs

MRL has fulfilled its objective to improve on the collection of our hygiene sampling through building internal capability to execute the work.

In FY21, MRL achieved this by:

- Building an expert in-house team led by Certified Occupational Hygienists (COH) and AIOH full members
- Establishing our Hygiene Management System guided by ISO 31000 risk management
- Developing our Occupational Hygiene Standard, stipulating the performance requirements for the business

- Developing site specific management plans, programs and reporting tools to execute the performance requirements of the Occupational Hygiene Standard
- Successfully rolling out hygiene monitoring across all MRL owner/operator operations achieving 100 per cent sampling regulatory compliance across all sites throughout the year
- Conducting training on collection of quality samples including, but not limited to, exposure assessment, control, and verification

MRL strives to prevent occupational illnesses through proactive identification, assessment, and management of risk factors and monitoring the health status of our workforce. The systems put in place this year will manage exposure health risks to our employees and contractors.

During FY21, there were also no recordable incidents or fatalities among our employees and contractors from work-related ill health.

Mental health

At MRL, we are increasingly focused on the mental health of our workforce. In our view, mental health is as important as physical health and is an important component of employee engagement and productivity. With a large fly-in-fly-out workforce, we understand some work types and arrangements can bring additional challenges that can affect a person's mental health. The Department of Mines, Industry Regulation and Safety's (DMIRS) *Code of Practice on Mentally Healthy Workplaces for FIFO Workers in the Resources and Construction Sectors* provides guidance on the development and maintenance of mentally healthy workplaces by:

- Using a risk management process to identify psychosocial hazards and risk factors in the workplace to help protect mental health
- Managing and avoiding the exacerbation of existing mental health concerns at work
- Encouraging positive mental health outcomes for all workers

A mentally healthy workplace is a shared responsibility between MRL and its employees. Our Health and Wellbeing team is committed to building an on-site community that encourages positive integration between work and leisure by linking mental health to social wellbeing. MRL is also a proud member of the CME Mental Health Focus Group, which provides support to member businesses on mental health issues in the mining sector.



Mental Health Framework

A Mental Health Framework was developed during the year to integrate positive mental health messaging and activities into the MRL culture. The framework is informed by:

- WELL Business Standards™ (Concept 9 MIND)
- Department of Mines, Industry Regulation and Safety (Code of Practice) Mentally Healthy Workplaces for Fly-in Fly-out Workforce
- The Four Pillars of MRL Health (Physical Health, Mental Wellbeing, Lifestyle and Social Wellbeing, Injury Prevention and Management)
- Global sustainability frameworks and guidance

The overarching models of the MRL Mental Health Framework include:

- **Mental Health Literacy:** Promoting an ability to recognise mental health difficulties and knowing how to access mental health information. It aides recognition of when specialist help is necessary, makes changes to attitudes and behaviours that reduce stigma, promotes recognition of difficulties and supports help-seeking behaviours.
- **Parity of Esteem:** A ‘parity of esteem’ is defined as ‘valuing mental health equally with physical health’, which would result in those with mental health problems benefitting from equal access to the most effective and safest care and treatment. This model ensures a holistic, ‘whole-person’ response to everyone in need of care and support, with their physical and mental health needs treated equally.
- **Collective Impact:** Bringing people together in a structured way to achieve social change. It promotes a culture that fosters relationships, trust and respect and setting a common agenda. It advocates shared outcomes; implementing mutually reinforcing activities; and using data to continuously learn, adapt and improve.

Mental health and wellbeing initiatives

During the year, we undertook several initiatives focused on mental health:

- Our full-time in-house psychologist supported the continued development of MRL’s mental health programs and initiatives
- Launch of *MRL Mind Matters* series, which gives our employees and their families exclusive opportunities to hear direct from industry experts on mental health topics
- We continued to work with Lifeline WA and CME focus groups to develop the ‘A Resourceful Mind’ mental health program for FIFO workers
- We held several community events including R U OK? Day, Mental Health Month, Movember, and the Blue Tree Project

- Approximately 700 staff participated in Mental Health Literacy modules, encouraging positive outcomes including improved likelihood of accessing support earlier, either on-site or across metropolitan and regional areas
- We engaged psychologists to run information sessions on mental health awareness
- We continued to host social activities across sites – such as quiz nights, karaoke nights and band visits – to foster participation in positive social interactions
- Through our partnership with Lifeline WA, 40 staff became Accredited Mental Health First Aiders
- Through our partnership with Youth Focus, we provide ease of access to counselling for our apprentices and under 25s
- WELL Building Standards (Platinum Rating) were incorporated into our new corporate premises under development

CURTIN UNIVERSITY FIFO WELLBEING AND IMPACT ON PARTNER RESEARCH

MRL is involved in a multi-site research project exploring health issues associated with rotation work, employing intensive longitudinal assessment methods led by researcher Dr Suzanne Robinson at Curtin University, Western Australia and the University of Aberdeen, Scotland. The research project aims to examine changes in health-related indicators in rotation workers over the course of a roster cycle and to assess changes in health-related indicators of partners of rotation workers over the course of a roster cycle. Participation by MRL employees is voluntary through agreement between the employee and the research team.

All employees and their families continue to have access to the Employee Assistance Program (EAP), which provides confidential professional counselling and support to employees with personal or work-related difficulties. During FY21, 140 staff accessed 434 internal psychology sessions. Benefits of both consultation types are leveraged to support our workforce.

Capitalising on the benefits of an integrated care model requires strong leadership, professional commitment, quality and governance, and good management structures. A proposed integrated health and wellness service at MRL’s new corporate head office will combine mental, physical and social health care with wellbeing initiatives so assessment, treatment and management of mental health issues are focused on the needs of the individual.

Non-work-related health and wellbeing

Our workforce is exposed to various non-work-related stressors, which may impact their health and wellbeing. Our Health Services team provides services focused on improving the health and wellbeing of our workforce, including:

- Tertiary qualified Health and Wellbeing Advisors dedicated to each owner-operated site
- Fitness and active lifestyle facilities and events such as on-site gyms, running tracks, fitness equipment and social sporting events
- Health promotion and awareness for our site-based workforce, delivered through an annual health promotion calendar, weekly camp newsletters, interactive toolbox sessions and social media
- Screening for health conditions including blood pressure assessments, body composition testing, range of movement and flexibility testing. We also administer health management plans for high-risk employees
- Access to free health services for our permanent workforce, including:
 - o Vaccinations
 - o Skin checks
 - o Support to quit smoking program
 - o Health checks
 - o Body scanning
 - o Nutritional coaching
 - o Wellness support

Our health and wellbeing program is promoted through our on-site Health and Wellbeing Advisors, our monthly health and wellbeing newsletter, regular company-wide email communications, site notices, the MRL intranet, toolbox topics and gym notice boards at all owner-operated camps.

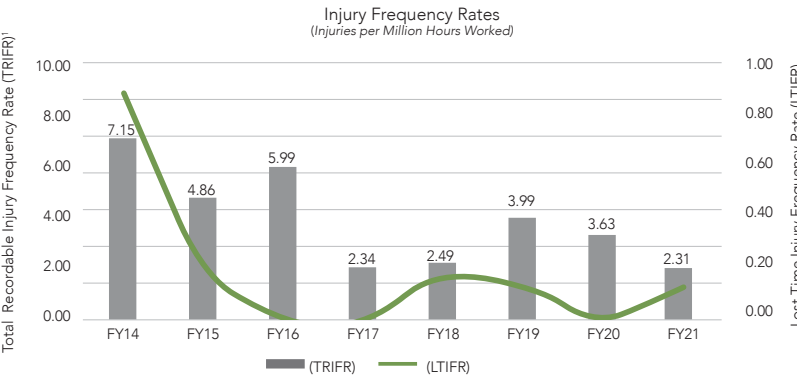
OUR HEALTH AND SAFETY PERFORMANCE

Measuring our health and safety performance is a critical part of our safety management framework. During FY21, our Total Recordable Injury Frequency Rate (TRIFR) was 2.31, which is a 36 per cent improvement compared to FY20 . This is an encouraging result given our workforce grew by 39 per cent during the same period. MRL continued to work closely with key contracting partners to ensure alignment of safety and health expectations to deliver successful safety outcomes.

During FY21, MRL experienced its first Lost Time Injury in two years, with a finger injury sustained at one of our operations. Due to the speed of the response and expert medical care, a full recovery is expected. The incident was fully investigated and changes have been implemented across all operations to ensure this hazard is eliminated.



A summary of MRL’s FY21 safety performance is outlined in Table 6. Figure 10 shows MRL’s injury frequency rate based on 1,000,000 hours worked for employees and contractors.



¹ FY20 TRIFR has increased by 10 per cent due to a revision in our exposure hours reporting boundary to capture activity within our direct control.

Figure 10: Historical trends in LTIFR and TRIFR – combined employees and contractors

FY21 Safety Metric per 1,000,000 hours worked	Employees	Contractors	Combined Employees and Contractors	FY21 Target
Work-related Fatality Rate	0.00	0.00	0.00	Zero Meets Target
Lost-time Injury Frequency Rate	0.16	0.00	0.12	<0.25 Exceeds Target
Total Recordable Injury Frequency Rate	2.09	3.02	2.31	<3.00
High-consequence Work-related Injuries Rate ¹	0.16	0.00	0.12	
All Incident Rate ²	-	-	196.70	
Near Miss Frequency Rate	-	-	42.48	
Hours worked	6,228,302	1,987,048	8,215,349	

¹ High consequence injuries are defined as significant injuries, which include LTIs and fatalities
² All incidents rate excludes non-work related injuries

Table 6: FY21 safety performance compared to our targets

Figure 11 provides a breakdown of the main types of work-related injuries. Sprains and strains of joints and adjacent muscles are the most common type of work-related injury, followed by superficial injuries.

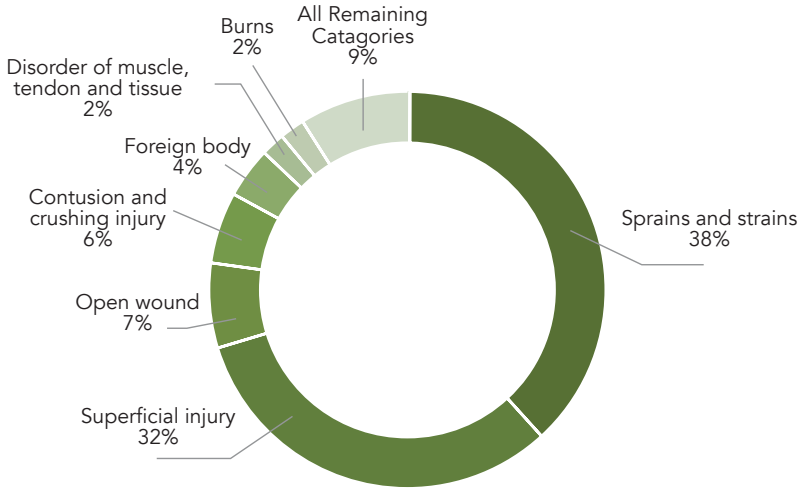


Figure 11: Nature of FY21 work-related injuries

For further information on MRL’s historical injury rate performance and frequency rates, refer to our standalone publication of our 2021 Sustainability Performance Data.

During FY21, a person from a contracting company tragically lost their life in an offsite road incident during a return journey from transporting our product to the shipping port. MRL offered its support to our contractor company and their employees following the incident. An investigation is ongoing with the contractor, the Western Australian Police and Main Roads Western Australia. We will offer to support our contractors to action the investigation findings. MRL seeks to influence and improve the health and safety practices of our contractors undertaking activities associated with our operations that occur in locations that we do not control.

MONITORING AND EVALUATING OUR PERFORMANCE

MRL has a *Safety Internal Audit Procedure* outlining three layers of safety audits. These include project/facility/contract audits conducted by site-specific safety leads, corporate or business unit audits conducted by the MRL Safety team and third-party audits conducted by independent auditors. The MRL Safety team maintains a corporate audit schedule for monitoring the completion of internal safety audits.

MRL is not certified against any external safety standard, however safety performance metrics LTIFR and TRIFR have been subject to external assurance (refer to page 115 for a copy of the *Independent Limited Assurance Statement*).

We also continue to monitor more than 30 internal lead and lag indicators to assess our performance and inform future initiatives.

LOOKING FORWARD

MRL is committed to continuous health and safety improvement of our culture, risk profiling, behaviours and performance.

Our FY22 strategy continues to focus on five key areas:

1) HEALTH SERVICES

- Provision of quality health services support associated with maintaining and improving employee health and wellbeing. This includes the development of health and safety awareness programs, health monitoring and the management of the MRL worker’s compensation and injury management portfolio

2) SAFETY SERVICES

- Operational support through clear and direct focus on:
 - The implementation of high priority health and safety strategic actions
 - Providing operational support through a “roving” resource pool
 - Ensuring a bright future for our profession and our business through managing the health and safety graduate program

3) SAFETY SYSTEMS

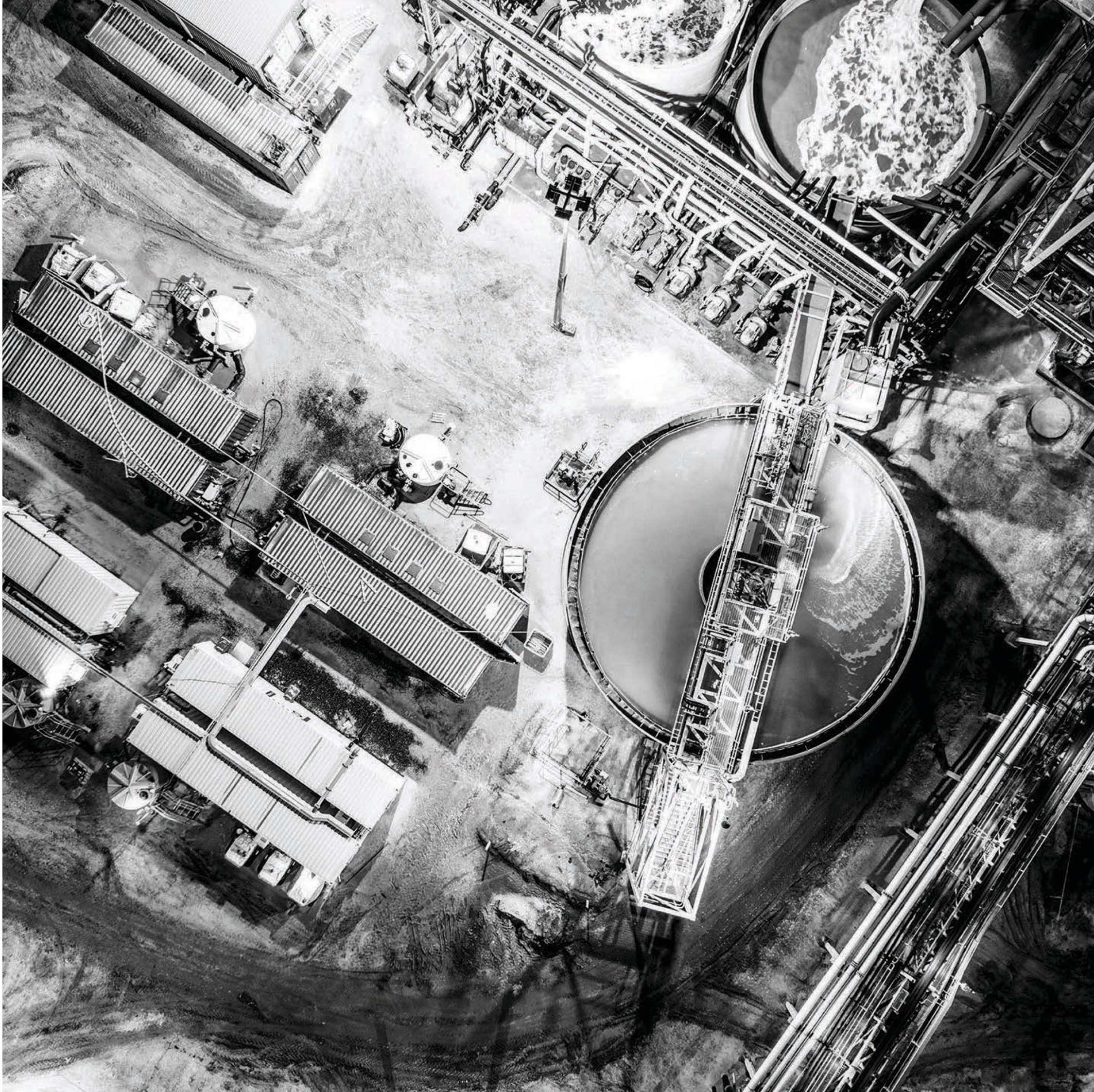
- Responsible for the design, development, implementation and review of MRL’s online safety platforms and databases which align to the MRL Safety Framework
- Provision of the centralised administration team encompassing document control, systems administration, end-of-month and statistical collation, analysis and trending

4) OCCUPATIONAL HYGIENE

- Review and continued implementation of the Hygiene Management System for the identification, assessment, and management of health hazards
- Responsible for the prevention of occupational illnesses and to ensure regulatory compliance

5) OPERATIONAL SAFETY

- Execution of operational safety management services, including technical support and the supply of centralised safety resources to support project and contract teams
- Direct responsibility and engagement of operational safety and implementation of the MRL Safety Framework



OUR PEOPLE



WE ARE COMMITTED TO CREATING A FAIR, DIVERSE AND INCLUSIVE WORKPLACE THAT SUPPORTS US IN ATTRACTING AND RETAINING TALENT.

MATERIAL TOPIC 3: ATTRACTING AND RETAINING TALENT WHILE DEVELOPING A DIVERSE AND INCLUSIVE WORKFORCE



- PRINCIPLE 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- PRINCIPLE 4:** the elimination of all forms of forced and compulsory labour.
- PRINCIPLE 5:** the effective abolition of child labour; and
- PRINCIPLE 6:** the elimination of discrimination in respect of employment and occupation.

Our people are the foundation of our business and instrumental to our success. As of 30 June 2021, MRL employed 3,268 employees², an increase of 39 per cent when compared to 30 June 2020. It is critical for our business to identify, attract and retain high quality people to help us meet our objectives. Our Human Resources team works to build organisational capability by ensuring our people are treated fairly and have access to career development opportunities.

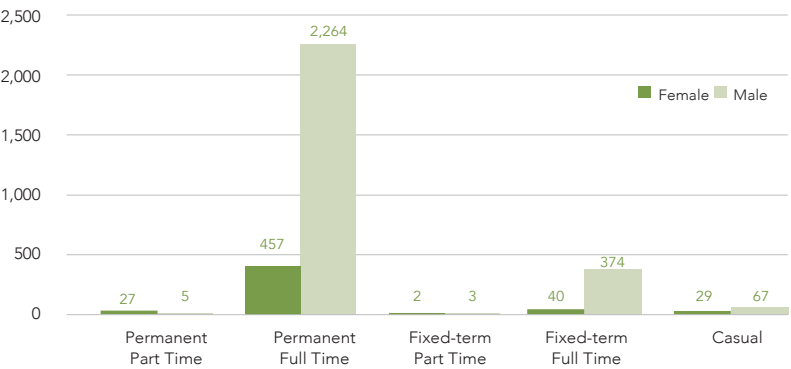


Figure 12: Total employees by employment contract, type and region as at 30 June 2021



ATTRACTING AND RECRUITING TALENT

MRL's goal is to attract and retain people who are aligned to our values, and considered best industry talent, to keep our business moving forward. We seek innovative and highly competent individuals to join the MRL family. It is business-critical for us to identify, attract and retain the right people in the right roles to help us meet our objectives.

FY21 new hires³ broken down by gender in Table 7, age group in Table 8 and region in Table 9.

Gender	Female	Male	Total
Total new hires in FY21 by gender	355	1,590	1,945
Average of monthly new hire ¹ rate across FY21 by gender	64%	59%	60%

¹ Monthly new hire rates are calculated using the sum of monthly hires divided by the headcount for FY21 in line with GRI Standard interpretation 401–1.

Table 7: FY21 new hires by gender

Age Group	Under 30	30 - 40	Over 50	Total
Number of new hires over FY21 by age group	418	1,097	430	1,945
Percentage of new hires in FY21 by age group	21%	56%	22%	100%

Table 8: FY21 new hires by age group

Region ¹	Yilgarn	Perth	Pilbara	Ashburton	Port Hedland	Queensland	Northern Territory	New South Wales	Total
Number of new hires over FY21 by region	694	541	486	200	18	2	3	1	1,945
Percentage of new hires in FY21 by region	35.68%	27.81%	24.98%	10.28%	0.93%	0.10%	0.15%	0.05%	100%

¹ FY21 regions have been updated reflective of current reporting year regional employ.

Table 9: FY21 new hires by region

² This figure does not include contractors or Non-Executive Directors.

During FY21, we undertook several initiatives to enhance employee attraction and recruitment and better position MRL to achieve its ambitious growth plans over the next two to three years. Initiatives included:

- Targeting talent audiences through a unified Employee Value Proposition and employer branding strategy. To execute the strategy, the MRL Communications and Brand team held a range of workshops and interviews with site-based and office-based employees to identify benefits they most value in return for working for MRL
- Introducing a new retention bonus plan for almost all employees to reward commitment to MRL and share our company's success with employees
- Formalising flexible work arrangements, allowing employees to work in ways that better suit their lifestyle while maintaining access to development and career progression opportunities
- Maintaining our Employee Referral Program to supplement existing recruitment strategies. This program incentivises current employees to refer suitably qualified and skilled candidates to MRL
- Continuing to review our job advertisement templates to ensure our employment messaging attracts a diverse workforce
- Updating the MRL LinkedIn 'Life' page to further highlight our brand, employees, accomplishments and company culture
- Attending and sponsoring several career development events including platinum sponsorship of the three-day Get Into Resources 2021 program (for further information, refer to *Material Topic 6: Developing and maintaining strong community and stakeholder relationships – Promoting careers in the mining industry*)
- Continuing our Apprenticeship Program, in partnership with the Kwinana Industries Council (KIC)
- Delivering an Entry Level Dump Truck Operator Training program, which included 48 female operators. This was part of our commitment to creating career pathways and supporting a diverse workplace, including retaining women across all roles and levels (for further information, refer to *Material Topic 6: Developing and maintaining strong community and stakeholder relationships – Skills Development*)

EMPLOYEE RETENTION

While employee attraction and recruitment are important, retaining talent is crucial to the success of our business. Our Human Resources team works to build organisational capability by ensuring our people are treated fairly, receive career development opportunities and enjoy positive employee experiences. A key

element of employee attraction and retention is workplace culture, so MRL continues to embrace its 'can-do' attitude and celebrate what makes our business different.

To improve the retention of employees, MRL undertook a number of initiatives during FY21:

- We introduced a new retention bonus plan to reward commitment to MRL and share our business success with employees
- We used regular conversations with our people and data from exit interviews and employee surveys to inform employee retention initiatives
- We supported a Curtin University research program that is aimed at identifying new industry initiatives to improve health and wellbeing among WA's FIFO workforce and contribute to potential benefits for individuals and retention for companies like MRL
- We maintained an understanding of market pay and conditions to ensure MRL remains competitive in the market and our employees are fairly rewarded in line with their skills, abilities, experience and behaviours
- We further developed talent management and succession planning in key business areas
- We invested in creating and maintaining an inclusive, inspiring and high-performing workplace by encouraging a supportive culture through the review and refresh of our MRL values – which were cascaded through our people practices
- We continued our strong focus on providing development and career progression opportunities for our people, inviting our employees to drive their own development in an environment that provides access to opportunities for growth through a mix of formal training, on the job learning and mentoring opportunities
- We offered weekly employee training sessions to support performance and development opportunities, including guidance for emerging frontline leaders through bespoke development programs such as the Adaptive Leader Program. Refer to Material Topic 3: *Attracting and retaining talent while developing a diverse and inclusive workforce – Workplace Culture and Training* for more information
- We introduced formal access to flexible working arrangements, which provide the opportunity for employees across all roles to consider how, when and where they work and how they can perform at their best while managing outside commitments. We embrace work-life balance from the top down, with all leaders having received training on available flexible work options and how to accommodate requests from team members

- We continued to support mothers returning to work by providing dedicated on-site lactation room in our head office

MRL is protecting our people throughout the COVID-19 pandemic, which continues to present challenges for our workforce, particularly our site-based employees. Associated retention initiatives include:

- In light of restrictions on interstate travel in Australia, we supported all employees who travelled to Western Australia through accommodation and meal allowances during rest and recreation leave
- We offered financial assistance to interstate employees willing to relocate to Western Australia indefinitely
- We regularly communicated with our employees to outline the steps MRL is taking to mitigate risk and keep people safe and help manage employee concerns and anxiety related to COVID-19

REMUNERATION AND BENEFITS

Remuneration and employee benefits are an important element of workforce attraction and retention.

Remuneration

Our remuneration framework consists of two elements:

- Fixed annual remuneration such as salary payments, superannuation and other fixed benefits
- Quarterly bonus plan to reward commitment to MRL and share our business success with employees. All eligible employees receive a bonus on top of their base salary every quarter. The plan is designed to cover almost all our employees, offering broad and immediate benefit across our business. The quarterly payment will ensure employees bank the bonus regularly, rather than waiting for annual payments.
- At-risk remuneration:
 - Executive Key Management Personnel⁴ (KMP):
 - Short-Term Incentive (STI) awarded based on performance measures over 12 months and settled partially in cash and partially in MRL shares over the following two financial years
 - Long-Term Incentive (LTI) subject to the testing of the performance measure over a total performance period of four years

- Senior leaders:
 - Short-Term Incentive (STI) awarded based on performance measures over 12 months and settled in cash
 - Long-Term Incentive (LTI) subject to continued service period of three years

Performance measures for STI and LTI Plans include safety indicators, organisational culture and development, financial management, operational efficiency and strategic growth.

Performance measures for STI across our KMP also include safety, environmental, social and governance performance indicators. The performance measure for LTI across our KMP is the four-year average Return on Invested Capital (ROIC) enjoyed by MRL over the performance period, compared with hurdles set in advance by the Board. Refer to the *Remuneration Report* in the MRL 2021 *Annual Report* for further information on the remuneration of KMP.

Securities Ownership

Directors and senior employees are encouraged to have a personal financial interest in MRL and to hold securities on a long-term basis.

Non-Executive Director (NED) fees are paid 50 per cent in cash and 50 per cent in MRL shares to create alignment with shareholders. NED remuneration is not linked to company performance.

This is subject to the MRL **Securities Trading Policy**, which imposes general trading restrictions on all those who possess inside information on the company.

Non-compensation benefits

MRL offers the following non-compensation benefits to our employees through our WorkPerks program, which is our way of saying thanks to our people:

- Employee Assistance Program
- Salary sacrificing for superannuation and novated leasing
- Private health insurance discounts
- Health and wellbeing assessments
- Discounted gym memberships
- Hotel accommodation discounts
- Employee referral program
- Discount tool purchase
- Service awards
- Vehicle discounts
- Personal banking fee discounts

⁴ Key Management Personnel (KMP) comprise those persons that have responsibility, authority and accountability for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of that entity. Executive KMP include the Managing Director, Chief Financial Officer and Chief Executive Officers. Non-executive KMP include the Non-Executive Chair and Non-Executive Directors.



OUR PEOPLE (CONTINUED)

Leave entitlements

MRL offers several leave entitlements beyond its legal requirements in Australia, including paid maternity leave and community service leave.

MRL offers paid maternity leave to permanent full-time and part-time employees if they meet the following eligibility criteria:

- They are giving birth or are the primary carer for a newly adopted child
- They have worked for the business continuously for at least 12 months before the date (or expected date) of birth or adoption

Maternity leave entitlement is 16 weeks' pay at the employees' ordinary rate and based on ordinary hours worked at the time the leave becomes due. Employees are paid superannuation on their maternity leave pay to ensure those taking maternity leave are not disadvantaged.

Full-time and part-time employees can also take unpaid parental leave if they are caring for a new baby or newly adopted child. Employees must have worked for the business continuously for at least 12 months before the date (or expected date) of birth or adoption.

MRL encourages and supports recognised community services including volunteer emergency management activities. Additionally, we developed a community service leave option, which applies to all MRL employees who are:

- Registered members of the Australian Defence Force (ADF)
- Registered as an Emergency Services Volunteer with an emergency management agency in the State or Territory in which they live

A leave of absence will be granted to employees when called upon by their emergency service organisations or by the Federal, State or Local government. MRL will also allow Emergency Services Volunteers up to 10 working days' paid leave (at base rate of pay) when engaged in an emergency management response activity that is not in response to an emergency request or call up.

Family and domestic violence is not just a personal issue; it affects a person's ability to lead a productive life and impacts children, extended families and our communities. It is an issue directly experienced by employees of MRL and we have an obligation to support them with dignity, purpose and financial security. During FY21, MRL introduced our *Family and Domestic Violence Procedure* outlining the important role leaders play in ensuring our people are guided and supported through challenging times. Additional leave entitlements for all employees have been widely communicated through the business, including 10 days' paid leave each year. Paid family and domestic violence leave is an annual entitlement

available if needed and does not accrue year to year.

MRL is committed to providing additional support to assist employees experiencing family and domestic violence, wherever possible.

Depending on an employee's needs or circumstances, this may include:

- Helping identify and connect with appropriate financial or legal resources
- Providing a pay advance
- Changing employee bank accounts or contact details
- Access to our EAP or in-house psychologist for a confidential discussion
- Advice or assistance from our in-house cybersecurity experts, or connecting employees with external cybersecurity or IT support as required

DIVERSITY AND INCLUSION

We know developing a diverse, inclusive and non-discriminatory workplace brings many benefits to our business. These include improved organisational performance, positive impacts on organisational culture and reputation, employee attraction and retention, and enhanced internal, customer and stakeholder relationships.

The Diversity and Inclusion Steering Committee (DISC) is responsible for engaging directly with operational leaders to encourage understanding of their role in guiding improvement to gender equity outcomes. Utilising a key group of subject matter experts to deliver programs, resources and support will help guide our operational business in achieve positive gender equity outcomes.

The DISC met several times during the reporting period. Key Management Personnel and our Executive Leadership Team are accountable for advancing our diversity and inclusion commitments through a governance structure that includes an Executive level diversity and inclusion committee comprising senior leaders from the business. During FY21, we exceeded our target of 16.1 for overall female participation, previously aligned to the Workplace Gender Equality Agency (WGEA) industry average⁵.

⁵ Industry benchmarks set as targets in FY20, were in line with available 2019 Workplace Gender Equality Agency (WGEA) average female representation in the Metal Ore Mining Industry for organisations with 1000-4999 employees and Chamber of Minerals and Energy of Western Australia, 2019: 'Diversity in the Western Australian Resources sector' report. New MRL target is disclosed for FY22. See 'Our Sustainability Approach: Our Targets.'

OUR PEOPLE (CONTINUED)

Our **Diversity and Inclusion Policy** was also updated during the year to reaffirm our commitment to:

- Foster diversity and inclusion at all levels of the organisation regardless of gender identity, nationality, marital or family status, sexual orientation, age, disability or impairment, ethnicity, cultural background, religious beliefs, political conviction, union membership, socio-economic background, perspective and experience
- Provide a work environment that celebrates difference and is free from bullying, discrimination and harassment
- Attract, develop and retain employees from the widest possible pool of talent; ensuring employment decisions at all levels are transparent, fair, free of conscious and unconscious bias and based on role requirements, merit, skills and qualifications
- Respect the diversity of our customers, clients and stakeholders
- Foster a culture that embraces the benefits of diverse experiences and perspectives
- Establish measurable objectives for diversity and measure performance against these objectives
- Review progress in achieving measurable objectives for diversity and report performance in annual *Sustainability Reporting* and the annual *Corporate Governance Statement*
- Prohibit any form of retaliation, discrimination, harassment or intimidation against any person reporting, in good faith, a breach or suspected breach of the *Diversity and Inclusion Policy*

MRL complies with Equal Employment Opportunity (EEO) guidelines and all applicable Federal, State and Local laws governing the hiring and treatment of our employees.

Developing and growing diversity

We undertook a range of diversity and inclusion related initiatives during the reporting period:

- Participated in ‘Choose to Challenge’ for International Women’s Day, with our senior leaders building awareness of gender bias and how we challenge inequality
- Engaged our business, people and communities in NAIDOC Week marking a celebration of Aboriginal and Torres Strait Islander culture and contributions, with an ongoing focus on continuing to build strong long-term relationships with First Nations peoples and communities in the areas where we live and work
- Participated in the annual CME Women in Resources Awards, which seek to enhance recognition and participation of women in the resources sector

- Educated managers on inclusive hiring practices and improving our recruiting process to mitigate bias, embed inclusion throughout our process and attract a diverse candidate pool
- Forty-eight female operators participated in our Entry Level Operator Haul Truck Program, designed to provide opportunities for women within an industry that is traditionally male-dominated. See ‘*Material Topic 3: Attracting and retaining talent while developing a diverse and inclusive workforce*’ – ‘*Workplace Culture and Training*’ for further information
- Signed up to a new Gold Corporate Membership with NAWO, the leading national network for women in operations. MRL partners with NAWO to drive conversations and promote initiatives encouraging a diverse workforce and inspire women and men to grow successful careers in mining
- Increased our parental benefits, including the addition of superannuation for maternity leave, aimed at helping support employees with working and caring roles
- Progressed development of our new head office as a gender inclusive facility with universal access, fostering a family friendly and inclusive environment for all

Additionally, during FY21, MRL developed a gender equity strategy providing an approach to improve gender equity outcomes through actions in nine target areas:

- Recruitment
- Retention
- Performance management
- Promotions
- Identification of talent and high potential employees
- Succession planning
- Training and development
- Gender equality KPIs
- Gender equality overall

Safe and respectful behaviours

Any person in our business who has witnessed or experienced sexual harassment, sexual assault or any behaviour that doesn’t align with the Code is encouraged and supported to report through internal channels or externally through our confidential whistleblowing service (refer to *Material Topic 1: Operating with ethics and integrity – Whistleblowing Provisions*).

MRL is committed to taking any steps necessary to ensure our workplace is safe and all people feel valued and included. That means feeling safe and respected at work, in camp accommodation, during travel and at work-related events.

OUR PEOPLE (CONTINUED)

During FY21, we took several initial steps to improve our working environment. This included establishing a Safe and Respectful Behaviours Steering Committee and refreshing our training and education to ensure everyone understands their rights and responsibilities.

We also commenced a range of actions to further progress through FY22, including:

- Internal review of governance framework and training
- Establishing an internal working group on Safe and Respectful Behaviours Steering Committee – Camps and Workplaces
- Involvement in the industry response to safe and respectful behaviours
- Work on the identification and management of psychosocial hazards

Our diversity and inclusion performance

During FY21, our workforce achieved 17 per cent female representation, exceeding our Board-approved target of 16.1 per cent.

As at 30 June 2021, employees identifying as Indigenous accounted for 1.77 per cent of MRL’s workforce. This is an increase compared to 30 June 2020, when 1.4 per cent of MRL’s employees identified as Indigenous. MRL is working to improve our Indigenous representation (refer to *Material Topic 6: Developing and maintaining strong community and stakeholder relationships – Indigenous Participation* for further information).

Also, during FY21, we welcomed 48 female entry level haul truck operators providing further growth opportunities for women in supervisory and management roles in our industry.

Refer to our *2021 Sustainability Performance Data* on our website for more information about our diversity and inclusion performance based on age, gender and Indigenous representation using the WGEA employee categories.

	As at 30 June 2018	As at 30 June 2019	As at 30 June 2020	As at 30 June 2021	Industry average ¹
Overall Female Representation	14.8%	13.2%	15.4%	17.0%	16.1%
Overall Indigenous Representation	1.7%	1.6%	1.4%	1.8%	4.7%

¹ Industry benchmarks were identified in line with available 2019 Workplace Gender Equality Agency (WGEA) average female representation in the Metal Ore Mining Industry for organisations with 1000-4999 employees and Chamber of Minerals and Energy of Western Australia, 2019: ‘Diversity in the Western Australian Resources sector’ report. New MRL targets are disclosed for FY22 See ‘Our Sustainability Approach: Our Targets’.

Table 10: Overall female and Indigenous representation



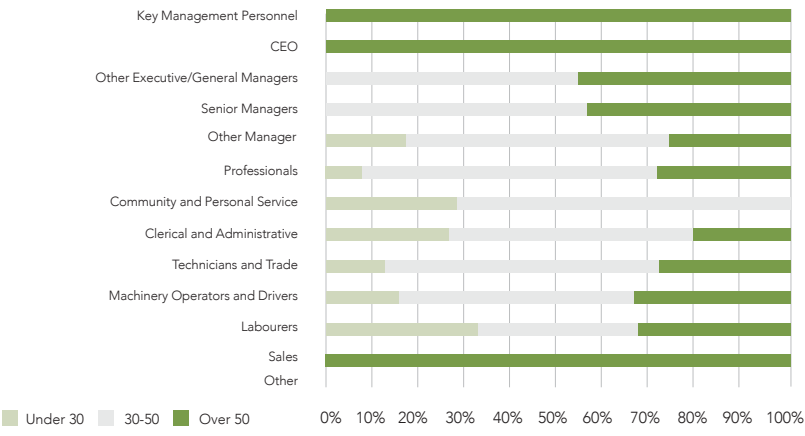


Figure 13: Employee age profile by WGEA categories as at 30 June 2021

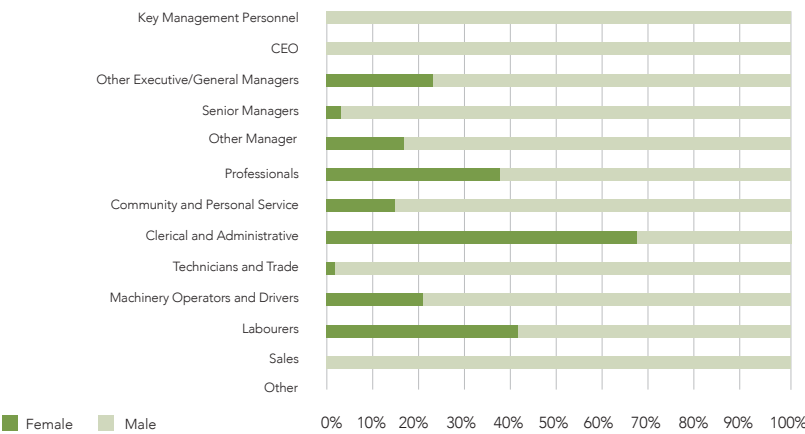


Figure 14: Employee gender profile by WGEA categories as at 30 June 2021

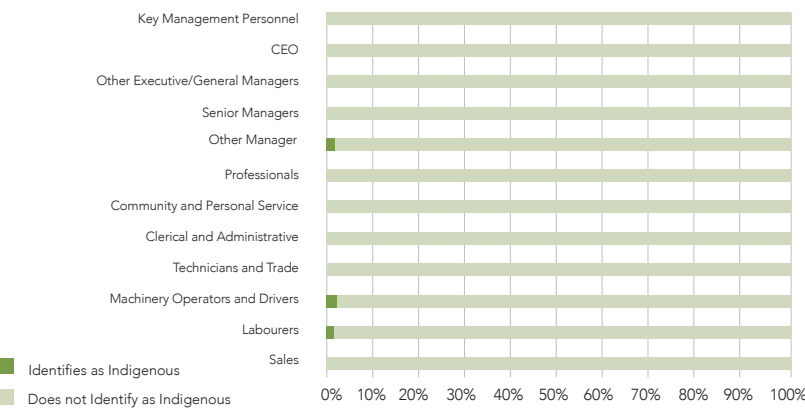


Figure 15: Employee Indigenous profile by WGEA categories as at 30 June 2021

EMPLOYEE DIVERSITY PER WGEA CATEGORIES

Our employee diversity is illustrated using the WGEA employment categories as at 30 June 2021. Figures 13, 14 and 15 show our employee statistics per employee category based on age, gender and Indigenous status respectively. The WGEA category of ‘CEO’ refers to MRL’s Managing Director as per the WGEA classifications.

Our FY21 employee gender balance by WGEA categories has been externally assured (refer to page 113 for a copy of the *Independent Limited Assurance Statement*).

Refer to the 2021 Sustainability Performance Data for historical periods and data breakdowns.

Diversity in leadership

Senior leaders are responsible for driving gender equity as a key organisational deliverable and ensuring operational decisions consider the impact on gender equity and, more broadly, driving an organisational culture that values diversity and supports inclusivity.

As of 30 June 2021, our Board comprised four male members (67 per cent) and two female members (33 per cent). Female participation on the Board increased by 13 percentage points from FY20 with the appointment of Ms Susan Corlett in January 2021.

Ms Corlett has a long-standing and enduring commitment to social responsibility and environmental sustainability and has an active interest in the development of high performing, diverse and inclusive leadership.

Of our Board members, one member (17 per cent) is between the ages of 30 and 50, with the remaining 83 per cent aged over 50 years. No Board members identify as Indigenous.

When assessing our leadership across the business, the company considers:

- Highly competent individuals based on expertise, experience, knowledge, personal skills and regard to benefits of diversity
- Representative of diverse groups including to gender, ethnicity, age, national origin, persons with disabilities, Indigenous peoples, visible minorities and sexual orientation
- Succession planning for the Leadership Group

Building inclusive environments

The design and build of MRL’s new head office progressed during the year, with a focus on creating an inclusive, universally accessible and family-friendly workplace.

This state-of-the-art building will be one of the best in Australia, targeting:

- Six-star Green Star Design and As Built V1.2-
- Platinum WELL V2 pilot Q4 2020
- Five-star Star NABERS

MRL will join a leading global movement to transform health and wellbeing with the WELL people-first approach to buildings, organisations and communities. WELL is a roadmap for creating and certifying spaces that advance human health and wellbeing. Backed by the latest scientific research, WELL sets pathways for accomplishing health-first factors that help staff to do their best work and be their best selves by supporting our physical and mental health across 10 core concepts: air, water, nourishment, light, movement, thermal control, sound, materials, mind and community.

The build and design teams have taken a holistic approach to employee wellbeing at work. The tools of space, furniture, landscape and architecture have been designed to encourage people to be more physically active and collaborate more effectively together.

Each workspace accommodates different working styles which can be customised to employee preferences, including sit-stand desks, noise cancelling headphones and the latest technology. The environment will allow each person to work in a way that best suits them, which will enhance productivity and wellbeing. The outcome will be an office which helps remove barriers and improves our workplace culture.

Our leading-edge approach to inclusivity and employee wellbeing will also be applied to new and existing MRL mining camps. The focus on high-quality working environments is aimed at making MRL an employer of choice and a place people want to stay for the long-term.

FAIR WORK

MRL aims to develop and maintain strong ongoing relationships with our people based on mutual trust and open lines of communication. As we operate in Australia, the *Fair Work Act 2009 (Cth)* and the *Fair Work Regulations, 2009* (referred to as Fair Work Legislation) govern the employer/employee relationship.

The Fair Work Legislation provides a safety net of minimum entitlements for employees, enables flexible working arrangements and fairness at work and prevents discrimination against employees.

Workplace flexibility

The Fair Work Legislation provides the right for employees to request flexible work arrangements. In FY21, MRL formalised our flexible work approach through a new *Flexible Working Procedure*. The procedure outlines options for accessing flexible working arrangements, including:

- Flexible working hours
- Job share
- Part time work
- Remote working

Our physical work environment is a critical component in supporting the health and wellbeing of our people and our move to a new world-class office at Walters Drive is just one part of our evolution into a dynamic workplace. All employees are entitled to request flexible working and the responsibility is with both the manager and the employee to look at ways to balance both the employee’s request and business requirements.

Grievances and disputes

All MRL employees have the right to freedom of association. As at 30 June 2021, 44 per cent of employees were covered by collective bargaining agreements.

We ensure appropriate management of union right of entry through our *Right of Entry Procedure*, which outlines our practices to ensure we align with legislative rights and responsibilities.

MRL’s *Grievance and Dispute Settlement Procedure* outlines the process for employees to raise and seek resolution to disputes or grievances in the workplace. Grievances and disputes are treated seriously, promptly and sensitively, with due regard for procedural fairness and confidentiality.

Non-discrimination

Our Code represents our commitment to uphold the highest standards of ethics and integrity in our business. The Code applies to all employees, Directors, officers and contractors of MRL and its subsidiaries.

Through the Code, we are committed to creating an environment where differences are respected and the working environment is diverse and inclusive. We do not permit discrimination, bullying or harassment at any level of MRL or in any part of the employment relationship. During FY21, we continued implementing our e-learning package on the Code throughout the business. Eighty-nine per cent of our employees and a number of our contractors completed this training in FY21. We are aiming for greater than 90 per cent employee completion rate across the business at at end of FY22 and remain committed to annual training.

OUR PEOPLE (CONTINUED)

Supporting our Code is the *Discrimination, Harassment and Bullying Procedure*. This procedure outlines the definitions of discrimination, bullying, harassment and victimisation and provides guidance on the steps taken to investigate and address any complaints of inappropriate workplace behaviour. MRL offers bias awareness training as well as bullying, discrimination and harassment training.

Responsible workforce restructuring

Company restructuring can be undertaken in response to a range of factors including, but not limited to, evolving market demands, changing economic landscape and technological circumstances. Restructuring can also be a product of growth and stimulating job creation. MRL is committed to socially responsible restructuring practices and innovations that foster the further employability of workers, within restructuring processes.

As a diversified mining services company, MRL can offer significant opportunities for redeployment. Our Human Resources team makes a determined effort when the necessity of workforce restructuring arises to cover aspects such as avoidance or minimisation of compulsory redundancies, responsible redundancy procedures and measures to mitigate the consequences for employees made redundant.

WORKPLACE CULTURE AND TRAINING

Culture

A key element of employee attraction and retention is workplace culture. We invest in creating and maintaining an inclusive, innovative and high-performing workplace enabled by a supportive culture.

MRL evaluates its cultural performance using validated diagnostic evaluation tools. This allows us to identify our desired and actual culture, causal factors and potential levers for change.

Training

Providing high-quality and up-to-date training solutions is important to ensure our workers are equipped and supported to have a positive impact on our organisation. The *MRL Training and Competency Policy* formalises our commitment to providing our workers with the appropriate knowledge, skills and understanding to safely and effectively complete tasks to the expected standard of performance.

MRL has a dedicated Training team, who jointly identify training needs within the business based on the scope of specific roles and associated work activities. MRL has a Learning Management System (LMS), which allows all employees and contractors to complete online learning modules. Each person's development plan, located on the LMS, outlines specific training needs.

We also continue to run the Adaptive Leadership Program and performance development and leadership training sessions. We hold weekly training sessions with staff on personal and team performance, focused on key business skills to manage change, conversations and problem solving. During the year we held a number of customised leadership programs across business units covering topics such as leadership in tough times, safety, resilience and mental health.

Refer to *Material Topic 6: Developing and maintaining strong community and stakeholder relationship – Skills Development* for further information on training initiatives delivered through FY21.

LOOKING FORWARD

We continue to support initiatives that promote attracting and retaining talent while fostering a diverse and inclusive workforce.

Some initiatives that we intend to address going forward include:

- Developing and implementing a strategy to improve gender and Indigenous participation rates for females to be equal to or better than the industry standard at all levels
- Strengthening our female talent pipeline by improving our reporting and accountability for female talent at all stages of the recruitment process
- Continuing our focus on coaching with the development of a frontline coaching and leadership program
- Expanding our support for existing managers and new recruits
- Enhancing our succession and career planning activities
- Leveraging learnings from review of female talent retained and exiting
- Continuing implementation of our gender equity strategy to address areas of difference
- Undertaking a business-wide employee engagement survey, with feedback to be integrated into our strategy



ENVIRONMENT



WE ARE COMMITTED TO ENVIRONMENTAL MANAGEMENT THAT MAINTAINS OUR LICENCE TO OPERATE IN AN ENVIRONMENTALLY RESPONSIBLE AND SUSTAINABLE MANNER.

MATERIAL TOPIC 4: MANAGING ENVIRONMENTAL IMPACTS AND ENHANCING RESOURCE EFFICIENCY



ENVIRONMENT

PRINCIPLE 7: Businesses should support a precautionary approach to environmental challenges.

PRINCIPLE 8: undertake initiatives to promote greater environmental responsibility.

Environmental management is essential in maintaining our social licence to operate. We adopt a systematic approach to mitigate risk and identify management strategies to ensure our operations avoid unacceptable environmental impacts. MRL supports a precautionary approach to environmental challenges.

We regularly monitor our compliance with licences and permits, through internal environmental audits as well as those conducted by regulatory authorities and other third parties. In 2021, MRL has had no major environmental incidents and received no fines or prosecutions relating to environmental performance at our operations.

OUR ENVIRONMENTAL MANAGEMENT APPROACH

Our mining operations operate under various Western Australian State and Australian Commonwealth environmental legislation, including the *Environmental Protection Act 1986 (WA)*, the *Mining Act 1978 (WA)*, the *Rights in Water and Irrigation Act 1914 (WA)* and the *Environment Protection and Biodiversity Conservation Act 1999 (Cth)*.

Our *MRL Environment Policy*, covers emissions to air and water, operational GHG emissions, water use, waste generation, biodiversity, land management and rehabilitation.

Our Environment Policy states our commitment to:

- Develop, implement and improve environmental management systems to identify and manage environmental risks and opportunities at all stages of our operations
- Measure and continuously improve our environmental performance through setting environmental objectives, performance measures and performance targets



- Minimise the adverse environmental impacts associated with our operations through the efficient use of natural resources such as energy and water, reduction of waste, minimisation of dust, pollution, air quality and operational GHG emissions and the responsible management of land and biodiversity
- Commit resources to comply with our *Environment Policy* and to manage and monitor our environmental performance
- Comply with all applicable legislation, standards, compliance obligations and codes of practice
- Understand and acknowledge the expectations of all stakeholders in our operations for diligent environmental management
- Report our environmental performance to stakeholders in a transparent, timely and regular manner

Our *Environment Policy* is implemented through our Environmental Management System (EMS), developed in line with the *ISO 14001:2015 – Environmental Management Systems* standard. Our EMS includes operation-specific Environmental Management Plans (EMPs), specially developed to manage the key environmental aspects and impacts at our operations; as well as supporting procedures, work instructions and forms. We consider the precautionary principle in our environmental management approach. To ensure our EMS remains relevant, we obtain regular updates from EnviroLaw on environmental legislation, codes of practice, guidelines and published standards. We also have representation on the AMEC Environment and Water Committee and the CME Environment Committee, which ensures we are engaged on emerging developments in Western Australian and national environmental policy.

Some of the typical environmental impacts covered in our EMPs include land clearing and access, flora and vegetation, fauna, soils, water, land rehabilitation, heritage, air quality, GHG emissions, energy, fuels and oils, noise and vibration, waste rock, hydrocarbons, chemicals and non-mineralised waste.

Our dedicated Environmental team continued to expand during FY21 and is responsible for environmental approvals, environmental management and regulatory reporting, as well as compliance and rehabilitation and closure. Additional specialist resourcing in key areas of geographic information system (GIS), compliance, mine closure and project approvals have been onboarded to further enhance our in-house skills base. Each operational site has Environmental Advisors responsible for onsite environmental governance, training and awareness, compliance, monitoring and regulatory reporting. The corporate Environmental team, in conjunction with site-based operational staff, manage sites that are in care and maintenance.

The following sections describe some key environmental impacts associated with our operations, actions taken to manage these impacts, as well as performance measures (where available).

AIR QUALITY

Across MRL's business, the equipment used to undertake operational activities – such as drilling, blasting, load and haulage and ore processing – generates dust and other air emissions. The Australian *National Environment Protection (National Pollutant Inventory) Measure 1998* requires facilities to report the emission of any of 93 listed substances. MRL reports its emissions of listed substances annually to the Australian National Pollutant Inventory (NPI) for facilities that meet the relevant reporting thresholds. Emissions are calculated using the approaches defined in the National Pollutant Inventory (NPI) Emission Estimation Technique (EET) manuals, with most calculations undertaken using emission factors for each substance.

The NPI is a publicly accessible database. Table 11 provides the FY17 to FY20 aggregated emissions for eight key NPI substances emitted across reportable MRL facilities⁶. The increase over the period is reflective of the growth in our operations.

Substance	NPI Substance Number	FY17 Total (tonnes)	FY18 Total (tonnes)	FY19 Total (tonnes)	FY20 Total (tonnes)
Carbon monoxide	20	760.91	1,024.41	921.73	1,494.34
Lead and compounds	52	0.24	0.55	0.71	0.64
Mercury and compounds	55	0	0	0	0.01
Oxides of nitrogen	69	1,601.16	1,683.25	1,657.36	2,045.06
Particulate matter 10.0 µm	70	5,485.83	9,129.08	12,381.55	15,645.76
Particulate matter 2.5 µm	92	91.69	93.7	84.41	115.52
Sulfur dioxide	77	0.77	1.06	1.04	1.19
Total volatile organic compounds	85	263.86	130.17	121.64	144.00

Table 11: Air quality emissions FY17 to FY20

To manage air emissions at our operations, we apply dust suppression measures such as the use of water carts on high traffic areas, roads and tracks and sprinkler systems installed on transfer points at our crushing and train load out facilities. At our Yilgarn operations, where we manage several private haul roads, investment in surface sealing has delivered a range of benefits including significant reductions in wheel-generated dust from our road haulage fleet.

MRL is currently reliant on diesel as an energy source for our mining equipment for loading and transportation of materials and for electricity generation at some of our non-grid connected operations. Equipment operated on our sites is fitted with diesel particulate filters and regularly maintained to limit air emissions. Further, we are actively reducing our reliance on diesel fuel by building on our state-of-the-art natural gas/LNG-fired power stations located at Wodgina and Mt Marion respectively, and solar panels installed on our Perth-based workshops and offices. Our gas exploration will provide an alternative source of energy of which we are well positioned to control costs going forward. Refer to Material Topic 5: *Understanding and managing our climate-related obligations, risks and opportunities under a changing climate-Responding to climate change* for further information.

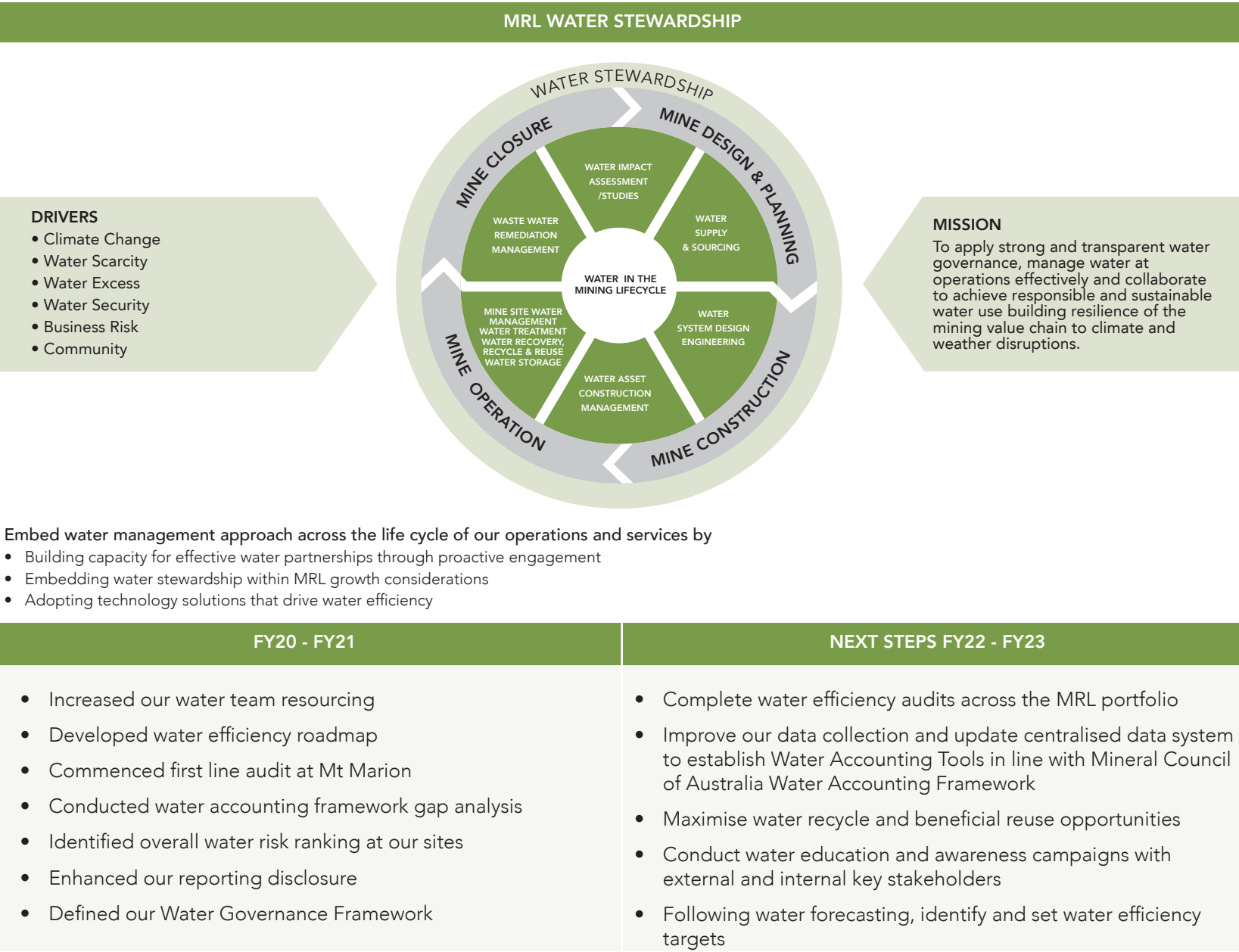
Awareness training for airborne contaminants such as dust (inhalable, respirable and nuisance), silica, fibrous materials and fumes from welding is regularly undertaken via site toolbox talks. Quarterly personal dust exposure monitoring is conducted at all our operational sites. Static monitoring is undertaken periodically to determine the effectiveness of the control measures put in place.

⁶ Due to the timeframes associated with NPI reporting, FY21 data will be reported in the FY22 Sustainability Report

WATER

MRL recognises the increasing materiality and importance of water as a fundamental societal, environmental and economic resource. We are committed to advancing our understanding of water risks and value, while seeking new opportunities for water efficiency. This year we stepped up our efforts in water stewardship, refer to Figure 16.

Water remains a key input for our operations and is used for dust suppression, domestically in our camps and offices, for washing vehicles and infrastructure, and in the spodumene concentrate beneficiation plants at our lithium operations.



COMMUNITY ENGAGEMENT ON WATER

To ensure water is responsibly governed and to protect water quality and water access, it is important to be a collaborative partner in the communities in which we operate.

As we progress our water stewardship pathway, MRL will engage with stakeholders to share updates on our work, the water quality of the watershed and technologies being implemented to improve water quality.

Improving water efficiency

This year, MRL commenced water audits of our portfolio to identify water use efficiencies and facilitate more sustainable water management.

During FY22, we are committed to maturing our site-wide water balances and aggregated company level water balance. Improving our understanding and detailed recording of water processes at our sites is critical to enhance our water management practices and identify additional water efficiency and recycling opportunities.

Water-related compliance

MRL had no incidents of non-compliance associated with water quality permits, standards and regulations.

Water-related risk by operation

MRL operates in the Pilbara and Yilgarn regions of Western Australia, which have varying climatic conditions and water risks. We use water at our operations for dust suppression, domestic use in our camps and offices, for washing vehicles and infrastructure, as well as in the spodumene beneficiation plants.

SHIRE OF COOLGARDIE, GOLDFIELDS

Our Koolyanobbing iron ore operations (encompassing Koolyanobbing, Mt Jackson, Windarling and Deception) and Mt Marion lithium operations are located in the Shire of Coolgardie of Western Australia. The climate of this area is typically characterised as arid to semi-arid with hot dry summers and cold winters.

The World Resources Institute (WRI) 2019 *Aqueduct Water Risk Atlas*⁷ shown in Figure 17 and 18 provides an indication of overall water risk⁸ in the location of our operations. Both the Koolyanobbing iron ore operations and Mt Marion operations are located in areas defined in the *WRI Aqueduct Water Risk Atlas* as having high overall water risk.

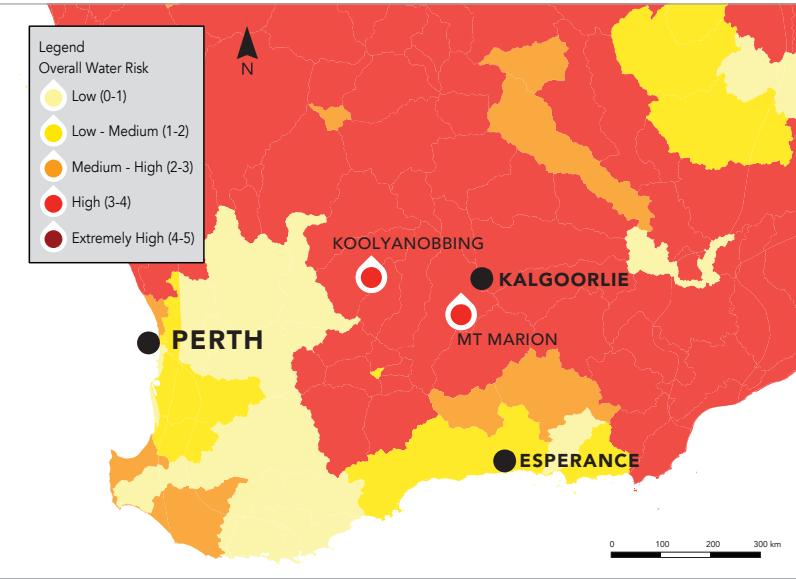


Figure 17: World Resources Institute (2019) *Aqueduct Water Risk Atlas* - Overall Water Risk for Koolyanobbing and Mt Marion

Mt Marion lithium

The source of Mt Marion’s water includes groundwater abstracted from onsite bore fields as well as potable water supplied via the Kalgoorlie to Esperance Water Supply Pipeline. The site does not abstract any surface water or freshwater. Groundwater abstracted does not impact the water supply to the town of Kambalda, located approximately 22km to the southeast of the site, as it sources its water from the Goldfields Water Supply Scheme. There are no identified groundwater dependent receptors or ecosystems within or surrounding the site.

⁷ World Resources Institute Aqueduct Tool is open data and available for use under the Creative Commons Attribution International 4.0 Licence.
⁸ Overall water risk measures all water-related risks, by aggregating all selected indicators from the Physical Quantity, Quality and Regulatory & Reputational Risk categories. Higher values indicate higher water risk.

Groundwater quality in the region is typically brackish to saline and generally requires treatment through a Reverse Osmosis (RO) plant before use. To improve water efficiency, the Mt Marion beneficiation plant has an in-built water recovery circuit. Water recovered from the tailings thickener is sent to the clarification and process water ponds for reuse in the plant.

Excess pit water, not used for dust suppression, is discharged back into the site’s open pits as per the operating licence. Brine generated from the RO plant is discharged into the Ghost Crab tailings facility to help minimise the impact to the surrounding environment. Groundwater abstraction for the site is managed in accordance with the site Groundwater Licence and the *Groundwater Operating Strategy*, with annual monitoring reports provided to regulators to meet licence conditions (refer to tailings management below for further information in this regard).

Koolyanobbing iron ore

Koolyanobbing iron ore, which encompasses Koolyanobbing, Mt Jackson, Windarling and Deception, utilises a combination of water drawn from the Goldfields and Agricultural Water Supply Pipeline through an arrangement with the Western Australian Water Corporation at Koolyanobbing and self-managed groundwater abstraction at Windarling and Mt Jackson. Abstracted groundwater is treated through a RO treatment plant to provide potable water for the camp.

The abstracted groundwater is hypersaline and inhibitory to plant growth. Its beneficial use is currently limited to mining operations and there are no identified groundwater dependent ecosystems impacted by groundwater dewatering.

Groundwater is abstracted primarily for road maintenance and dust suppression activities and is managed, monitored and reported in accordance with licence conditions.

Groundwater generated from pit dewatering is utilised for dust suppression activities or transferred to un-used mine pits for subsequent reuse or long-term storage.

Water efficiency is actively encouraged at our Koolyanobbing operations, with initiatives such as the reuse of vehicle wash-down water in the ore handling plant contributing to our commitment to reduce water usage.

PILBARA REGION

The Iron Valley iron ore project, Wodgina lithium project⁹ and Wonmunna iron ore project are located in the Pilbara region of Western Australia. The climate of this region is characterised as arid with warm to hot humid summers and prone to tropical cyclones. As described by the World Resources Institute (WRI) 2019 *Aqueduct Water Risk Atlas* shown in Figure 18, Wodgina is described as located in an area of extremely high overall water risk, with Iron Valley and Wonmunna located in an area of medium-high overall water risk.

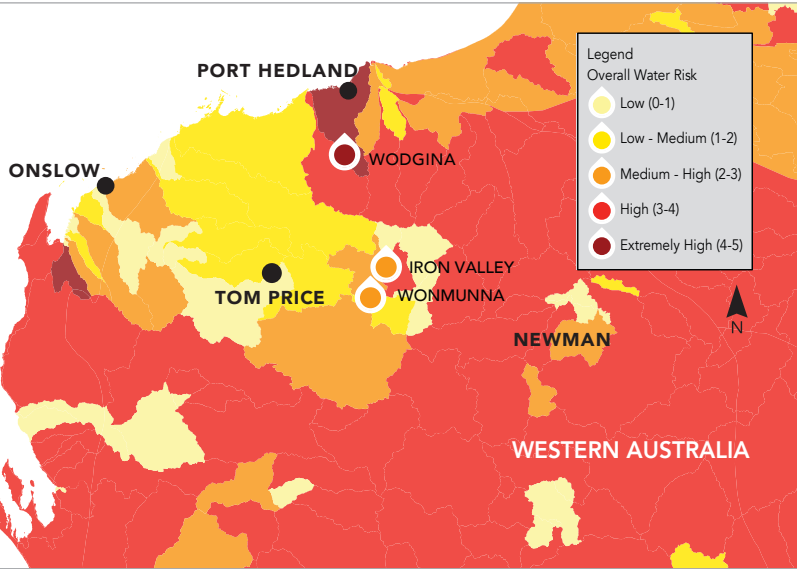


Figure 18: World Resources Institute (2019) *Aqueduct Water Risk Atlas* - Overall Water Risk for Wodgina and Iron Valley

Wodgina lithium

The Wodgina lithium mine, in care and maintenance from November 2019 to date, is located in an area described by the WRI 2019 *Aqueduct Water Risk Atlas* as having extremely high overall water risk, the baseline water stress rating has limitations applied at a localised level and used by the company to prioritise water management initiatives across the business. The operation obtains water from groundwater sourced from several bore fields that are typically brackish.

The Wodgina operation includes a spodumene beneficiation plant, a water intensive process that requires high water quality. Groundwater is treated through a RO plant before it is fed into the beneficiation plant. To improve the efficiency of water consumption at the site, water is recirculated in the beneficiation process.

⁹ Wodgina was placed on Care and Maintenance from 1 November 2019

Iron Valley iron ore

The Iron Valley iron ore mine is located in an area with medium-high overall water risk. The site utilises groundwater derived from onsite bores as well as rainwater captured in the mining pits to supply water for processing and dust suppression activities. Groundwater bores also provide potable water for the site and associated camp facilities.

Excess groundwater, pumped from the mine pits to allow for dry mining, is released back into the environment via an approved release point adjacent to Weeli Wolli Creek. Figure 19 shows Iron Valley water discharge from FY18 through to FY21, where 4.71GL of water was discharged, a 39 per cent decrease from 7.7GL discharged in FY20. MRL regularly monitors and actively manages the quantity and quality of the water use and discharge in accordance with the site environmental licence.

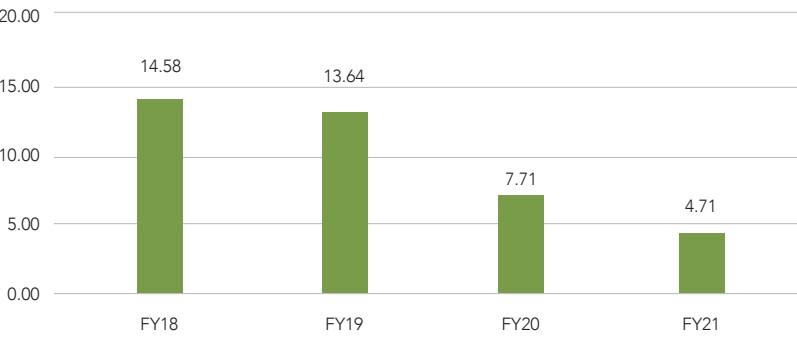


Figure 19: Iron Valley Consolidated Water Discharge (GL)

Due to the groundwater being naturally low in contaminants, there is no requirement for water treatment systems. Specially designed discharge structures are in place to ensure any water discharged from site limits erosion, sediment transport and flooding in the receiving environment.

Regular monitoring of the release water is undertaken in accordance with the *Groundwater Operating Strategy* approved by the Department of Water and Environmental Regulation and the Environmental Licence granted under Part V of the *Environmental Protection Act*.

MRL has a shared value approach to water supporting the Western Australian extractive industry and is investigating opportunities for sustainably repurposing/reuse of water surplus both on-site and off-site where availability exceeds demand.

Wonmunna iron ore

The Wonmunna iron ore mine is located in an area with medium to high overall water risk and lies within the Eastern Pilbara region, which has an arid subtropical climate characterised by low total annual rainfall and high evaporation potential. The annual evaporation potential is more than 10 times the annual rainfall amount, at approximately 3,400mm/annum. However, rainfall is highly variable as the Eastern Pilbara region has the highest coefficient of variation in annual rainfall of all regions in Australia. Rainfall is often influenced by large monsoonal or tropical storms and it is common for a month's volume of rainfall (or more) to fall during one event.

MRL maintains an exclusion zone centred on the Weeli Wolli Creek in the vicinity of the Weeli Wolli Gorge, to ensure no mining activities are conducted within or impact the area. This includes protection of heritage value sites as well as water quality and the minimisation of impact to riparian habitats. No ground disturbing activities are permitted within the exclusion zone, which includes managing any potentially sediment impacted surface water flows from upstream into the exclusion zone through use of sediment traps.

The site abstracts groundwater from licensed production bores to supply water for processing of ore, dust suppression and other mining activities as well as potable water and associated camp activities.

The site has been in construction period throughout the year, with specialised consultant Hydrologists assisting with design criteria to construct appropriate surface water infrastructure to manage surface water flow in and around the project footprint. These designs have been completed in conjunction with in-house Civil Engineers to ensure that they meet the requirements under the *Mining Act*. Flow through sediment basins and culverts ensure any water discharged from site limits erosion, sediment transport and flooding in the receiving environment as per our surface water management plan.

Regular surface and ground water monitoring is undertaken in accordance with approved surface water management plans as part of the *Mining Act* and works approvals granted by the Department of Water and Environmental Regulation (DWER). An Environmental Licence application is being obtained under Part V of the *Environmental Protection Act*.

Water withdrawal

Water management is a key focus for MRL and we continue to develop and enhance our risk mitigation strategies. We collect data on the amounts of water withdrawn and report it against water quality categories and sources, as shown in Table 12.

This year, we increased our efforts in water stewardship and updated our water disclosure to align more closely with the Minerals Council of Australia's Water Accounting Framework. As the accepted industry water accounting standard, this framework aims to improve data integrity and comparability across the sector to ensure the continuous improvement of water reporting.

Operation	Water Quality Category ¹	Source ²	FY19	FY20	FY21
Yilgarn Hub (Iron Ore)					
	Category 3	Groundwater	673	879	930
	Category 1	Third Party	92	190	174
Utah Point Hub (Iron Ore)					
	Category 3	Groundwater	15,709	25,363	16,026
Lithium Commodities					
Mt Marion	Category 3	Groundwater	2,280	1,512	1,615
	Category 1	Third Party	43	41	35
Wodgina ³	Category 3	Groundwater	1,191	501	-
FY21 Water Withdrawn Summary					
Total Water Withdrawn - Groundwater (total) + third-party water (total) ⁴					18,779.53
Total Groundwater Withdrawn					18,570.13
Total Third Party Withdrawn					209.40

Table 12: FY19 to FY21 Water withdrawn by source and water quality (ML)

¹ Criteria for determining water quality categories correlates with the Mineral Council of Australia's Water Accounting Framework with high quality water (Category 1) and low-quality water (Category 3).
² Water sources are defined as groundwater, surface water, and third-party. Third-party water is water supplied by an entity external to the operation, such as from a municipality. MRL has no operations that withdraw seawater.
³ Wodgina has been in care and maintenance and used insignificant volume of water in FY21.
⁴ Water withdrawal is water that enters the operational water system and is used to supply the operational water demands.

WASTE

Mining waste

During regular operations, MRL generates mining-related waste streams in the form of waste rock and tailings. Waste rock is excavated to reach the ore body and is typically disposed in waste rock landforms and/or backfilled into pits, where possible. Selected inert waste is used for the construction of mine roads and run-of-mine pads.

Waste rock can be characterised as non-acid forming (NAF) or potentially acid forming (PAF), which could result in the generation of acid mine drainage. Baseline waste rock geochemistry assessments are undertaken to inform appropriate management of waste rock as well as our rehabilitation and mine closure requirements.

MRL's total waste rock is disclosed in Table 13, with the increase in quantities reflecting changes in our operations over time and significant growth in our mining operations.

Unit '000 WMT	Operation	FY17	FY18	FY19	FY20	FY21
Yilgarn Hub (Iron Ore)		24,726	7,870	13,582	38,765	51,301
Utah Point Hub (Iron Ore)	Iron Valley	6,407	8,960	10,909	11,177	28,816
	Wonmunna	-	-	-	-	3,603
Lithium Commodities	Mt Marion	5,583	19,615	18,980	25,401	27,654
	Wodgina ¹	1,554	26,159	4,768	1,540	176
Total		38,271	62,605	48,240	76,883	111,549

¹ Wodgina has been in care and maintenance through FY20 - FY21. Aggregated volume is calculated based on actuals and estimates.

Table 13: FY17 to FY21 Waste rock quantities

Tailings

Mine tailings are fine-grained waste rock material discharged as a by-product of ore processing. Tailings management is a critical part of managing the risks of the waste produced from the mining process. These risks can range from potential consequences of a tailings storage facility (TSF) failure through to groundwater impact due to seepage.

MRL prioritises the safety of tailings facilities through all phases of a facility's life cycle with consideration of many factors through project conception, planning, design, construction, operation, maintenance, rehabilitation, closure and post closure of a TSF. This includes the proximity to employees, communities and infrastructure, as well as the geological conditions and deposition of the tailings. Our TSF management is incorporated into broader site management systems and managed in a safe and compliant manner consistent with regulatory requirements, applicable guidelines and standards.

We regularly review our approach to tailings dams and consider learnings from peers to promote continual improvement and ensure the most appropriate approach to performance and risk management at our facilities.

MRL is committed to operating in line with the 15 principles and 77 requirements set out by the GISTM published by the International Council on Mining and Metals, the United Nations Environment Program, and the Principles for Responsible Investment.

The principles in the GISTM comprises goals to "achieve the ultimate goal of zero harm to people and the environment with zero tolerance for human fatality". Each Principle contains one or more requirements designed to achieve each of these goals.

During FY21, we completed a detailed gap assessment across our directly controlled and managed operations to measure compliance to the GISTM requirements. The assessment identified compliance uplift required for approximately 25 to 30 per cent of design tasks and 50 per cent of administrative tasks. No operational tasks required uplift.

During the next five years, MRL will focus on bridging the gaps with GISTM by establishing a multi-discipline team to evaluate requirements assessed as requiring uplift and implement relevant action.

We are confident in the safety and security of our tailings facilities and are committed to continually reviewing our facilities and procedures to maintain the highest standard of safety at our operations.

The *Tailings Safety Disclosure and Sustainability Performance Data Tables* on our website provides further information on our TSFs. Hazard categorisation of all MRL TSF, both active and inactive, based on consequence of failure is low. All TSFs are located in remote areas and significant distances from local communities and infrastructure.

During FY21, MRL managed two active Tailings Storage Facilities.

- 1) Mt Marion Ghost Crab Pit in-pit tails dam, located at our Mt Marion lithium operation. A solids extraction process is used to dry stack most of the tailings. This process reduces our water footprint by recycling a higher quantity of water associated with tailings disposal. In-pit tails disposal represents a reduced environmental risk when compared to a TSF, as the risk of failure is significantly lower.
- 2) Wodgina TSF3 Expansion at our Wodgina lithium operation. The Wodgina mine is currently in care and maintenance so there was no tailings disposal during FY21.

Two decommissioned TSFs and one inactive TSF remain at the Wodgina operation. TSF3 is inactive, while TSF1 and TSF2 have been decommissioned and covered with waste rock.

Tailings waste data is shown in Table 14.

Operation	FY18 (tonnes)	FY19 (tonnes)	FY20 (tonnes)	FY21 (tonnes)
Mt Marion	508,132	736,563	935,020	1,702,954
Wodgina	-	131,591	414,879	-
Total	508,132	868,154	1,349,899	1,702,954

Table 14: Historical Cumulative Tailings waste (tonnes) for Mt Marion and Wodgina operations

Non-mineral waste

MRL’s mining operations also generate non-mineral waste. Most sites have a landfill site to dispose of waste tyres and general putrescible and inert waste. Wastewater is also generated as a by-product of sewage treatment. There are Waste Water Treatment Plants (WWTPs) at the Koolyanobbing, Windarling, Iron Valley and Mt Marion mine sites, with treated wastewater disposed of either in fenced evaporation ponds or via fenced irrigation fields.

At the Wodgina mine site, wastewater is treated and discharged to a series of onsite fenced evaporation ponds through a decanting process. Water quality and volumes are monitored and reported as part of annual environmental reports and annual audit compliance reports submitted to regulators. At the Wonmunna mine site, wastewater is removed from site by licensed contractors and treated at offsite treatment facilities. Table 15 provides aggregated non-mineral waste data by waste type and disposal method for FY18 – FY21.

Waste Type	FY18 (tonnage)	FY19 (tonnage)	FY20 (tonnage)	FY21 (tonnage)	Disposal Method
Non-hazardous waste ¹					
General Waste	2,480	1,898	2,322	1,801	Landfill
Comingled waste	43	54	47	44	Recycling
Construction and Demolition Waste	186	230	103	25	Recycling
Tyres and Rubber	1,001	1,092	355	630	Landfill
Sub Total	3,710	3,275	2,828	2,501	Landfill
Hazardous waste ²					
Liquid Waste	731	742	875	1,370	Treatment or Recycling
Solid Waste	14	14	14	130	Treatment or Recycling
Septic Waste	101,824	86,919	83,745	108,645	Treatment and Disposal
Sub Total	102,569	87,675	84,634	110,145	
Total ³	106,279	90,950	87,462	112,647	

Table 15: Non-mineral waste streams by weight and disposal method

¹ A reclassification of general and comingled waste and the inclusion of a construction and demolition waste category was undertaken in FY21. This was done to improve non-hazardous waste disclosure.
² Hazardous waste streams further refined with the inclusion of liquid, solid and septic waste classifications to improve hazardous waste disclosure. Septic waste includes the treatment and disposal of wastewater both on and off site.
³ Revised conversion factors have been applied to hazardous waste data in FY21 as per Waste Avoidance and Resource Recovery Regulations 2008

Sustainable packaging

MRL is supportive of Western Australia’s efforts to become a plastic free leader in Australia. Early in FY21, our Site Services team commenced evaluation of sustainable packaging options available for our business.

Having engaged with eco-friendly Western Australian-based suppliers and manufacturers, MRL has piloted sustainable products at our Mt Marion operation and will continue the rollout in FY22. Key objectives for our sustainable solutions are aligned to circular economy stages, as described in Table 16:

Our Plastics Waste Reduction Circular Economy Approach	
Avoidance	We will phase out single use plastics packaging and not contribute to the generation of banned single use plastics.
Design	We will, wherever possible, source designs that substitute our single use plastic items with certified compostable plastics or sustainable solutions and work with our suppliers to encourage further development of reusable, recyclable, or compostable products.
Consumption	We will continually promote consumption of recyclables. Raising awareness for waste reduction, providing clear, consistent information, labelling and education to our people. Further, continually assess potential for onsite reuse and recycle processes.
Collection/sorting	We will plan for efficient waste transportation and sorting.
Recycling	We recognise recycling is critical to the transition to a plastics circular economy and wherever possible will ensure our generated waste is transitioned to recycling processes.
Manufacturing	We will seek and promote local business partnership opportunities to improve local market products. Further supporting local business to connect with supply chain partners and increase their impact.

Table 16: Our plastics waste reduction – circular economy approach

BIODIVERSITY

Our operations have direct and indirect impacts on biodiversity. Direct impacts on biodiversity occur from ground disturbing activities associated with project development, including excavation of mine pit voids, construction of waste rock dumps, processing plants, tailings storage facilities, ancillary mine site infrastructure and haulage roads.

When undertaking environmental impact assessments, MRL is required to undertake an assessment of environment aspects, including local flora and fauna. We undertake further biodiversity risk assessments during operational phases and as part of the expansion of mining activities. Site-specific environmental commitments are outlined as part of the conditions of environmental approval. There are also various conditions associated with clearing permits, such as fauna and vegetation management plans and weed control.

Indirect impacts on biodiversity can occur due to the introduction of invasive flora and fauna species, as well as dust, noise and light emissions associated with the operation of plant and machinery. Where possible, we implement noise control measures, such as the separation or enclosure of noise sources and design considerations to reduce noise and vibrations. Given the remote and isolated location of our operations, noise and light emissions are considered limited. MRL manages the prevention of introduced weed species through strict hygiene practices for all vehicles/mobile equipment entering and exiting sites where weeds are present. Feral fauna on our sites is also managed through a number of measures including restrictions to feeding restrictions, appropriate waste hygiene practices and onsite training on feral fauna management.

Table 17 provides an overview of each of our operational sites outlining the location of the operation relative to protected areas or areas of high biodiversity value. Table 18 provides the number of National Conservation listed species as per the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) and International Union for Conservation of Nature (IUCN) listed species located in and around areas of operations.

	Yilgarn Hub	Iron Valley	Wonmunna	Wodgina	Mt Marion
Geographic location	Yilgarn Hub is located approximately 47km north east of Southern Cross in the Shire of Yilgarn in Western Australia	Iron Valley is located approximately 90km north west of Newman in the Pilbara Region of Western Australia	Wonmunna is located approximately 80km north west of Newman and approximately 360km south of Port Hedland in the Pilbara region of Western Australia	Mt Marion is located approximately 36km south of the City of Kalgoorlie-Boulder in the Shire of Yilgarn in Western Australia	Mt Marion is located approximately 36km south of the City of Kalgoorlie-Boulder in the Shire of Yilgarn in Western Australia
Type of operation	Iron ore mine operations include Koolyanobbing, Mt Jackson, Windarling, Deception and Parker Range	Iron ore mine	Iron ore mine	Lithium mine and beneficiation plant	Lithium mine and beneficiation plant
Size of operational site (ha)	4,384	515	116	1,262	677
Position in relation to protected area (in the area, adjacent to, or containing portions of) or the high biodiversity value area outside protected areas	Operation is located near the Mt Manning - Helena-Aurora Ranges. Rare flora are also located in the Koolyanobbing Range and the Windarling Range	The operation is adjacent to Weeli Wolli Creek, located along the eastern boundary of the site	Wonmunna is located approximately 26.5km upstream of the Weeli Wolli Springs Priority Ecological Community (PEC)	The operation is not located in or adjacent to any protected areas under either State or Commonwealth legislation	The operation is not located in or adjacent to any protected areas under either State or Commonwealth legislation
Biodiversity value characterised by the attribute of the protected area	Terrestrial	Freshwater	N/A	N/A	N/A
Biodiversity value characterised by listing of protected status	Conservation park part of Australia's National Reserve System (NRS)	Priority 1 Ecological Community under the <i>Biodiversity Conservation Act 2016</i>	Priority 1 Ecological Community under the <i>Biodiversity Conservation Act 2016</i>	N/A	

Table 17: Site biodiversity status and species per IUCN Red List conservation status

	Operation	Yilgarn Hub	Utah Point Hub		Lithium Commodities	
		Koolyanobbing ¹	Iron Valley	Wonmunna	Wodgina	Mt Marion
IUCN ²	Critically endangered	0	0	0	0	0
	Endangered	15	2	1	3	3
	Vulnerable	26	2	2	5	5
	Near Threatened	4	3	3	13	4
	Least Concern	367	346	393	436	302
NATIONAL ³	Critically endangered	1	0	1	1	1
	Endangered	2	2	0	1	0
	Vulnerable	2	1	0	3	1

¹ Koolyanobbing, Mt Jackson, Windarling and Deception; are connected by a private haul route. While the Carina operations (Carina and J4) form part of the ‘Yilgarn’ hub it is only J4 that connects to the Koolyanobbing haul road. Parker Range is under development. A private haul road linking Parker Range and Koolyanobbing is currently under assessment with EPA/DAWE.

² Species distributions for IUCN listed species were downloaded from the Integrated Biodiversity Assessment Tool in August 2021. ArcGIS was utilised to identify all species with habitat that occur within MRL operational areas.

³ Number of EPBC listed species with potential habitat in the area of MRL operations were attained through state of Western Australia Department of Biodiversity, Conservation and Attractions (DBCA) habitat searches cross referenced to the EPBC act listing to indicate species of national conservation. Where site specific biodiversity survey and impact assessment information was available, it was utilised to complement the database information.

Table 18: Number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organisation, by level of extinction risk.

At our Iron Valley operations, groundwater is extracted to facilitate mining, with surplus water discharged into an approved release point at Weeli Wolli Creek, a freshwater ecosystem listed as a Priority 1 Ecological Community.

Direct impacts include the lowering of the water table in the localised area of the site, as well as an extended wetting front (the interface between soil and a newly wetted zone from infiltration) in the Weeli Wolli Creek system. The predicted groundwater drawdown does not extend to the area of groundwater dependent vegetation, therefore impacts are considered minimal. Annual aquatic fauna, groundwater-dependent vegetation surveys and weed surveys are undertaken. The *2019 Aquatic Fauna Survey* identified no fish species of conservation significance and concluded the discharge of water into Weeli Wolli Creek from the operations had no adverse impacts on aquatic fauna. The Weeli Wolli Creek is considered an altered ecosystem from operations occurring upstream.

Within our Yilgarn Hub, the Koolyanobbing iron ore operation is located in areas where the rare *Tetratheca* flora species is found. Annual monitoring and reporting of vegetation is undertaken, which is important for managing flora health. An environmental offset plan is in place to develop restoration and translocation programs.

Our Parker Range operation is located within the Wheatbelt greenstone belt, which is known habitat for a number of conservation significant, restricted, rare and endemic flora species. *Lepidosperma* sp. Parker Range was originally only known to occur within the proposed mine area. As a result of further targeted surveys in 2010, a number of other populations of this species and *Lepidosperma* sp. Mt Caudan were located outside of the project area. Significant flora monitoring and field collection programs have also been undertaken by MRL to support propagation efforts. Refer to ‘Working with Kings Park Science to conserve *Tetratheca* Species research safeguarding *Lepidosperma* Species’ for more information.

LAND MANAGEMENT AND REHABILITATION

Land management and rehabilitation is an important part of responsible mining across the life of a mining operation. The MRL *Environment Policy* demonstrates our commitment to develop, implement and improve environmental management systems that enable MRL to identify and manage environmental risks and opportunities at all stages of our operations. Landscape rehabilitation based on an ecological planning and design approach is recognised by MRL as critical to the establishment and maintenance of productive and sustainable ecosystems post-mining.

Land disturbance and rehabilitation

Land disturbance is an inevitable part of the mining process. Rehabilitation aims to reinstate ecosystem functionality and land productivity to ensure the long-term stability and sustainability of the landforms, soils and hydrology at the site.

MRL’s rehabilitation strategy was updated in FY21 to align with the aspirations of the UN’s Decade on Ecosystem Restoration (2021 – 2030) and in support of best practice biodiversity outcomes.

MRL supports research and seeks to continually improve revegetation methods. MRL conducts regular rehabilitation monitoring ensuring our progress towards achieving self-sustaining native vegetation.

The Western Australian Government Department of Mines, Industry Regulation and Safety (DMIRS) outlines objectives for mining activities to be rehabilitated and closed in a manner that makes them physically safe to humans and animals, geo-technically stable, geo-chemically non-polluting/non-contaminating and capable of sustaining an agreed post-mining land use without unacceptable liability to the State.

Mine-site rehabilitation is a legal obligation for all mining operations in Australia. Poorly rehabilitated mine sites can leave significant legacy problems for the environment, local communities and governments. The *Mining Rehabilitation Fund Act 2012* established the Mining Rehabilitation Fund (MRF) as a pooled fund, levied annually according to the environmental disturbance existing on a tenement. Levies paid into the MRF support rehabilitation efforts where an operator fails to meet their rehabilitation obligations and every other effort has been made to recover the funds from the operator.

Tenement holders operating on tenure as per the *Mining Act 1978* are required to report data on land disturbance and land under rehabilitation to DMIRS under the *Mining Rehabilitation Fund Act 2012*.

MRL recognises the nature and extent of our operations may lead to residual impacts to the environment. To counterbalance any significant residual impacts as a result of applying the mitigation hierarchy, MRL identifies suitable offsets areas. The overall management objective for MRL’s offset areas is to maintain or enhance environmental outcomes through the protection, maintenance and enhancement of habitat and establishment of high-quality ecological communities for a wide range of species.

The collection or sourcing of native plant seed is undertaken as part of the rehabilitation process of waste rock landforms and other disturbed areas during mining and exploration. Seed is typically collected as near as practical to the mine to develop a bank of local provenance seed. MRL is preparing plant species lists which define the target plant species for the Yilgarn and Pilbara tenements, with seed collection to commence in spring 2021 and continue into 2022. Any seed collected will be processed and stored by a commercial provider, in a climate-controlled environment, ready for use in rehabilitation works.

Table 19 provides a summary of land disturbance and rehabilitation information for FY19, FY20 and FY21 consolidated for all MRL tenements, as reported to the MRF.

Operation	Land Disturbed (ha)			Land Under Rehabilitation (ha)		
	FY19	FY20	FY21	FY19	FY20	FY21
Yilgarn Hub (Iron Ore)						
	2,378	2,484	3,560	463	507	824
Utah Point Hub (Iron Ore)						
Iron Valley	468	494	515	3	3	0
Wonmunna	0	0	116	0	0	0
Lithium Commodities						
Mt Marion	573	628	634	0	33	43
Wodgina ¹	937	909	909	119	353	353
Total	4,357	4,515	5,735	585	897	1,220

¹ The reported FY20 Wodgina disturbance has been updated in FY21. A review of the reported disturbance using updated aerial imagery has identified several discrepancies in both disturbance area and assigned disturbance domains. Of the 39 tenements which make up the Wodgina Project, eight have been amended to reflect the on-ground disturbance more accurately.

Table 19: Land disturbance and rehabilitation information cumulative for FY19, FY20 and FY21 consolidated for all MRL tenements, as reported to the MRF

WORKING WITH CURTIN UNIVERSITY ON THE DNA POLLINATOR STUDY

MRL has engaged research partner Curtin University to carry out an environmental DNA (eDNA) baseline assessment to better understand the dynamic of plant-pollinator interactions in functional ecosystem ecology. The assessment will investigate how recent advances in eDNA can provide the industry with more robust measurement techniques to define rehabilitation success, greater assurance to regulators and future land users/managers. Curtin University carried out two field surveys in FY21, collecting flowers and pollen samples while monitoring plant pollinator interactions via camera trapping and traditional monitoring techniques.

During the first half of FY22, Curtin University will carry out laboratory experiments using eDNA metabarcoding to determine specific eDNA traces of insects and birds left on pollen and flowers. This will assist in determining a more accurate and timely approach towards understanding plant-pollinator interactions, while developing a comprehensive library of birds and insects visiting flowers in the Yilgarn region.

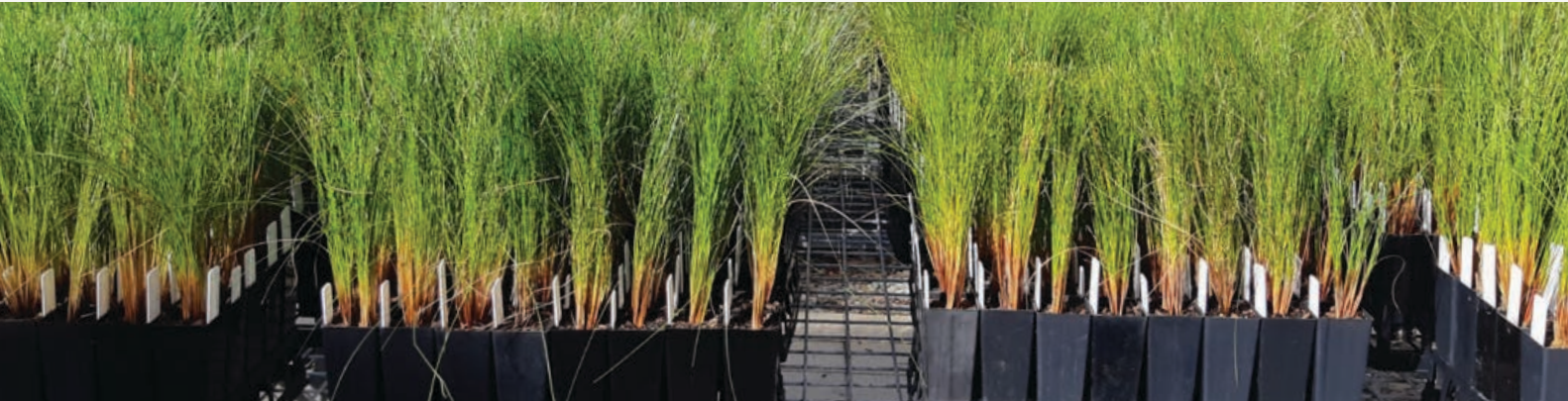
WORKING WITH KINGS PARK SCIENCE TO CONSERVE THE TETRATHECA SPECIES AND RESEARCH SAFEGUARDING LEPIDOSPERMA SPECIES

MRL continues to support a collaborative research program for the conservation of *Tetratheca erubescens*, a rare shrub found in the Koolyanobbing Range where we operate.

MRL works alongside Kings Park Science, which is part of the Western Australian Government Department of Biodiversity, Conservation and Attractions (DBCA), the Industrial Transformation Training Centre, based at Curtin University, and the University of Western Australia to investigate the seed ecology of multiple *Tetratheca* species located in different ecosystems to determine the comparative germination responses of these endemic and geographically separated sister species.

The knowledge generated from this regional work aims to significantly improve understanding of the species group and, more importantly, the conservation and translocation of *Tetratheca erubescens*. Approximately 2,000 *Tetratheca sp.* have been successfully cultivated to support developing a viable population of foundation individuals for use in future translocation efforts.

During FY21, MRL further worked with certified nursery Nuts About Natives (Karnup), to support a Rehabilitation and Research Management Plan for *Lepidosperma sp.* to ensure plant and seed material is safeguarded for rehabilitation at Parker Range following mine closure in future years. Samples suitable for propagation were collected from the healthiest and most actively-growing parent plants of *Lepidosperma sp.* Mt Caudan and *Lepidosperma sp.* Parker Range. They were then placed under controlled nursery conditions and carefully maintained under conditions to induce new root growth and maximise chances of successful propagation. The project has proven successful to date and clones now exist for the majority of *Lepidosperma sp.* Over 85 per cent of the collected genotypes potted into forestry tubes are showing significant new root and shoot growth. Plants will be translocated for further field establishment studies.



Pictured *Lepidosperma sp.* Mt Caudan in forestry tubes



MINE CLOSURE PLANNING

OPTIMISING OUTCOMES FOR CLOSURE, WHILE ALIGNING OUR PRACTICES TO THE PRINCIPLES OF INTERGENERATIONAL EQUITY.

Closure planning is an integral part to our business processes. Effective asset closure explores every avenue to leave safe, stable, non-polluting and sustaining landforms, enabling timely and cost-effective relinquishment of the lease.

The *Western Australian Mining Act 1978* requires the development of mine closure plans to ensure mining operations are closed, decommissioned and rehabilitated in an ecologically sustainable manner. All MRL mine sites have mine closure plans to ensure mining operations are closed, decommissioned and rehabilitated in an ecologically sustainable manner. During FY21, MRL made enhancements to its mine closure framework, with an emphasis on the purposeful management of closures to integrate existing business processes with our stakeholder engagement management plan.

Estimates of closure liabilities are generated using a combination of external third-party estimates and the Standardised Reclamation Cost Estimator (SRCE) tool, acquired from SRK Consulting (Australasia) Pty Ltd. The SRCE model accounts for all facets of closure, from general earthworks, rehabilitation of waste rock landforms, decommissioning and removal of infrastructure, waste disposal, access restrictions and monitoring. This is used for internal budgeting and scheduling purposes.

During FY21, MRL made enhancements to its corporate closure framework, which are illustrated in Figure 20. The emphasis was on the purposeful management of closure to ensure that closure planning is integrated into existing business processes and in conjunction with the relevant stakeholder groups.

This framework:

- Integrates with existing corporate strategies that detail and define requirements for business planning, investment evaluation, risk management and the minimum expectations of key business units to protect and create value for MRL and maintain our social licence to operate
- Considers risks and opportunities to shareholder value and the communities and environment in which we operate
- Helps MRL transition to closure effectively, ensuring that all risks are managed well and opportunities realised where possible.



Figure 20: MRL Mine Closure Framework

Closing a mine site and obtaining regulatory signoff requires that the rehabilitation activities meet specific stakeholder-agreed completion criteria or performance indicators that are site-specific, scientifically supported and capable of objective measurement or verification. Monitoring data must be quantitative so an objective and independent assessment can be made.

To ensure these measurements are scientifically valid and reflect the functioning and performance of the entire landform, during FY22, MRL will carry out a waste rock landform portfolio wide remote sensing assessment using ultra high-resolution drone technology coupled with machine learning to transform imagery into insights. Machine learning technology will help MRL analyse and gain insights covering erosion risk, vegetation health per species, and quantification of native and invasive flora. This will provide further clarity of the conditions of our rehabilitation which will improve closure outcomes.



LOOKING FORWARD

MRL is focused on continuously improving its environmental risk assessment, management and performance. Our FY22 strategy focusses on key environmental stewardship areas:

1. **Systems:** Continue to improve and simplify environmental systems and processes
2. **Risk Management and Compliance:** Identify and manage key environmental risks to ensure compliance and maintain MRL's social licence to operate
3. **Rehabilitation and Closure Planning:** Executing mine rehabilitation and closure activities
4. **Water Stewardship:** Updating our Water Accounting Framework, improving water efficiency and building water quality and risk awareness
5. **Biodiversity:** Assessing and mitigating potential impacts to ensure best outcome.
6. **Waste:** Assessing and adopting a circular approach where practicable

CLIMATE CHANGE



WE ARE COMMITTED TO **UNDERSTANDING** AND **MANAGING** OUR CLIMATE RELATED OBLIGATIONS, RISKS AND OPPORTUNITIES AS WE OPERATE WITHIN AN INCREASINGLY CARBON-CONSTRAINED AND **CHANGING CLIMATE.**

The World Economic Forum's 2020 *Global Risks Report* listed extreme weather and the failure of climate action as the top global risks in terms of likelihood and consequence. It is clear changes in climate patterns already affect businesses through impacts on their physical assets, business continuity and supply chain resilience. The global response to climate change will expose businesses to further direct and indirect economic impacts, changing policy landscapes, increased reporting requirements and heightened scrutiny from investors and other stakeholders to act on the threat of climate change

MATERIAL TOPIC 5: UNDERSTANDING AND MANAGING OUR CLIMATE-RELATED OBLIGATIONS, RISKS AND OPPORTUNITIES UNDER A CHANGING CLIMATE

7 AFFORDABLE AND CLEAN ENERGY



13 CLIMATE ACTION



ENVIRONMENT

PRINCIPLE 9:

encourage the development and diffusion of environmentally friendly technologies.

MRL is committed to long-term strategy and short-term actions to mitigate the impact of climate risk on shareholder value. Our climate change strategies and reporting are guided by international principles, frameworks, best practice and national regulatory compliance requirements and stakeholder engagement to ensure we take meaningful action to address climate change.

Our disclosure primarily uses the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD) as the core framework, with guidance provided by:

- SDG's Goal 7 Affordable and Clean Energy and Goal 13 To Take Urgent Action to Combat Climate Change and its Impacts
- United Global Compact Principles 7, 8 and 9
- The Science Based Targets initiative
- The Carbon Disclosure Project (CDP)
- FTSE-Russel ESG Index
- Global Reporting Initiative (GRI)
- Stakeholder engagement
- Regulatory reporting requirements.

RESPONDING TO CLIMATE CHANGE

Net zero carbon future

WHAT IS NET ZERO?

Net zero is driven by the Intergovernmental Panel on Climate Change's *Special Report Global Warming of 1.5°C*, released in 2018. Net zero emissions refers to achieving an overall balance between GHG emissions produced and GHG emissions taken out of the atmosphere.

MRL recognises the need to consider our carbon footprint, work towards reducing GHG emissions and support collaborative approaches to accelerate the use of low emissions technologies in the future. We will identify opportunities to commercialise low and zero emission innovations, at scale and acceptable cost, which are critical for the transition to a 1.5°C world.

To demonstrate our commitment to climate change, MRL has adopted a Paris-aligned climate-related risk framework and long-term emission reduction target of net zero operational emissions by 2050 – as detailed in our *Roadmap to Net Zero Emissions* in Figure 21. MRL will utilise its experience gained over three decades of operations and a proven ability to deliver – combined with our build-own-operate (BOO) capability and innovative materials handling solutions – to respond to climate change challenges at our operations and provide mining services solutions to assist the resources industry in its decarbonising efforts.

MRL will strive to achieve its net zero target by focusing on displacing diesel fuel, renewable generation, electrification of equipment and transport, energy storage, and adopting future fuels. Abatement projects will prioritise current operational efficiencies and 'net zero ready' asset design to drive emissions reductions before carbon offset purchasing is considered.

We will also continue to review our *Roadmap to Net Zero Emissions* to remain agile and responsive to technological and commercial advancements. We will continue to assess our performance against this roadmap and report our progress on an annual basis.

The roadmap, provided in Figure 21 shows the pathway that will guide MRL towards net zero emissions by 2050. The roadmap has been developed with, and informed by, detailed internal modelling of MRL's operations and emissions. The roadmap shows our emissions profile fluctuating above and below the 1.5 and 2°C scenarios, which is a realistic depiction of how we will aim to reach our target. The MRL Board has approved the *Roadmap to Net Zero Emissions*.

Key roadmap assumptions

The roadmap divides our business emissions into three categories: power generation, pit-to-port transportation and mining equipment.

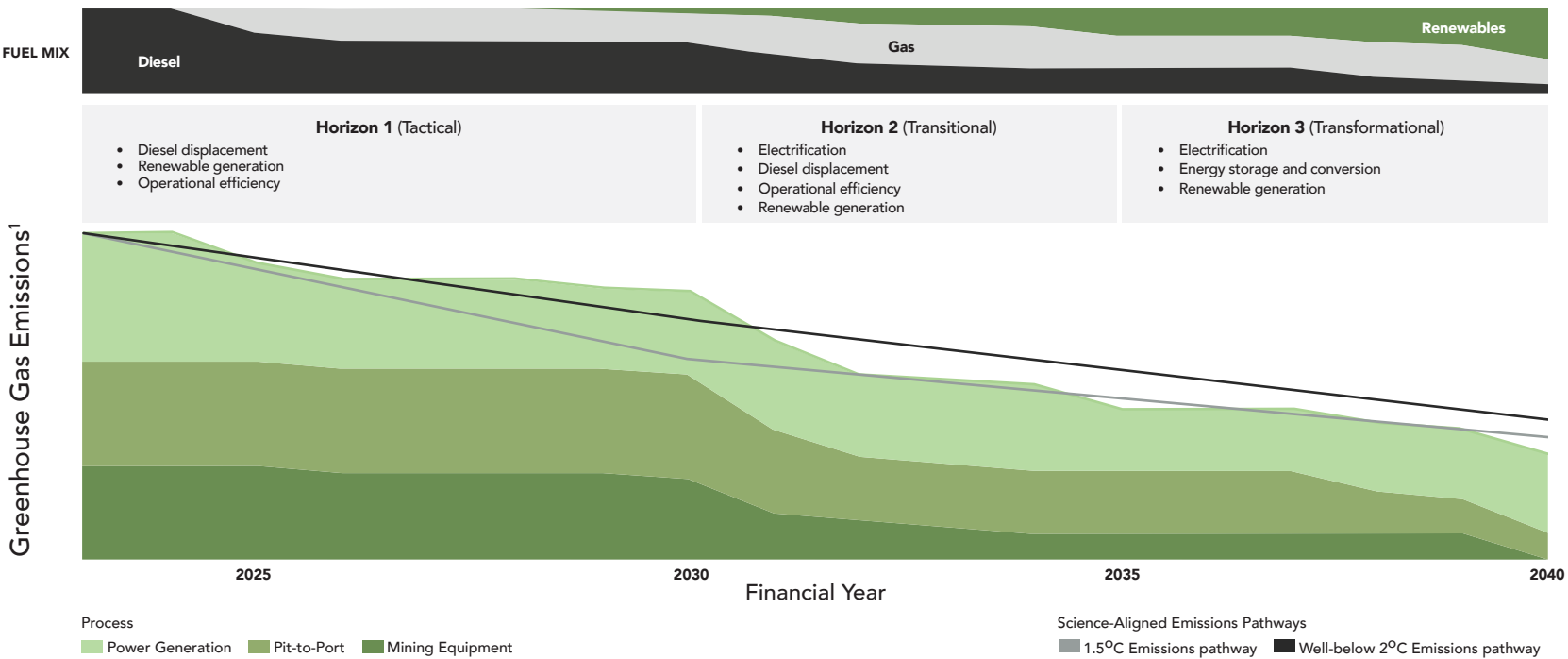
To understand MRL's forecasts and planning for net zero emissions, it is important to consider the inputs and assumptions that influenced the modelling.

Our approach is to provide a practical, project-based approach to decarbonisation utilising known technologies that are available today and economically feasible. Emissions in the roadmap are based on operational control and include operations across our Yilgarn and Utah Point Hubs, our Mt Marion lithium operation, and the development of the Ashburton and South West Creek Hubs. Modelling is based on peak emissions for each operation during its project life.

The roadmap excludes MARBL JV investments as they are outside MRL's operational control. Our gas exploration activities and sequestration opportunities are also excluded as the reservoirs are not yet sufficiently well-defined to provide known outcomes. The modelling does not assume the purchase of carbon offsets, although this could accelerate our carbon reduction efforts.

Abatement initiatives have been implemented in accordance with forecast technology readiness and procurement cycles.

- MRL's power generation abatement projects focus on displacing diesel fuel with a blend of gas and solar power in the short-term. As high-capacity battery storage options become commercially viable, we will work towards further reducing gas usage and increasing renewables
- Our long-term goal is a reliance on renewable energy, battery storage and possibly hydrogen, but this is heavily dependent on resource availability and affordability
- Geothermal power is currently under investigation and feasibility of wind power is being examined for future projects
- Decarbonisation of heavy mining equipment focuses on replacing diesel fuel for electrified equipment using as much renewable energy as possible. Where our mobile fleet cannot be electrified, either directly or via battery storage, cleaner fuels will be targeted as the technology is commercialised
- Pit-to-port abatement will focus on the transition of trucks to rail, where possible, as rail supports higher transport efficiency. Displacement of diesel by electrification using as much renewable energy as possible will further support the abatement roadmap



¹ Roadmap includes modelling based on peak emissions for each current and forecast future operations over their project life. Abatement initiatives are proposed in accordance with forecasted technology readiness and procurement cycles.

Figure 21: Roadmap to Net Zero Emissions

Abatement project identification

MRL engaged Deloitte to conduct a series of workshops with employees from across our business and operations to help identify abatement projects that will further support our target of net zero emissions.

Four workshops were held in-person and online, capturing the views of over 60 participants, which identified 340 potential decarbonisation projects. Figure 22 outlines the process undertaken. The suggestions were evaluated against six key criteria:

1. Aligned with scientific pathway – the initiative is a common component of scientific pathways to net zero
2. Decarbonisation potential
3. Technology Readiness Level (TRL)
4. Ease of integration in current operations/assets
5. Trade-offs
6. Appetite of the business to introduce the technology

Following the evaluation process, 83 projects were identified for consideration and integrated into the *Roadmap to Net Zero Emissions*.

These 83 projects were further categorised into tactical, transitional and transformational projects based on their assigned decarbonisation potential and complexity, and considered for incorporation into the roadmap, as illustrated in Figure 23. The categories are defined as:

- **Tactical projects** are abatement options which immediately reduce emissions, can be readily implemented but have relatively low emissions reduction potential
- **Transitional projects** are abatement options with longer implementation timeframes, greater complexity and higher emissions reduction potential
- **Transformational projects** are abatement options with the longest implementation timeframes, greatest complexity, but provide the highest emissions reduction potential

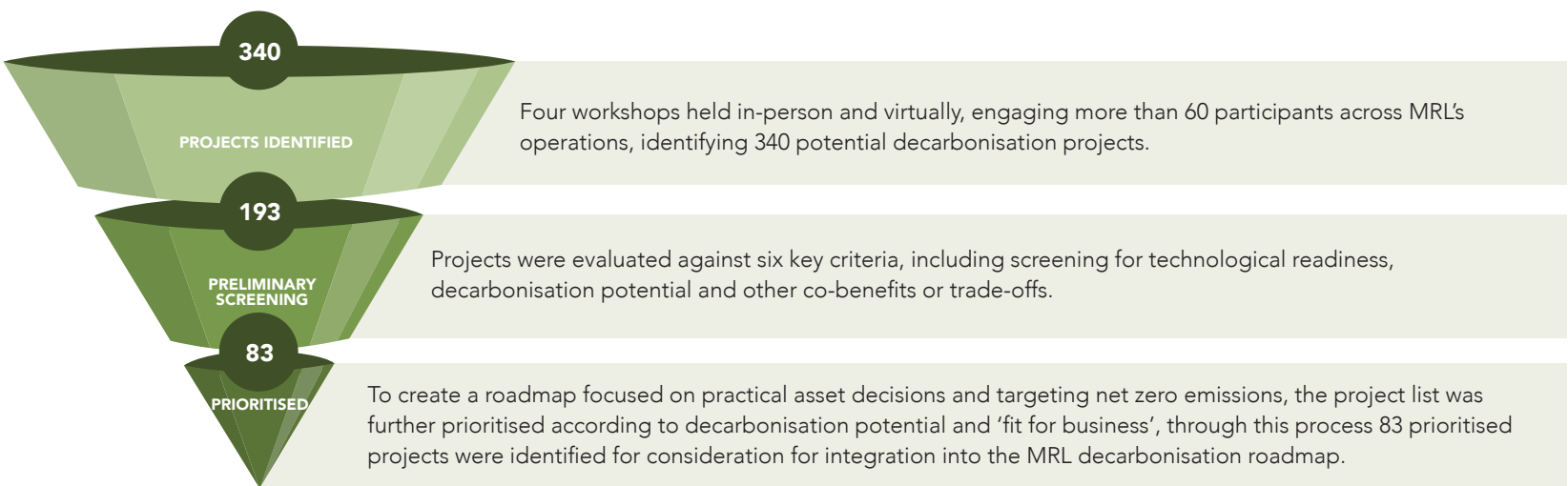


Figure 22: Process undertaken to develop the Roadmap to Net Zero Emissions

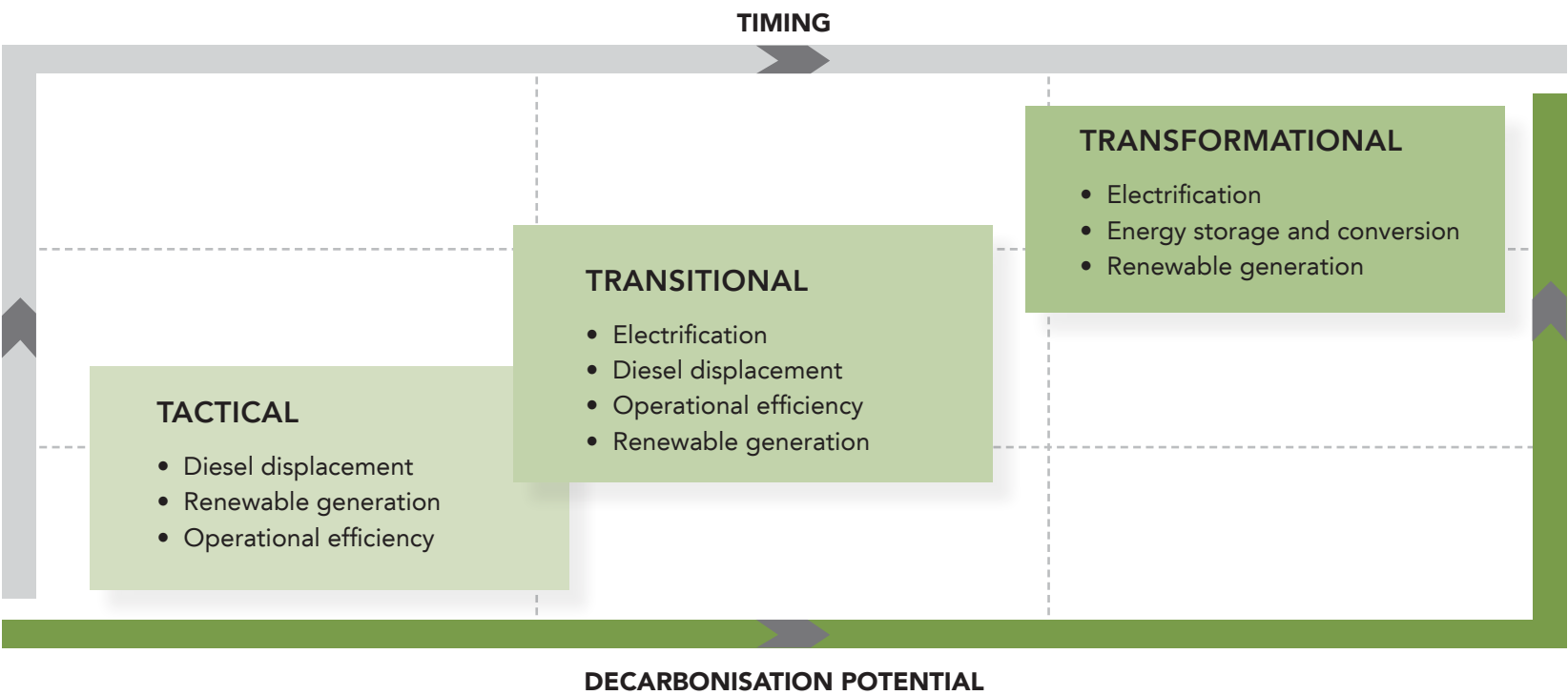


Figure 23: Tactical, Transitional & Transformational

Taskforce on Climate-related Financial Disclosures

Climate change poses complex and significant long-term challenges for investors. There is growing expectation from MRL's investors and stakeholders that we understand and manage climate-related risks and opportunities affecting our business.

Established by the Financial Stability Board, the industry-led Taskforce on Climate-related Financial Disclosures (TCFD), developed a set of recommendations, the TCFD Recommendations, to guide improved disclosure of climate-related information. Companies who align their climate change disclosures with the TCFD Recommendations provide investors and other stakeholders with the metrics and information needed to undertake more robust and consistent analyses of the potential financial impacts of climate change.

The TCFD Recommendations focus on four key areas of organisational decision-making, including:

- 1. **Governance** – the organisation’s governance around climate-related risks and opportunities
- 2. **Strategy** – the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning
- 3. **Risk management** – the processes used by the organisation to identify, assess, and manage climate-related risks
- 4. **Metrics and targets** – the metrics and targets used to assess and manage relevant climate-related risks and opportunities

Table 20 summarises the progress MRL has made in each of these four key areas.

TCFD RECOMMENDATION	OUR PROGRESS
GOVERNANCE – Disclose the organisation’s governance around climate-related risks and opportunities	
a) Describe the Board’s oversight of climate-related risks and opportunities	MRL’s Board and Audit and Risk Committee oversee the governance of climate-related risks and opportunities. The senior management team is responsible for the execution of the company-wide approach of the transition to a low-carbon economy. Key climate-related risks and opportunities are included in the Group’s Enterprise Risk Register, which is reviewed with company subject matter experts and presented to the Board on a quarterly basis (refer to <i>Material Topic 1: Operating with ethics and integrity – Corporate Governance for further information</i>).
b) Describe management’s role in assessing and managing climate-related risks and opportunities	<p>The MRL Sustainability Working Group, a cross-functional management level group, meets every second month. Climate-related risks and opportunities are discussed in this forum and escalated, when required, to the Board via the monthly <i>Sustainability Board Report</i>.</p> <p>During FY21, MRL established a Decarbonisation Pathway Working Group responsible for matters and activities related specifically to climate change and decarbonisation abatement projects to manage our carbon emissions. The group supports the integration of climate change strategy into our business and progressing internal GHG targets across operations, ensuring that these are aligned with the Board’s commitment to our target of net zero emissions by 2050. The working group is comprised of two Executive Managers and subject matter experts and meet weekly.</p>
STRATEGY – Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning	
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long-term	<p>MRL is committed to continuously improve our risk identification process in alignment to the TCFD and conduct quarterly reviews of our key climate related risks and opportunities, see ‘Our climate-related risks and opportunities’.</p> <p>To respond to climate-related risks and opportunities, MRL embeds climate risk analysis in our portfolio composition, emissions reductions, targets, technology and innovation developments. Guidance from our climate-related policy and stakeholder engagements progresses appropriate mitigation and management strategies. Company level risks, such as the evolving climate change mitigation regulations, are monitored by our Audit and Risk Committee as well as a dedicated Decarbonisation Pathway Working Group.</p>
b) Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning	
c) Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	<p>As we continue to develop our management approach to climate change, we consider the resilience of our strategy under various scenarios to ensure that our business continues to generate and sustain value under a changing climate.</p> <p>Our key climate-related risks and opportunities have been identified through the lens of three future scenarios. These scenarios described a combination of possible future physical and socioeconomic impacts to which we may be exposed:</p> <ul style="list-style-type: none">• Scenario 1: ‘Orderly and Paris-aligned transition to a low-carbon economy’ is aligned with the Paris Agreement to keep global temperature increases below 2°C above pre-industrial average temperatures and is characterised by globally coordinated and government-led decarbonisation, where the worst physical impacts of climate change are avoided• Scenario 2: ‘High GHG emissions with limited global co-ordination’ is aligned with global temperate increases of approximately 4°C above pre-industrial average temperatures and is characterised by business-as-usual conditions with limited and uncoordinated climate change regulation and activity• Scenario 3: ‘Net-Zero Emissions by 2050’ is aligned with the most recent special report by the Intergovernmental Panel on Climate Change (IPCC), limiting warming to 1.5°C above pre-industrial levels, and is characterised by energy demand reductions, decarbonisation of electricity and other fuels, electrification of energy end use, stronger climate policy mitigation pathways consistent with high likelihood of carbon pricing imposed directly or implicitly by regulatory policies

TCFD RECOMMENDATION	OUR PROGRESS
c) (Continued)	<p>In FY21, MRL further expanded our understanding of the 1.5 - 2°C emission scenarios developed by the UN Intergovernmental Panel on Climate Change (IPCC), using the scenarios as guidance to meet net zero by 2050.</p> <p>Our pathway, detailed in Figure 21, shows our short-term, medium-term and long-term strategy. Our short-term focus is to build resilience, factoring in current technologies and commercial readiness, to rapidly embed decarbonisation efforts across the business.</p> <p>Our climate scenario analyses indicate the business’ long-term resilience and value generation under the three possible climate decarbonisation scenarios including a 1.5 - 2°C outcome.</p> <p>See ‘<i>Our climate-related risks and opportunities</i>’ for more information about the scenarios considered when identifying and assessing our key climate-related risks and opportunities.</p>
RISK MANAGEMENT – Disclose how the organisation identifies, assesses and manages climate-related risks.	
a) Describe the organisation’s processes for identifying and assessing climate-related risks	MRL continues to enhance our alignment to the TCFD recommendations and disclose our identification processes and assessment of our key climate-related risks and opportunities. Year-on-year our approach will evolve to support embedding climate-related risks and opportunities into our business-as-usual processes. See ‘ <i>Our climate-related risks and opportunities</i> ’
b) Describe the organisation’s processes for managing climate-related risks	The climate-related risk and opportunity identification and assessment process, conducted last year, was the first step in our TCFD journey to inform our strategic responses. During FY21, we built on this foundation with detailed corporate modelling of our company emissions profile and development of our <i>Roadmap to Net Zero</i> , illustrated in Figure 21, which provides a depiction of the high-level directional change in energy use and emissions in the business over time, as influenced by the introduction of abatement projects. The combined emissions reduction potential of identified projects would result in sufficient abatement to reduce MRLs operational emissions to net zero.
c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation’s overall risk management	<p>Key climate-related risks and opportunities are included in the Group’s Enterprise Risk Register, which is presented to the Board on a quarterly basis.</p> <p>MRL considers the cost of carbon in the investment decision making process.</p>
METRICS AND TARGETS – Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities, where such information is material.	
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	<p>MRL considers consequence, likelihood and severity metrics when assessing the magnitude of a risk. Opportunities and risks are assessed with consideration to safety and security, health and wellbeing, environment, community, reputation, compliance and contracting, financial production and operations and business continuity, which are then rated in line with their contribution to our delivery of our net zero target.</p> <p>The performance of the executive KMP has been assessed on climate related performance metrics and are incorporated into our remuneration policies. During FY21, climate related performance metrics were identified as part of our emissions intensity and net zero emissions strategy development.</p>
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks	We disclose our energy consumption, Scope 1 ¹⁰ , Scope 2 ¹¹ GHG emissions and carbon intensity per Total Material Mined (TMM) in our annual sustainability reporting. We calculate our GHG emissions in line with the GHG Protocol and the Australian <i>National Greenhouse and Energy Reporting Act (2007)</i> . See ‘ <i>Our Energy Use and Greenhouse Gas Emissions</i> ’ for further information.
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	This year, MRL set the target of net zero operational emissions by 2050. Setting this target drives business decisions aligned to manage climate-related risks and pursue opportunities.

Table 20: Our progress against the recommended TCFD climate disclosures

¹⁰ Scope 1 emissions are direct GHG emissions from facilities (and associated activities) that MRL has operational control over.
¹¹ Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity in facilities (and associated activities) that MRL has operational control over.

OUR CLIMATE-RELATED RISKS AND OPPORTUNITIES

As the climate changes and the world transitions to a low-carbon economy, MRL continues to be exposed to a suite of technological, market, social, legal and policy changes. These changes present a range of risks and opportunities that will influence the way MRL operates.

Scenario development

MRL identifies scenarios to better understand possible future pathways and inform the identification and assessment of climate-related risks and opportunities. Scenarios are not intended to be a comprehensive forecast or prediction but a model to highlight key elements of a possible future and guide identification of factors to be considered to drive future developments.

International climate researchers contributing to the *Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report* use two sets of common scenarios as the basis for the construction of comparable scenarios across research and modelling groups – Representative Concentration Pathways (RCPs) and Shared Socio-Economic Pathways (SSPs). The combination of SSP-based ‘socio-economic scenarios’ and RCP-based climate projections provides an integrative framework for climate impact and policy analysis.

Representative Concentration Pathways

RCPs are ‘emissions scenarios’ that include time series of emissions and concentrations of the full suite of GHGs, aerosols and chemically active gases, as well as land use/land cover. RCPs are used to develop climate projections by informing physical climate system models. In turn, these models project how the physical climate may change under different levels of radiative forcing driven by GHG concentrations.

Shared Socio-economic Pathways

SSPs¹² were developed to complement the RCPs with varying socio-economic challenges to adaptation and mitigation which examine how global society, demographics and economics may change over the next century.

Table 21 provides an overview of each scenario under which we assess our resilience, risk and opportunities. During FY21, we updated our analysis of Scenario 1 and 2 and introduced Scenario 3, called the Net Zero Trajectory, aligning with the 1.5°C future.

Our roadmap, as outlined in Figure 21 has been developed based on Scenario 2 and Scenario 3 and is aligned with IPCC. MRL’s aspiration is to keep emission trajectories at a company level consistent with the required emission trajectory under these two scenarios.



¹² SSP data can be accessed via the SSP database (<https://tntcat.iiasa.ac.at/SspDb/dsd?Action=htmlpage&page=50>).

Scenario 1: ‘Paris-aligned’ Below 2°C pathway - orderly and Paris-aligned transition to a low-carbon economy	Scenario 2: ‘Current Trajectory’ 4°C pathway – high GHG emissions with limited global co-ordination	Scenario 3: ‘Net Zero Trajectory’ Pathway to 1.5°C – approaching net zero emissions by 2050
<ul style="list-style-type: none">• Globally coordinated and government led decarbonisation, where the worst physical impacts of climate change are avoided• Aligned with the Paris Agreement to keep global temperature increases below 2°C above pre-industrial average temperatures	<ul style="list-style-type: none">• Business-as-usual conditions with limited and uncoordinated climate change regulation and activity; and associated climate-related geopolitical tension• Significant increase in the impact of severe weather events• Economic development is slow, with material-intensive consumption and increased inequality• Global temperature increases of approximately 4°C above pre-industrial average temperatures	<ul style="list-style-type: none">• Accelerated action out to 2030-2050 to limit global warming to 1.5°C by the end of the century• Globally coordinated orderly transition across the energy sector, all working together to a net zero goal, recognising the different stages of economic development and the importance of ensuring a just transition
<ul style="list-style-type: none">• IPCC RCP 2.6: which represents an ambitious pathway where global annual GHG emissions peak and decline early• SSP1: which represents a gradual and global shift to a sustainable path	<ul style="list-style-type: none">• Elements of both IPCC RCP 6.0 and RCP 8.5 – where GHG emissions continue to rise but there is an increasing penetration of renewable energy technologies• SSP3: which represents a future with regional rivalry and nationalist concerns about competitiveness and security	<ul style="list-style-type: none">• IPPC RCP 1.9 which represents immediate nature of the action required to meet target of a 1.3-1.4°C compliant pathway.• SSP2: pathway broadly consistent with the 1.5°C-low-overshoot¹

¹ IPCC, 2018. Mitigation Pathways Compatible with 1.5°C in the Context of Sustainable Development. In: Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty.

Table 21: Overview of Scenarios developed to identify and assess climate-related risks and opportunities

Identifying and assessing climate-related risks and opportunities

Climate change presents opportunities and risks for MRL. Our innovative capabilities as a mining services provider positions us well to respond to climate change drivers by developing energy efficient materials handling solutions at our operations and displacing diesel fuel usage.

Using the TCFD recommendations, climate-related risks are characterised as either physical risks relating to the physical impacts of climate change, or transition risks related to the risks associated with transitioning to a lower-carbon economy. Climate-related opportunities are characterised in line with resource efficiency, energy source, product or service, market or resilience opportunities.

MRL identifies and assesses climate-related risks and opportunities through the following activities:

- Assessed physical climate information and projections for Australia for the areas where MRL’s operations are located. This includes a series of climate-indicators for 2030 and 2050 under Scenario 1, 2 and 3, including review of average temperature increases, maximum temperature increases, rainfall, days above 35°C and 99.9 percentile rainfall days
- Climate focused workshops and interviews engaging management, senior executives and subject matter experts across both corporate and operations to identify climate-related risks and opportunities
- Embedded quarterly risk assessment workshops to survey and review and rank likelihood and consequence of the identified climate-related risks, using MRL’s enterprise risk-rating matrix

The outcome of this process is a list of identified climate-related risks and opportunities, shown in Table 22 and Table 23 respectively, and these are prioritised, as illustrated in Figure 24 and Figure 25.

When assessing the overall risk rating, cost of capital is MRL's top climate-related risk. Other key risks relate to scrutiny and activism, social licence and changing consumer and customer demand.

Figure 25 shows our climate-related opportunities, with key opportunities in the top right quadrant. The top climate-related opportunity relates to energy sources and diesel displacement. This aligns with MRL's Roadmap to Net Zero Emissions, which seeks to progressively displace diesel with lower-carbon energy solutions to reduce our carbon intensity.

Refer to *Material Topic 5: Understanding and managing our climate-related obligations, risks and opportunities under a changing climate - Responding to Climate Change* for further information. Other key opportunities relate to developing innovative lower carbon mining services and infrastructure.

Risk	Most relevant scenario	Risk Description
Physical - Acute	<ul style="list-style-type: none">Current Trajectory (More likely)Paris Aligned (Likely)Net Zero Trajectory (Likely)	Extreme Events: Changes to the intensity and frequency of extreme events such as cyclones, floods and fire events has the potential to increase the risk of damage to MRL's facilities and existing infrastructure such as access roads, rail lines and port facilities. This has the potential to impact construction and development of new facilities and infrastructure, which may result in interruptions and delays to business operations, disruptions to supply chains, transportation and logistics (such as rail and shipping schedules) as well as potential harm to the health and safety of the MRL workforce. disruptions to supply chains, transportation and logistics (such as rail and shipping schedules) as well as potential harm to the health and safety of the MRL workforce.
Physical - Chronic	<ul style="list-style-type: none">Current Trajectory (More likely)Paris Aligned (Likely)Net Zero Trajectory (Less likely)	Average and maximum temperatures: Climate change is likely to cause an increase in the long-term average and maximum temperatures in areas of MRL operations, including construction projects. This increases the risks associated with employee health and safety due to more extreme-heat days and longer-term exposure to higher temperatures. This may also result in health and safety impacts on the workforce due to heat stress and/or require alterations to current rostering schedules, which may increase operational costs. Higher temperatures may also necessitate increased air conditioning for cooling of offices and buildings resulting in increased energy cost and GHG emissions. Water: Climate change will result in increased temperatures and reduced rainfall where MRL operates with Utah Point Hub, Ashburton Hub and South West Creek Hub operations rainfall potentially decreasing by 1.5 per cent to 6 per cent under differing scenarios. This increases the risk associated with water availability and quality for MRL operations. While water risks vary across the locations where MRL operates, this risk may result in the costly import of water into certain locations unless recycling rates can be increased. If extreme climatic events do get worse with increased water stress, floods, droughts, sea level rises as predicted by the climate models, further pro-active management and mitigation measures may have to be taken to ensure that operations do not experience business interruption and loss of production. Water-related infrastructure, such as water supply reservoirs, dam spillways and river levees, have been designed for historic rainfall patterns. Upgrading this infrastructure to cope with increased flooding and drought may be required if weather patterns change.
Transition - Policy and Legal	<ul style="list-style-type: none">Net Zero Trajectory (More likely)Paris Aligned (Likely)Current Trajectory (Less likely)	Carbon Pricing: In response to climate change, governments will seek to reduce emissions from industry through the implementation of rapidly rising carbon pricing mechanisms, such as emission trading schemes or a carbon tax. The world is transitioning to a blanket carbon price estimated by the High-Level Commission on Carbon Prices to reach \$50 -\$100 USD per tonne by 2030 ¹⁵ (where carbon cost pass through is normal practice). This change presents a risk as there may be a period when increased carbon costs cannot be passed through to customers. In November 2021, the UN Climate Change Conference (COP26), which is part of the United Nations Framework Convention on Climate Change, will seek a resolution to Article 6 of the Paris Agreement which entails promotion of integrated, holistic and balanced approaches to assist governments in implementing their nationally determined contributions, or nationally determined contributions, through voluntary international co-operation. If adopted, this may result in increased costs to MRL, as well as potential adverse impacts on reputation, future business opportunities and business growth.

¹⁵ Carbon Pricing Leadership Coalition (2017) Report of the High-Level Commission on Carbon Prices).

Risk	Most relevant scenario	Risk Description
Transition - Policy and Legal (Continued)	<ul style="list-style-type: none">Net Zero Trajectory (More likely)Paris Aligned (Likely)Current Trajectory (Less likely)Net Zero Trajectory (More likely)Net Zero Trajectory (More likely)Paris Aligned (Likely)Current Trajectory (Less likely)	Increased data collection and reporting requirements: Governments, regulatory bodies and other interested stakeholders are responding to climate change by seeking increased disclosure of GHG emissions from industry. This poses a risk that the calculation and disclosure of Scope 3 emissions (non-operational emissions associated with upstream and downstream activities) may become mandatory. This would place increased data collection and reporting and resourcing requirements on MRL. Supply chain management: As the global economy seeks to address climate change, organisations unable to manage climate risks and decarbonise may not meet customer, supplier or stakeholder hurdle requirements in their procurement, supply or support practices and policies. This may pose potential adverse impacts on MRL's reputation, supply chain and market perceptions; as well as potentially limit future business. Natural gas/Liquefied natural gas (LNG): Low-carbon renewable energy and storage technologies have the potential to produce lower cost energy than higher emission alternatives. This poses a risk of reduced value associated with MRL's natural gas assets. This may result in potential adverse financial impacts, loss of business opportunities and adverse impacts on market perception.
Transition - Technology	<ul style="list-style-type: none">Net Zero Trajectory (More likely)Paris Aligned (Likely)Current Trajectory (Less likely)	Changing consumer and customer demand: As the global economy seeks to address climate change, there is a risk that emission intensive products, such as iron ore, may suffer from reduced demand. This may negatively affect demand for MRL products and services, resulting in adverse financial impacts, loss of business opportunities, impact on market perception and business growth. Product substitution: Policies introduced to manage climate change may result in price increases in core MRL products, such as iron ore. This poses a risk of product substitution and increased levels of recycling (e.g. scrap, plastics, titanium). This may reduce demand for iron ore and MRL services, potentially creating an adverse impact on MRL's financial position and an impact on market perceptions.
Transition - Market	<ul style="list-style-type: none">Net Zero Trajectory (More likely)Paris Aligned (Likely)Current Trajectory (Less likely)	Scrutiny and activism: As the global economy seeks to address climate change, there is an increasing risk that organisations unable to manage climate risk and decarbonise will be subject to scrutiny by a range of stakeholders including governments, investors, non-government organisations (NGOs) and communities. This may negatively affect MRL's reputation, its ability to attract new business opportunities and its ability to attract and retain talent. Investor activism is increasing and FY21 was a landmark year demonstrating an increase pressure on the world's major energy firms to transform their businesses.
Transition - Reputation	<ul style="list-style-type: none">Net Zero Trajectory (More likely)Paris Aligned (Likely)Current Trajectory (Less likely)	Cost of capital: As the global economy seeks to address climate change, there is a risk that organisations unable to manage climate risk and decarbonise will be subject to increased costs of capital as investors and financial organisations seek to manage climate risk within their portfolio. Potential impacts of this include a damage to reputation, impact on market perceptions, increased financial costs and potential loss of business opportunities.

Table 22: Climate-related risks

Opportunity	Most relevant scenario	Opportunity Description
Resource Efficiency	<ul style="list-style-type: none">• Net Zero Trajectory (More likely)• Paris Aligned (Likely)	<p>Operational efficiency: Driving decarbonisation through operational efficiency will play a key role in mitigating climate change. Energy savings in diesel consumption can be gained through activities such as improved payload management, idle time management and logistics and haulage optimisation.</p> <p>These activities are an opportunity to return economic value while also reducing air pollutants emitted from construction and mining operations. Generating greater income or returns for the same or lower cost than an alternative may present commercial advantage to MRL.</p>
	<ul style="list-style-type: none">• Current Trajectory (Likely)• Net Zero Trajectory/Current Trajectory and Paris Aligned (Equally likely)	<p>Water: Long-term climate change has the potential to impact water availability and quality. As such, demonstrated efficiency in water use and management may provide enhanced corporate reputation and/or investor ratings and new business opportunities and commercial advantage to MRL.</p>
Energy Source	<ul style="list-style-type: none">• Net Zero Trajectory (More likely)• Paris Aligned (Likely)• Current Trajectory (Likely)	<p>Diesel displacement: As the focus on addressing climate change increases, emission intensive fuels, such as diesel, will be increasingly under the spotlight. The current industry reliance on diesel for remote mining operations provides a specific opportunity for lower-emission energy sources, such as gas, to be used more extensively. This may present an opportunity for MRL to develop solutions for its own operations and customers, providing alternative revenue streams. This may strengthen MRL's competitive advantage, enhance its corporate reputation and allow for the development of new business opportunities.</p>
		<p>Electrification: Addressing climate change will drive coordinated efforts for large scale electrification in the mining industry. Opportunities to replace a significant volume of fossil-fuels on our mine sites will result in lowering energy costs and emissions. Additionally, if renewable electricity is consumed, the greenhouse-gas emissions lower significantly.</p>
		<p>Solar and battery: In all three climate scenarios, large-scale solar and battery is expected to perform well as a micro-grid energy solution that is becoming increasingly commercially viable to support decarbonisation. MRL can reduce its operational reliance on diesel power plants through solar, while reducing costs and increasing reliability of energy supply.</p> <p>In September 2020, MRL acquired Wonmunna iron ore mine, and with consideration of a carbon price, has commenced rollout of a 2.1MW solar array along with a battery storage facility, to be commissioned in under two years from project onboarding.</p>
		<p>Energy storage: Renewable energy technology and electric vehicles will drive increased battery demand for energy storage under both the Net Zero Trajectory and Paris Aligned pathway scenarios. Energy storage supports solar and wind power enabling full potential gains of the energy generated. As the world's demand for electric vehicles and energy storage grows, this could increase demand for MRL's lithium product which has a significant application in batteries.</p>
		<p>Hydrogen: Renewable hydrogen-based fuels are projected to form part of Australia's energy mix to help drive down emissions and provide an opportunity to build a competitive export industry. The <i>Low Emissions Technology Statement</i> has set the goal for hydrogen production below AUD\$2 per kilogram and the <i>Government's National Hydrogen Strategy</i> sets the vision for commercial renewable hydrogen exports by 2030. As technology evolves, MRL will canvas opportunities to adopt new technology once commercial scalability has been achieved.</p>
		<p>Wind power: Is currently one of the most cost-effective sources of large-scale renewable energy. Potential opportunities exist for MRL to advance into this sector of renewables with onboarding of future assets.</p>
		<p>Geothermal: Provides an opportunity for baseload power sourced from the production of hot water from sedimentary aquifers at depth, where production can be sustained over time. Geothermal is an emerging industry in Australia. It has been estimated Australia's total energy requirements for 26,000 years could be supplied by one per cent of the geothermal resources at less than five kilometres in depth and at temperatures greater than 150°C (Geoscience Australia, 2021)¹⁶.</p>

¹⁶ Geoscience Australia, 2021. Geothermal Energy Resources. Available: <https://www.ga.gov.au/scientific-topics/energy/resources/geothermal-energy-resources>

Opportunity	Most relevant scenario	Opportunity Description
Products and Services	<ul style="list-style-type: none">• Net Zero Trajectory (More likely)• Paris Aligned (Likely)	<p>Natural gas/LNG: Our short-term transitional decarbonisation efforts will include gas alternatives. Our wholly owned subsidiary, Energy Resources Limited (ERL), continues to identify and explore opportunities to develop and secure low-cost gas solutions to support the growth and development of MRL and the broader resource industry and communities in Western Australia.</p>
	<ul style="list-style-type: none">• Current Trajectory (Less likely)	<p>Demand for lower carbon goods and services: As the world transitions to a lower-emission economy, the drive for resource and carbon efficiency will increase the demand for alternative light-weight products in mining operations such as carbon fibre mining components. This provides potential for MRL to identify opportunities to invest in and utilise emerging technologies applicable to the mining sector. MRL's portfolio is aimed at enabling a low-carbon future with our lithium resources to assist in indirectly reducing energy consumption and environmental impacts.</p> <p>MRL's Board is committed to no investments in thermal coal.</p>
Markets	<ul style="list-style-type: none">• Net Zero Trajectory (More likely)• Paris Aligned (Likely)	<p>Mining innovation: MRL has a strong internal capability across business divisions to be able to implement highly technical solutions. Leveraging understanding of the requirements of a net zero transition will support the provision of services to brownfields and new greenfield clients, while continuing to drive innovation through our carbon fibre technologies, our NextGen crushing technology and jumbo road train automation.</p>
	<ul style="list-style-type: none">• Current Trajectory (Less likely)	<p>Diversifying our portfolio: MRL is well positioned as an enabler of a low-carbon economy, including our lithium operations supporting the transition to a low-carbon future. MRL is set to benefit from potential additional demand projected under all scenarios over the next 30 years.</p>
Resilience	<ul style="list-style-type: none">• Net Zero Trajectory (More likely)• Paris Aligned (Likely)	<p>Carbon pricing: In response to climate change, governments will seek to reduce emissions from industry through the implementation of rapidly rising carbon pricing mechanisms, such as emission trading schemes or a carbon tax. MRL anticipates adoption will be accelerated under a Net Zero Trajectory scenario. While there is a level of risk assumed under different carbon pricing and regulatory scenarios, such as those described in Table 23, the opportunity exists to improve MRL's competitive position given our GHG emissions performance compared to our peers and our practical strategy in place to enable net zero by 2050.</p>
	<ul style="list-style-type: none">• Current Trajectory (Less likely)	<p>Design for net zero: Planned greenfield operations dominate MRL's future emissions profile and commissioning these new operations provides a unique opportunity to design them as 'net zero ready'. Early consideration of future potential infrastructure and operational characteristics required for a net zero mine prevents the lock-in of high emissions equipment.</p> <p>Insights from the energy analysis at MRL's existing sites, applied to our planned greenfield sites where the design can be modified to optimise the energy use and productivity, provides an opportunity for MRL to increase resilience of its operations and services under a changing climate. This may result in enhanced competitive advantage over the long term and reduced capital expenditure on climate change adaptation.</p>

Table 23: Climate-related opportunities

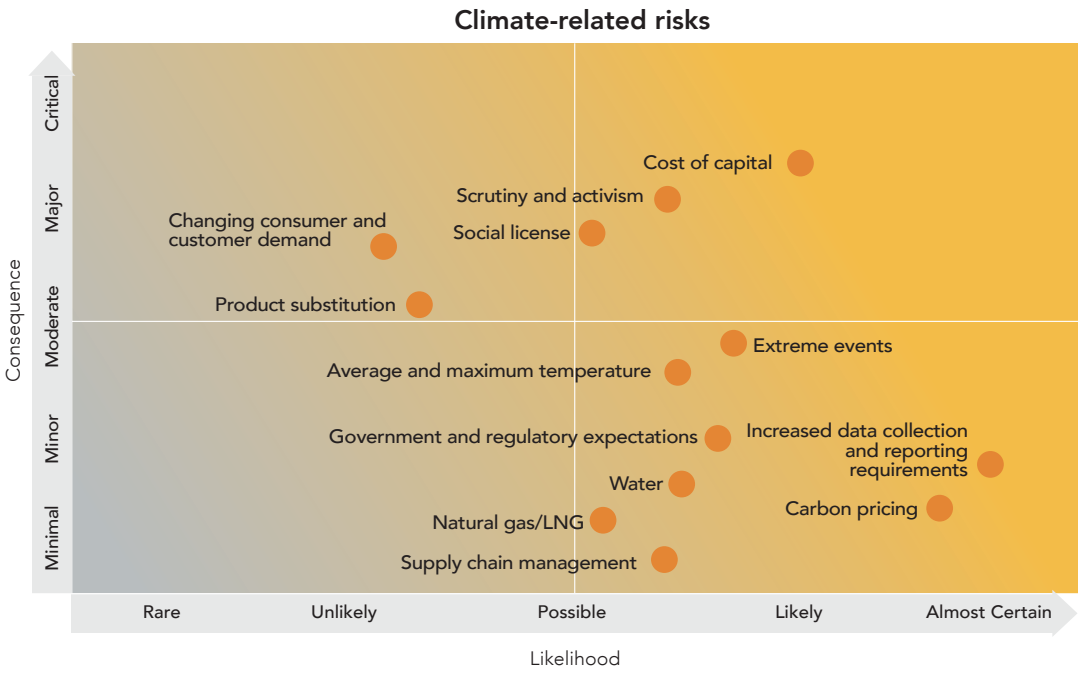
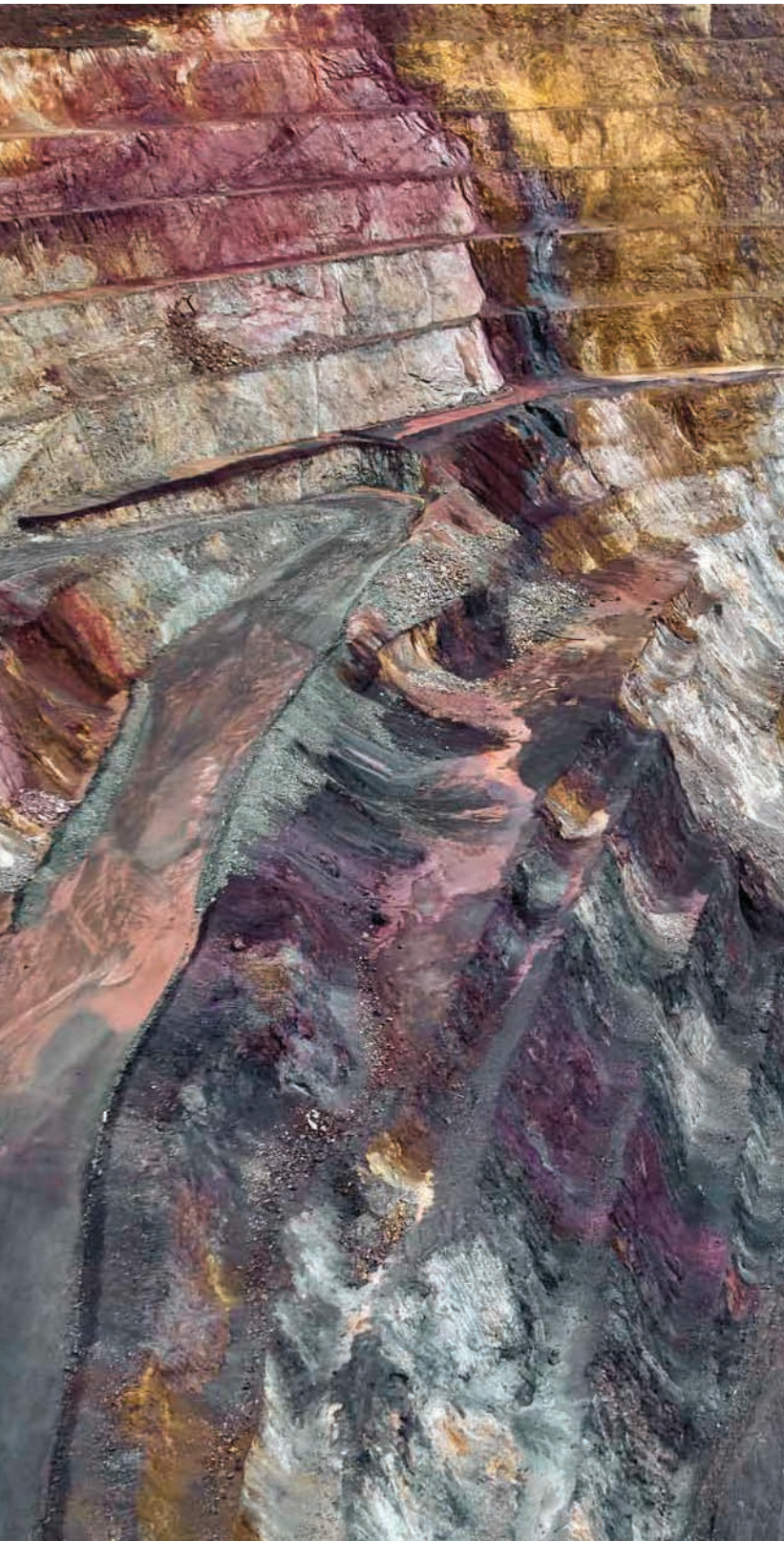


Figure 24: Assessment of climate-related risks

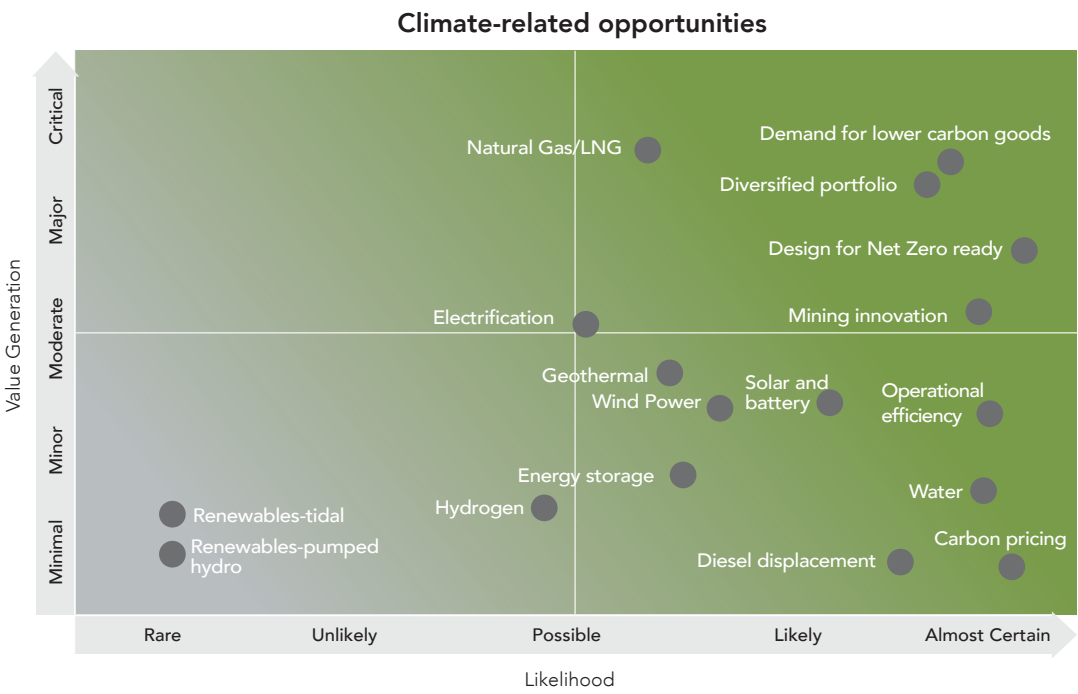


Figure 25: Assessment of climate-related opportunities

OUR ENERGY USE AND GHG EMISSIONS

MRL reports its annual energy and Scope 1 and 2 GHG emissions data to the Clean Energy Regulator, through the Australian Government’s *National Greenhouse and Energy Reporting Act* (2007). We also disclose this information as part of our annual voluntary CDP Climate Change submission and our annual *Sustainability Report*.

Energy

Energy is a critical input into our business operations and the most significant contributor to our operational Scope 1 and 2 GHG emissions. Table 24 provides energy consumption for entities under MRL’s operational control.

Non-renewable fuel consumption	2017 GJ	2018 GJ	2019 GJ ¹	2020 GJ ²	2021 GJ
Natural Gas ³	152,911	149,274	233,215	236,596	-
Diesel fuel	2,201,545	2,585,027	2,283,055	2,774,359	3,970,877
LNG	355,986	329,367	429,662	364,018	327,603
Petrol	3,109	1,974	1,679	1,189	1,596
Oils and greases	17,862	29,679	22,806	43,123	40,486
Non-lubricant oils	7,733	5,594	5,891	4,967	4,623
LPG and Acetylene	-	-	38	793	1,229
Total non-renewable fuel consumption	2,739,145	3,100,915	2,976,346	3,425,045	4,346,414
Electricity consumption					
Purchased electricity consumption	15,160	11,435	12,200	10,004	10,580
Self-generated solar PV electricity consumption	122	2,840	3,270	2,947	2,779
Total electricity consumption	15,282	14,275	15,471	12,951	13,359
Electricity sold					
Gross solar PV self-generation	137	3,285	3,632	3,712	3,462
Self-generated solar PV electricity not consumed	15	445	361	765	682
Solar PV electricity sold	15	445	361	765	682
Total energy consumption with the organisation	2,754,427	3,115,190	2,991,817	3,437,996	4,359,773

¹ FY19 diesel fuel figures have been restated following the legal position relating to the exclusion of rail operator emissions.
² FY20 diesel fuel figures have been restated following the legal position relating to the exclusion of rail operator emissions.
³ Natural gas is not reported in FY21 due to a change in the operational control of Wodgina.

Table 24: Energy consumption data from FY17 to FY20

Our energy consumption continues to increase as our business grows. Between FY20 and FY21, our TMM increased 40 per cent, supporting the growth in commodity exports. To achieve this growth, total energy consumption increased by seven per cent, providing an improvement in energy intensity of five per cent, as shown in Table 24 and 26.

With many of our operations located in remote areas of Western Australia, MRL is currently reliant on diesel fuel as an energy source for our mining equipment, for transportation and haulage of materials over long distances, and for electricity generation at some of our non-grid connected operations. We continue to investigate ways to reduce our reliance on diesel to support our goal in achieving net zero emissions by 2050. Refer to *Material Topic 5: Understanding and managing our climate-related obligations, risks and opportunities under a changing climate* - Responding to climate change for further information.

Greenhouse gas emissions profile

Our GHG emissions are directly related to our energy use and growth of our operations. MRL calculates its direct (Scope 1) and energy indirect (Scope 2) GHG emissions for entities under its operational control¹⁷ in alignment with the GHG Protocol and the Australian *National Greenhouse and Energy Reporting Act (2007)*.

We use emission factors disclosed in the *Australian National Greenhouse and Energy Reporting (Measurement) Determination, 2008* made under subsection 10(3) of the *National Greenhouse and Energy Reporting (NGER) Act 2007*. The emission factors applied are for metric tonnes of carbon dioxide equivalent, including the greenhouse gases CO₂, CH₄ and N₂O.

Global Warming Potential (GWP) values are defined in the NGER Regulations, 2008 based on the 100-year GWP timeframe referenced in the Intergovernmental Panel on Climate Change's (IPCC) 2007 Fourth Assessment Report. No biogenic CO₂ emissions have been included in our Scope 1 GHG emissions, while Scope 2 GHG emissions are calculated using a location-based approach.

Table 25 shows our historical Scope 1 and 2 GHG emissions in metric tonnes of CO₂ equivalent (CO₂e).

While our absolute GHG emissions continue to increase as our business grows, we are actively working to reduce the GHG emission intensity of our operations. Emission intensity of our operations per total material mined for sites under our operational control is shown in Table 26. Between FY20 and FY21, we have seen a five per cent reduction in our GHG emission intensity.

External limited assurance is provided over our FY21 Scope 1 and 2 GHG emissions. Refer to page 113 for a copy of the *Independent Limited Assurance Statement*

	FY16	FY17	FY18	FY19 ¹	FY20 ²	FY21
Scope 1 (tCO ₂ e)	108,427	181,475	215,726	195,034	222,978	296,343
Scope 2 (tCO ₂ e)	1,898	3,007	2,222	2,373	1,917	1,993
Total (tCO₂e)	110,325	184,482	217,948	197,406	224,895	298,336

¹ GHG emissions for FY19 have been restated, reducing by 11 per cent, following the legal position relating exclusion of rail operator emissions.
² GHG emissions for FY20 have been restated, reducing by 16 per cent, following the legal position relating to the exclusion of rail operator emissions.

Table 25: Scope 1 and 2 GHG emissions

	FY19	FY20	FY21	Change
GHG intensity ¹ : tCO ₂ e/ TMM (wet metric kt)	3.21	2.39	2.27	Year-on-year reduction of 5 per cent

¹ The GHG emissions included in the intensity metrics are Total Scope 1 and 2 GHG emissions, which include the greenhouse gases CO₂, CH₄, N₂O and SF₆.

Table 26: FY19 and FY21 carbon intensity of our operations (tCO₂e/TMM)

MRL continues to invest in activities that reduce the carbon intensity of our operations. To support the growth of our business, it is important we ensure the provision of reliable, secure, low cost and sustainable energy solutions. Our *Roadmap to Net Zero Emissions* outlines a pathway progressively incorporating gas, LNG, renewable energy technologies and other emerging technologies over time to reduce our carbon intensity. See Figure 21 *MRL Roadmap to Net Zero Operational Emissions*, which illustrates our energy mix source transition over time for electricity generation, mining equipment, transportation and logistics.

Emission reduction initiatives

MRL continues to investigate alternative and renewable energy options for power generation, road transport and mining equipment, all aimed at delivering responsible and sustainable success.

MRL is currently reliant on diesel as an energy source for mining equipment, transportation and haulage of materials over long distances and for electricity generation at some of our non-grid-connected operations. While we have made significant progress in non-diesel electricity generation through the development of the Wodgina natural gas-fired power station and the Mt Marion gas-fired power station with

¹⁷ This excludes GHG emissions from our mining services activities, as MRL does not have operational control over these activities.

LNG storage and vaporisation, we continue to investigate additional ways to reduce our reliance on diesel fuel. To increase understanding of our energy use through FY21, MRL has improved diesel tracking by implementing the SmartFill Fuel Management Technology system.

Our short-term transitional decarbonisation efforts will include gas alternatives. Our wholly owned subsidiary, Energy Resources Limited (ERL), continues to identify and explore opportunities to develop and secure low-cost gas solutions to support the growth and development of MRL and the broader resource industry in Western Australia. ERL holds nine exploration permits and two production licences within the onshore Perth Basin and one exploration permit in the onshore Carnarvon Basin. ERL is conducting exploration activities on this acreage to assess these potential gas resources. During FY21, in the Perth Basin, significant seismic surveying was undertaken to identify any potential future drilling locations and drilling for a conventional gas well commenced. ERL is planning future surveys and drilling in the onshore Carnarvon Basin permit. Renewable energy technologies, such as solar and wind generated electricity, will become an increasingly significant part of our energy mix going forward.

MRL FY21 emission reduction initiatives include:

Power generation

- Commitment of a \$6 million, 2.1 megawatt peak solar array with battery storage to displace diesel generation for crushing, non-process infrastructure and camp requirements at our Wonmunna iron ore operations in the Pilbara. This is planned for completion in the first half of FY22 and will support around 30 per cent of the site's energy needs, reducing diesel consumption by approximately 600,000 litres and carbon emissions by around 1,800 tonnes of CO₂ per year. The system has been designed with an expected life of up to 20 years, such that when Wonmunna reaches its end-of-mine life, the solar array can be redeployed to another location
- Analysed geothermal potential in Western Australia, identifying untapped potential for baseload geothermal power sourced from the production of hot water from sedimentary aquifers at depth to the surface, where production can be sustained over time
- Modelled the feasibility of using wind power for one of our coastal projects
- Completed design of modular LNG storage facilities to allow LNG to be rolled-out on our sites rapidly and cost effectively. This design leverages on our experience with our LNG Power Station at Mt Marion

Mining equipment

- Participated as a patron in the "Charge On" Haul Truck Electrification Challenge
- Tested autonomous road trains in the Yilgarn
- Purchased the first electric truck fully assembled in Australia

Future energy

- Participant in the Future Energy Exports Co-operative Research Centre including:
 - Paths to a Sustainable Hydrogen Supply Chain project – supporting development of the hydrogen export industry, further researching a supply chain architecture component to balance hydrogen exports with domestic requirements and identify opportunities to integrate national electricity and natural gas networks, for increased reliability, energy security, affordability and decarbonisation.
 - Net Zero Australia (NZAu) project – NZAu will assess the progressive impacts of each scenario on emissions, infrastructure, costs, employment, land use, air pollution and other important outcomes at a high level of geographic resolution. The project will also assess how Australia might export clean energy and low emission products to further contribute to the global decarbonisation task.
- Supported the development of the proposed Kwinana Energy Transformation Hub

LOOKING FORWARD

In FY22, MRL will engage in several initiatives to support decarbonisation, including but not limited to:

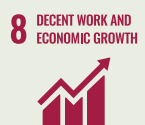
- Participating in the FEnEx CRC "Hydrogen Exports and Value Chains" project which will provide a universal tool for helping industry, government and academia to better understand the roadmap to 100 per cent green hydrogen from an economic and technology perspective
- Key participant in the Future Battery Industries CRC "Catalysing Australia's Industry Potential in the Circular Economy of Batteries" project which will support growth in the Australian battery industry by growing Australian economic activity in the global battery industry, growing exports of Australian battery-related materials, services and technologies, and growing battery industry jobs
- Supporting Kwinana Energy Transformation Hub
- Committing to renewable power generation at our planned Onslow iron ore project
- Partnering with "Paths to a sustainable hydrogen supply chain – Cooperative Research Centre"
- Joining the Charge-on Innovation challenge facilitated by Austmine, a global initiative for technology innovators to develop concepts for large-scale haul truck electrification systems to help the mining sector reduce its diesel fuel consumption and significantly cut emissions from surface mine operations

SOCIAL



WE STRIVE TO DEVELOP AND MAINTAIN STRONG COMMUNITY AND STAKEHOLDER RELATIONSHIPS AS PART OF OUR SOCIAL LICENCE TO OPERATE AND TO BUILD CAPACITY.

MATERIAL TOPIC 6: DEVELOPING AND MAINTAINING STRONG COMMUNITY AND STAKEHOLDER RELATIONSHIPS



An important part of maintaining our social licence to operate is demonstrating the value we create for society. We achieve this through developing strong community and stakeholder relationships and creating opportunities for skills development.

We seek to build sustainable relationships with business partners, governments, non-government organisations, host communities and other stakeholders to support mutually beneficial outcomes.

More specifically, the MRL *Community Policy*, commits to:

- Comply with applicable laws, regulations and voluntary commitments
- Engage early, openly, honestly and regularly with the communities impacted by our operations and consider their views in our decision-making
- Respect the cultural heritage, customs and traditions of our host communities, including those of Indigenous peoples impacted by our activities and we work to build cultural awareness across our operations
- Understand and manage the impacts and opportunities associated with our activities
- Avoid the disturbance of heritage sites wherever possible and minimise and mitigate the impact where disturbances occur
- Build a workforce that includes and represents the diverse communities that host our activities
- Promote local business development and contractor opportunities
- Establish working relationships with local suppliers to build community capability and value through the delivery of safe and effective services for our activities
- Compensate people whose lands and assets are impacted during our period of activities
- Provide transparent and timely reporting on our social and sustainability performance
- Maintain effective mechanisms to address and respond to stakeholder grievances
- Support the sustainable development of our host communities

COMMUNITY PARTNERSHIPS AND CONTRIBUTIONS

MRL supports local communities through contributions that offer positive community benefits. Our community contributions generate value for society, while also promoting MRL, enhancing our reputation and demonstrating our corporate social responsibility.

MRL defines community contributions as voluntary spend that benefits the community and applies its contributions across four categories:

- Community partnerships in the form of multi-year commitments to organisations that focus on creating positive outcomes in health and wellbeing, education and employment
- Donations to community charity fundraisers and not-for-profit organisations
- Contributions towards education support for primary and high schools
- Contributing to community facilities and events

Given the social and economic impacts of COVID-19, we expanded our community support across WA and increased funding contributions, demonstrating our commitment to being a socially responsible business. During FY21, MRL contributed \$5.25 million to communities, more than doubling its efforts from FY20, which reflects the financial success of our business this year. Figure 26 illustrates MRL's community contribution for the past six years.

Our FY21 community contributions data has been externally audited (refer to page 113 for a copy of the *Independent Limited Assurance Statement*).

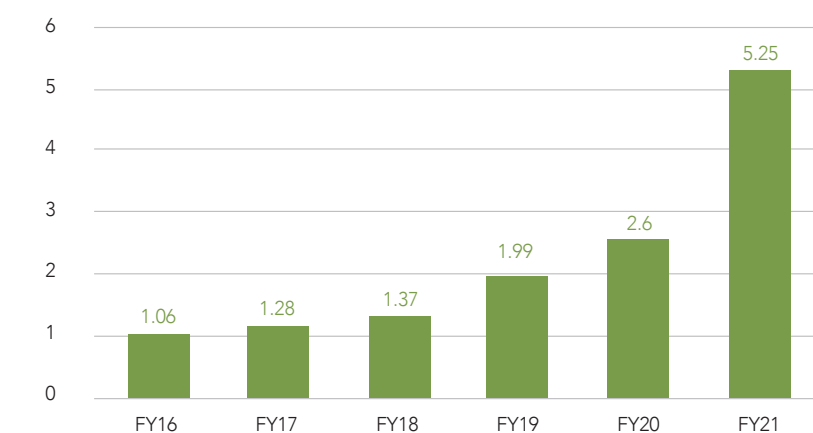


Figure 26: Community contributions (Million AUD)

During FY21, MRL supported more than 70 charitable organisations focused on improving health and wellbeing, employment and education outcomes. This included increased contributions to organisations offering domestic violence support services, which have faced increased demand due to the pressures of COVID-19 on families.

SOCIAL (CONTINUED)

MRL also continued its multi-year partnerships with the following organisations during FY21:

- Shooting Stars
- Youth Focus
- Starlight Children's Foundation
- Lucy Saw Centre
- Harry Perkins Institute of Medical Research
- Telethon 7
- Ronald McDonald House Charities (extended with a three-year partnership FY22-24)

Additionally, we developed new partnerships with:

- Perth Children's Hospital Foundation
- Telethon Kids Institute - Yawardani Jan-ga
- Lifeline WA
- McGovern Foundation

TELETHON

A key focus of MRL's sponsorship framework is health and wellbeing, with a focus on helping to discover causes, cures and treatments for illnesses affecting children and young people. In support of this, during FY21, MRL donated \$2 million to Telethon. The beneficiaries of MRL's donation include:

PERTH CHILDREN'S HOSPITAL FOUNDATION

WAL-YAN RESPIRATORY RESEARCH CENTRE

This research is aimed at reducing the prevalence of chronic lung disease in Aboriginal communities and improving recognition and management of those conditions.

EARLY MOVES PROJECT

Early Moves is focused on proving that a baby's early movement patterns may be used to predict learning difficulties by five months of age to enable very early treatment to significantly improve outcomes for the child and family.

NICU PACKAGE

This package included three pieces of advanced equipment for PCH's Neonatal Intensive Care Unit (NICU) which will allow babies to be moved faster, safer, commence treatment quicker and use less staff to do so.

REGIONAL ASSISTANCE FUND

The Regional Assistance Fund offers vital services and support to regional families through the Regional Assistance Fund. During FY21, through the Fund, almost \$50,000 was provided to assist regional families, which included supplying funding for accommodation for families visiting Perth Children's Hospital 114 times.

YAWARDANI JAN-GA

MRL is the Principal Partner of Yawardani Jan-ga, an Equine Assisted Learning (EAL) research program for high-risk youth based in Broome, in the Kimberley region of Western Australia. It is a Telethon Kid's Institute program, established and managed by Professor Juli Coffin.

MRL's support contributed towards a mobile service, a five-horse float including sleeping facilities for staff, so that researchers and practitioners can take the horses to children and young people who may not otherwise have access to the program due to travel constraints.

WHEELS FOR HOPE

MRL's funding over three years has allowed Wheels for Hope, one of WA's largest wheelchair accessible fleets, to continue to provide life changing mobility to 40 WA families with a disability.

TYPE 1 DIABETES FAMILY CENTRE

MRL has supported the Type 1 Diabetes Family Centre in providing programs and services to people impacted by this complex, challenging and often misunderstood condition. Currently, the Centre assists more than 1,900 families across WA.

STARLIGHT CHILDREN'S FOUNDATION

MRL has contributed to Starlight for over a decade and is now recognised as a 'million dollar donor'. During FY21, 23 Starlight wishes were granted in WA, helping to make dreams a reality for sick WA children. MRL was also involved in a wish grant by funding a day trip for a family to the Mt Marion mine site, making a little boy's wish come true to 'be a miner' for a day.

LIFELINE WA

MRL entered into a partnership with Lifeline WA this year as their largest corporate strategic partner. The funding provided by MRL contributed to Lifeline WA being able to support the community through their team of Telephone Crisis Supporters.

In addition, our partnership includes the provision of mental health training for our employees. During FY21, 36 people were trained by Lifeline WA as mental health first aid responders.

MRL has also committed to be part of a pilot peer support program being run by Lifeline WA and the Chamber of Minerals and Energy of WA (CME), called A Resourceful Mind. The program will run across four WA resources operations and the pilot program will be further supported by academic research conducted by Edith Cowan University to ensure it is safe and effective.



NextGen crusher at Mount Whaleback, promoting the Lifeline WA crisis helpline.

YOUTH FOCUS

For the past eight years, MRL has been a Premier Partner of Youth Focus, a leading youth mental health service provider in Western Australia. During FY21, MRL's funding helped Youth Focus support more than 11,000 young people from a number of Western Australian offices, four headspace centres and outreach locations.

In addition, this year, MRL expanded the partnership to include Youth Focus providing a counselling support service for MRL employees under 25 years old. This service, recently introduced, aims to support employees at both onsite and offsite locations. To raise awareness of this service and mental health in general, Youth Focus delivered an engaging education session to more than 30 year one and two apprentices, with another session planned for middle-level managers.

HARRY PERKINS INSTITUTE OF MEDICAL RESEARCH

Funding from MRL for FY21 was directed to cardio research focused on using 3D printing technology to treat leaky valves in failing hearts. The technology has superior properties compared to currently available valves and can be modelled to an individual's heart valve. This breakthrough will have significant clinical impact for patients with vascular heart disease.

SHOOTING STARS

Our multi-year partnership with Shooting Stars, an initiative of Glass Jar Australia and Netball WA, continues to affect genuine change in the lives of more than 650 Indigenous girls across 15 sites.

Shooting Stars is an educational program using netball and other tools to encourage greater school engagement amongst young Aboriginal girls and women. MRL has been instrumental to the expansion of the Shooting Stars program. MRL's funding has helped Shooting Stars expand in the Goldfields and Kimberley regions, working with more than 60 girls and employing 17 Aboriginal women.

DOMESTIC VIOLENCE CRISIS CENTRES

MRL continues to support organisations that support victims of domestic violence, donating to crisis centres throughout Perth, the Pilbara, the Goldfields, the Great Southern and Peel regions.

BLOODWOOD TREE

MRL partnered with Bloodwood Tree over the past 12 months to help grow its regional community food delivery service for disadvantaged and vulnerable locals in the Pilbara. Based in Port Hedland and servicing the local Yandeyarra Indigenous community, near MRL's Wodgina operations, this service helps combat high grocery prices and encourages food security by delivering consistent, affordable and nutritious staples for families in need.

MCGOVERN FOUNDATION

During FY21, MRL partnered with the McGovern Foundation to deliver the Wanderer Driver Mentor Pilot Program. The 12-month pilot program will help disadvantaged Aboriginal and Torres Strait Islander young people access supervised driving, enabling them to obtain their Drivers Licence, leading to improved employment opportunities. The driver training is run by Indigenous staff members who work closely with participants, driving schools and the Department of Transport.

MANAGING OUR RELATIONSHIPS WITH COMMUNITIES AND STAKEHOLDERS

Positive community relationships are an essential component of MRL's operations. They align expectations, minimise disruptions and delays to projects and enhance MRL's reputation. MRL recognises genuine and effective stakeholder engagement involves building relationships based on mutual trust, respect and understanding.

Engagement activities

MRL is committed to providing local communities with open and transparent access to information about our operations.

The aim of our Stakeholder Engagement Management Plan and Community Relations Strategy is to ensure we engage effectively with local communities, government and other key stakeholders on matters concerning environment, land access, heritage and community during all phases of our operations.

Proactive community programs that combine Native Title and cultural heritage legal requirements within broader social license to operate objectives produce positive long-term outcomes that reflect all stakeholder expectations. Our community engagement approach consists of six pillars, which align with both our legal and social licence to operate, as outlined in Figure 27.



Figure 27: MRL's Six pillars of community engagement

MRL has a dedicated Communities and Stakeholder Engagement team that manages engagement with local communities, pastoralists, private landowners, Traditional Owner groups and local government as part of tenement applications, regulatory approval processes and our ongoing operations. Our Community and Stakeholder Engagement department works closely with local Indigenous and community stakeholders and continues to grow.

A dedicated Cultural Heritage and Native Title team works closely with Traditional Owners to ensure continued identification, recognition and protection of all cultural heritage. Our team carries out heritage surveys across all our operations in alignment with the individual heritage agreements with Traditional Owner groups and within the guidelines of the Australian Aboriginal Heritage Act (1972). These

surveys inform the location and design of our operations to avoid areas of heritage significance.

MRL has several agreements in place with Traditional Owners, which outline a range of obligations such as heritage protocols, employment and business opportunities, community engagement, cultural awareness training, health and education initiatives, and work ready programs. We continue to proactively work with Traditional Owners to identify further opportunities to collaborate.

We recognise genuine and effective stakeholder engagement involves building relationships based on mutual trust, respect and understanding. To further support this, MRL has resourced two regional Community Engagement Officers to manage and support stakeholder, community and Indigenous engagement activities. These positions are to ensure MRL has a

consistent and accessible resource in the regions that can support future Indigenous employees and businesses. These resources present an opportunity to build durable and genuine relationships with the local community and work closely with the broader MRL Community and Stakeholder Engagement team.

The importance of consulting with people in making decisions that affect their lives is expressed in the principle of free, prior and informed consent (FPIC), which is applicable to the rights of Indigenous peoples in international law. FPIC is also applicable to other 'land-connected peoples', such as traditional and local communities living in rural areas near mining sites. MRL's community stakeholder engagement efforts are aimed towards a continuous, iterative process of communication and negotiation spanning the entire planning and project cycles.



During FY21, we strengthened our community connections by:

- Developing deeper relationships with members of the communities in which we operate, including non-government entities
- Building awareness of projects to ensure they are known and understood prior to approval processes
- Engaging with non-government conservation organisations and individuals
- Conducting MRL focused community forums
- Participating in existing local community forums and local shire meetings
- Presenting our plans to the Chamber of Commerce and Industry WA
- Establishing relationships with schools and developing work experience programs at mine sites for local high schools
- Hosting business development and employment sessions
- Further investing in our community development partnerships at a local level
- Supporting school NAIDOC events, Country Week events, regional fairs and community festivals

MRL recognises and respects Aboriginal Traditional Owners as having one of the world's oldest living cultures and supports the State government's review of the Aboriginal Heritage Act (1972) to ensure significant Aboriginal heritage sites are protected. We remain confident our active engagement processes will allow MRL to continue its operations with community support.

MRL will continue its memberships of, and participation in, local industry events held in the regions. They are an excellent way to engage with other businesses and the wider Indigenous community, to keep well-informed of issues and provide support on behalf of MRL.

Community grievance mechanism

MRL has an established grievance mechanism through which community members or other stakeholders can express any concerns, issues or grievances about real or perceived actions by a project that cause them concern.

The intent of the community grievance mechanism is to ensure issues and grievances are managed consistently and in accordance with MRL's relevant policies and procedures.

A well-designed grievance mechanism and procedure brings benefits to MRL and the communities in which we operate, by ensuring the timely response to issues and grievances.

The procedure assists us to:

- Facilitate early resolution of grievances
- Provide an open and responsive grievance management process
- Enable the Communities and Stakeholder Engagement team to resolve grievances in a consistent and effective manner
- Avoid issues escalating
- Identify risks and trends to inform strategies or work plans and identify improvement opportunities
- Meet compliance requirements

Indigenous participation

MRL IS COMMITTED TO IMPROVING INDIGENOUS EMPLOYMENT AND INCREASED BUSINESS DEVELOPMENT OUTCOMES IN THE COMMUNITIES IN WHICH IT OPERATES.

MRL is committed to increasing Indigenous participation year-on-year in the business through our apprentice, trainee, graduate and employment programs, and through Indigenous business opportunities.

This commitment will be underpinned by the Indigenous Employment Strategy and Indigenous Procurement Policy, which is under development and will be finalised in FY22, following endorsement of our RAP, and will provide a guide for all local employment and procurement plans.

MRL increased Aboriginal and Torres Strait Islander employment by 76 per cent this year compared to FY20. This percentage is increasing year-on-year with the establishment of our Community and Stakeholder Engagement department and newly developed strategies across Indigenous training, employment, business development and engagement. As MRL continues to establish its team in this area, the business is setting ambitious internal stretch targets to increase its Indigenous workforce and overall engagement for FY22.

We are committed to developing career pathways for local Indigenous people and our Indigenous Employment Strategy will directly contribute to continuing to build MRL's relationship with local Indigenous communities while providing a mechanism for local candidates to actively seek employment and training.

Local Indigenous employment plans are being developed at our sites as we continue working closely with local Indigenous communities and engage with local job employment agencies, local businesses, community co-ordinators and Native Title groups to identify the appropriate candidates for training and employment.

SOCIAL (CONTINUED)

MRL will also work closely with these stakeholders to leverage government employment and community development incentives. Successful implementation of the *Indigenous Employment Strategy*, following endorsement of our RAP, will see a significant increase in opportunities for Indigenous employment across MRL and for our contracting business partners in FY22.

Building reconciliation with Aboriginal and Torres Strait Islander communities

During FY21, MRL submitted a Board-approved RAP to Reconciliation Australia, which outlines and further strengthens our commitment to reconciliation with Aboriginal and Torres Strait Islander communities.

Our RAP includes opportunities to make meaningful contributions towards reconciliation within the communities where MRL operates, while outlining proposed initiatives across relationships, respect, opportunities, and governance.

MRL has proposed focus in four key areas:

- Relationship building
- Respect and recognition
- Social and economic opportunities
- Governance and accountability

Indigenous procurement

MRL's *Indigenous Procurement Strategy* commits MRL and its contracting business partners to promote, support and employ local Indigenous people. This strategy will become a company-wide commitment whereby all site operations and projects, contractors and sub-contractors are actively involved in identifying vacancies to be filled by local Indigenous candidates.

To assist the local Indigenous community and their aspirations to have their own businesses, the *Indigenous Procurement Strategy's* primary purpose is to identify programs and processes that can assist Indigenous businesses and people seeking guidance and opportunity.

Recently, MRL has engaged several local Indigenous businesses at one of our operations, which has seen MRL commit to a multi-year partnership to help build capacity with a number of Indigenous employment opportunities created through these engagements.

The *Indigenous Procurement Strategy* is intended to significantly increase MRL's engagement with local Indigenous businesses, while qualified business partners contracted by MRL will be required to commit to MRL's Indigenous engagement measures, which covers areas of recruitment, training and employment and cultural awareness.

Next steps

In FY22, MRL aims to continue development of our strategic plan to increase our cultural awareness, employment and commercial and social partnerships with Indigenous peoples.

A new *Local Community Development Strategy* has been developed and will better direct our community investments at a local level, with benefits aimed at the grassroots level.

The strategy will be supported by the implementation of a new Stakeholder Engagement System, including a significant investment in new technologies that will ensure a more timely and accurate approach to informing all stakeholders across each phase of our projects and their development.

The growth of our Communities and Stakeholder Engagement team is focused on ensuring we continue to connect with our communities and meet and exceed local expectations through the work we are delivering.

SKILLS DEVELOPMENT

As competition for employee talent increases, MRL needs to contribute to the development of skills our business requires now and into the future. Our *Learning and Development Tactical Plan* provides pathways for introducing new talent to our business and details development initiatives for existing employees. MRL offers apprenticeships, traineeships and a Graduate Program designed to attract new talent to our company.

Apprentices

The MRL Apprentice Program aims to support and grow our apprentices into high performing and successful members of our workforce. The program aims to:

- Ensure our apprentices receive the best learning experience and are well supported on their learning journey
- Provide experiences, exposures and opportunities that support apprentice development
- Develop appropriate behaviours for the workplace and interpersonal skills

Our Apprenticeship Program continues to strengthen each year. During FY21, we employed apprentices across a range of trades including heavy duty fitters, electricians, boilermakers and mechanical fitters, bringing the total number of apprentices in our business to 52, an increase of 53 per cent from the previous year. This total includes seven apprentices who identify as female, more than doubling from the previous year. We also expanded our apprenticeship program by recruiting apprentice chefs into the business for the first time.



To further support our apprentices, we also employed a full-time apprentice mentor to help guide their professional and personal development. Through our partnership with Youth Focus, our employees under the age of 25 also have access to a counsellor specifically trained to assist younger people.

Trade upgrades

To further support business growth and address the developing skills shortage across our industry, we are committed to providing professional development opportunities for our existing employees. During FY21, we introduced our Trade Upgrades Program and currently have 11 employees completing trade upgrades within the business. Nine of these are upskilling to become heavy duty fitters and two are training to become auto electricians.

Trainees

In addition to our apprentice program, we offer several traineeship programs with Registered Training Organisations, with a variety of options available increasing throughout FY21.

During FY21 we developed the Mineral Resources Crushing Traineeship Program. This 24-month structured traineeship sees trainees complete site based practical on-the-job training at one of our remote sites, allowing our trainees to kick start their career in mining with no previous experience.

We have had 17 trainees through this year, an increase from the five in FY20. Sixty-five per cent of our trainees identify as female.

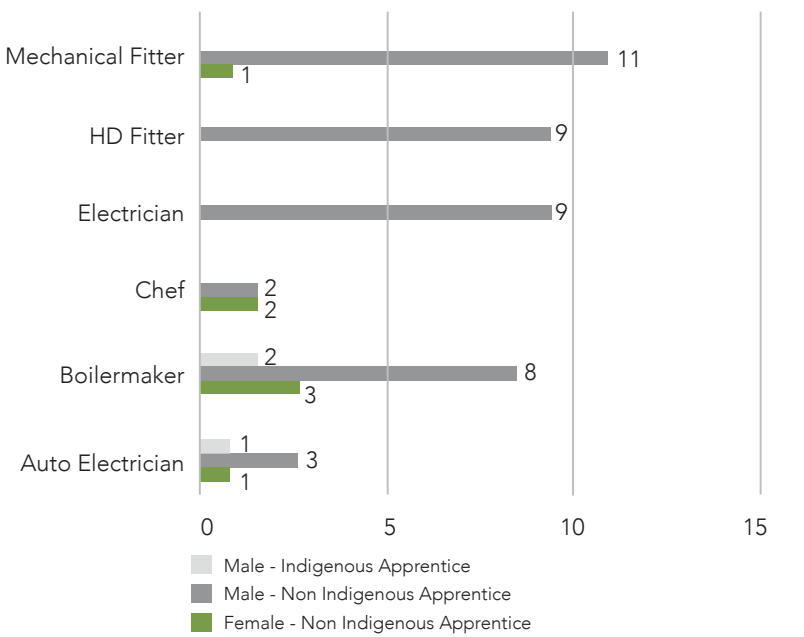


Figure 28: FY21 apprentices by type, gender and Indigenous status

Graduates

Our Graduate Program is a 24-month structured program, internally developed and assessed across a mixture of site and office-based work. Graduates gain industry experience through corporate and site-based work placements of four and six-month rotations. This allows graduates to experience different areas of their chosen career path. Our FY21 intake welcomed 14 graduates – across a range of disciplines including accounting, geology, engineering, metallurgy and environment – an increase from six in FY20. This number is expected to increase by 30 (taking the total to 46) as at June 2022.

Our graduates span a variety of technical and support service disciplines including engineering (mining, process and mechanical), geology, finance, health, safety and environment. Four of our current graduates identify as female.

Figure 30 provides a breakdown of graduates by type and gender.

We have 100% success rate in completion and retention of graduates within the business over the last two years.

Promoting careers in the mining industry

For the past eight years, MRL has sponsored several scholarships at Rockingham Senior High School. The MRL Scholarship Program supports students who excel in hands-on skills and have achieved outstanding results in trade-related areas of study.

During FY21, we also continued our relationship with the Kwinana Industries Council (KIC), which supports the growth, development and sustainability of businesses in the Kwinana industrial area. This included hosting 12 female students on work experience placements.

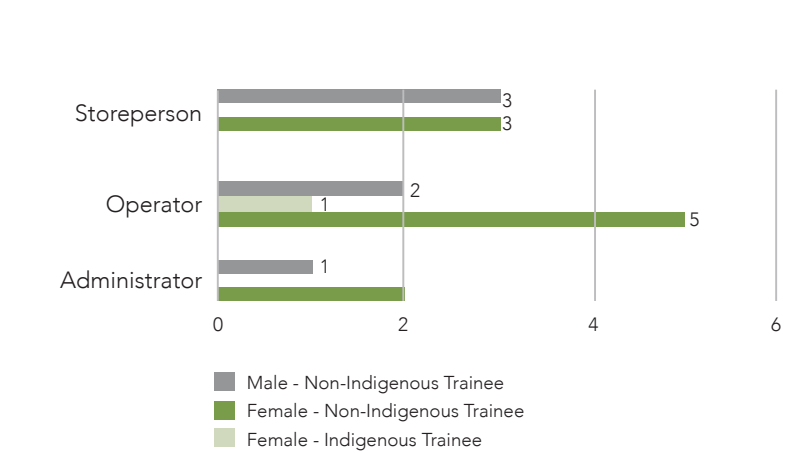


Figure 29: FY21 trainees by type and gender

MRL also continued its sponsorship of iWomen Projects, an initiative promoting career opportunities in the mining sector to Year 10 female students from KIC-collaborating schools in the region.

In addition, we attended and sponsored several career development events including the 2021 ‘Get Into Resources’ event at North Metro TAFE, The Big Meet 2021 Perth graduate recruitment fair, the 2021 Chamber of Minerals and Energy Inspiring Girls Career Forum, and the Shape Your Future Youth Expo in Kwinana. These events were attended by members of our Learning and Development team, who engaged with students and offered advice on career pathways available within the industry.

Work experience opportunities

MRL scholarships – Rockingham Senior High School

For the past eight years, MRL has sponsored several scholarships at Rockingham Senior High School in the following categories:

- Metals and Engineering Scholarship x 2
- Food Science Scholarship
- Construction Scholarship
- VET Business Scholarship

The MRL Scholarship Program supports students who are gifted in hands-on skills and have achieved outstanding results in trade-related areas of study. The funding goes towards the recipients’ TAFE fees, school fees, books and uniforms.



Figure 30: FY21 graduates by type and gender

KIC pre-apprenticeship support

CSI Mining Services (CSI), a wholly owned subsidiary of MRL, is an associate member of the Kwinana Industries Council (KIC) and has a long history supporting the growth, development and sustainability of business in the Kwinana industrial area. During FY21, we continued our relationship with the KIC and supported a number of the KIC pre-apprenticeships. The KIC Introduction to Careers in Industry is a two-year program designed for females to encourage greater diversity in the industry. Students undertake the program during Year 11 and 12, alongside their school studies. MRL donated equipment relevant to the student’s discipline of study and hosted 12 female students on work experience placements from the pre-apprenticeship in FY21. Through support of this program MRL aims to create a talent pipeline of female apprentices for our future intakes.

KIC Metals and Engineering School Based Traineeship

Another initiative of KIC is the Metals and Engineering School Based Traineeship, which provides year 11 and 12 students with the skills needed to graduate with a Certificate II in Engineering. MRL hosted 15 students from the program for work experience at the Kwinana workshop during FY21 and also donated toolkits. The work experience rotations included steel fabrication, electrical and mobile equipment maintenance, light and heavy fitting.

MRL’s participation in the KIC Traineeship provides our business with an opportunity to employ skilled pre-apprentices and provides students with a pathway to MRL.

LOOKING FORWARD

Going forward, we look to:

- Broaden the Indigenous representation in our apprentice, trainee and graduate program
- Expand our graduate program by offering a further variety of positions including Graduate Community and Heritage Officer, Graduate Metallurgist, Graduate Geoscientist and Graduate Anaplan Analyst
- Increase our attendance at youth career expos and events to promote future graduate opportunities within the business
- Increase local participation in the business both directly, through training and employment at our sites, or indirectly, through our supply chain

PERFORMANCE DATA TABLES AND GRI CONTENT INDEX

THE FULL [2021 SUSTAINABILITY PERFORMANCE DATA](#) AND GRI, SASB, TCFD, UNGC TEN PRINCIPLES CONTENT INDEX, IS AVAILABLE FOR DOWNLOAD ON MRL'S WEBSITE.



INDEPENDENT LIMITED **ASSURANCE STATEMENT**





Independent Limited Assurance Statement to the Management and Directors of Mineral Resources Limited

Our Conclusion:

Ernst & Young was engaged by Mineral Resources Limited ('MRL') to undertake limited assurance as defined by Australian Auditing Standards, hereafter referred to as a 'review', over selected sustainability performance data within the MRL 2021 Sustainability Report ('Sustainability Report') for the year ended 30 June 2021. Based on our review, nothing came to our attention that caused us to believe that the selected sustainability performance data has not been prepared and presented fairly, in all material respects, in accordance with the criteria defined below.

What our review covered

Ernst & Young ('EY' or 'we') carried out a review over selected sustainability performance data within the Sustainability Report.

Subject Matter

The Subject Matter for our limited assurance engagement included selected sustainability performance data, limited to those aspects listed below for the year ended 30 June 2021:

- ▶ Total Scope 1 greenhouse gas (GHG) emissions (in tonnes of carbon dioxide equivalent (tCO₂-e))
- ▶ Total Scope 2 GHG emissions (tCO₂-e)
- ▶ Total value (in Australian dollars (AUD)) of community contributions
- ▶ Lost Time Injury Frequency Rate (LTIFR)
- ▶ Total Recordable Injury Frequency Rate (TRIFR)
- ▶ Gender ratios as per WGEA categories.

The Subject Matter did not include Management's forward-looking statements.

Criteria applied by MRL

In preparing the Sustainability Report, MRL applied the following criteria:

- ▶ MRL's self-determined criteria for the reporting of non-financial information
- ▶ Global Reporting Initiative (GRI) indicators relevant to the subject matter.

Key responsibilities

EY's responsibility and independence

Our responsibility is to express a conclusion on the selected sustainability performance data based on our review. We were also responsible for maintaining our independence and confirm that we have met the requirements of the APES 110 Code of Ethics for Professional Accountants (including Independence Standards) and that we have the required competencies and experience to conduct this assurance engagement.

MRL's responsibility

MRL's management is responsible for selecting the Criteria, and for preparing and fairly presenting the Sustainability Report in accordance with that Criteria. This responsibility includes establishing and maintaining internal controls, adequate records and making estimates that are reasonable in the circumstances.

Our approach to conducting the review

We conducted this review in accordance with the Australian Auditing and Assurance Standards Board *Australian Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ASAE 3000') and *Australian Standard on Assurance Engagements on Greenhouse Gas Statements* ('ASAE 3410') and the terms of reference for this engagement as agreed with MRL.

Summary of review procedures performed

A review consists of making enquiries, primarily of persons responsible for preparing the selected sustainability performance data and related information, and applying analytical and other review procedures.

Our procedures included:

- ▶ Conducting interviews with corporate personnel to understand the business and reporting processes
- ▶ Conducting interviews with key personnel to understand the process for collecting, collating and reporting the selected sustainability performance data during the reporting period
- ▶ Checking that calculation methodologies had been appropriately applied in accordance with MRL's criteria
- ▶ Undertaking analytical review procedures to support the reasonableness of the data
- ▶ Identifying and testing assumptions supporting calculations
- ▶ Testing, on a sample basis, to underlying source information to check the accuracy of the data.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Limited Assurance

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Further, our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Use of our assurance statement

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of MRL, or for any purpose other than that for which it was prepared.

Adam Carrel
Partner

30 September 2021

Ernst & Young
Perth, Australia





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LAJA: BUILD UP SEASON (START OF HOT SEASON)
(Front Cover)

This collaborative piece represents the build up of the season 'summer storm'. The design represents the 'Wangal'-wind and the 'Ringu'- clouds. The energy these natural elements release during the first storm is electrifying. Through our belief system this collaboration piece brings energy and depth and awakens one's soul.

Collaborative art by Rebecca Morgan.
Photography by Russell James.