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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 2020. All references to 'MRL', 'the Company', 'the Group', 'we', 'us' and 'our' refer to Mineral Resources Limited (ABN 33 118 549 910) and the entities it controlled, unless otherwise stated.

References in this report to a 'year' are to the financial year ended 30 June 2020 unless otherwise stated. All dollar figures are expressed in Australian dollars (AUD) unless otherwise stated. All references to 'Indigenous' people are intended to include Aboriginal and/or Torres Strait Islander people. The term Traditional Owners refers to a descendant of the tribe or ethnic group that occupied a particular region before European settlement, especially when that occupation is recognised by Australian law.

Any questions about this report can be sent to [investorrelations@mrl.com.au](mailto:investorrelations@mrl.com.au)

Photography by Russell James. Creative design by Ali Franco.

**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 one of the great Australian companies and a leading provider of innovative and sustainable mining services.

## PURPOSE

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

## THE WAY WE WORK

### WE ARE ONE TEAM

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

### WE ARE HIGH PERFORMING

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

### WE ARE ENTREPRENEURIAL

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



# ON BEHALF OF THE BOARD, IT GIVES ME GREAT PLEASURE TO PRESENT THE **SUSTAINABILITY REPORT** FOR THE 2020 FINANCIAL YEAR.

The past year has been extraordinary. Not only have we seen the worst bush fires in modern history, we've also seen the unprecedented impacts of COVID-19 on economies and communities around the world.

MRL's response to the COVID-19 pandemic has been exceptional and I am extraordinarily proud of the achievements of the entire MRL team. As the COVID-19 outbreak began, MRL's primary focus was the safety and wellbeing of the 3,100 men and women who make up the MRL workforce, their families and the community of which we are a part. From the outset, MRL quickly adapted to all government guidelines, introducing new communication technologies and supporting the physical and mental health of our people. To maintain safe and reliable operations and limit the impact of COVID-19 on the Western Australian economy, MRL established a gold-standard PCR COVID-19 screening operation and offered the service to all West Australian resource companies. To date, MRL's screening operations have screened more than 50,000 resource sector workers.

MRL made significant strides across all areas of sustainability this year. A Sustainability Policy, supported by a Human Rights Policy, an Anti-Bribery and Corruption Policy and a Supplier Code of Conduct were developed. A cross-functional Sustainability Working Group was established to support and advise the business on the management and monitoring of key sustainability topics. These efforts are reflected in the 2020 Sustainability Report, which describes how MRL is managing and performing against our material sustainability topics.

Safety remains a core focus for the company. During FY20, we retained our excellent record for our Lost-Time Injury Frequency Rate (LTIFR) and reduced our Total Recordable Injury Frequency rate (TRIFR). The onset of the COVID-19 pandemic brought with it an increase

focus on mental health and wellbeing and, in response and amongst other initiatives, we appointed a full-time psychologist to develop our mental health strategy.

MRL is committed to creating a diverse and inclusive workplace and, during FY20, the Board approved an overall female representation target aligned with industry. Improved diversity brings many benefits, including positive impacts on organisational culture and reputation, employee attraction and retention, as well as enhanced internal, customer and stakeholder relationships.

During FY20, MRL continued to promote a culture of ethical corporate behaviour and implemented a Code of Conduct and Business Integrity e-learning training programme and a Whistleblowing service, MinRes Integrity Assist. We made great strides in understanding our risk exposure and obligations under the *Modern Slavery Act, 2018 (Cth)* through the development of a screening programme to identify, assess and monitor the risks associated with modern slavery in the business and supply chain. During the year, MRL requested 35 potentially high-risk suppliers to complete the Modern Slavery Self-Assessment Questionnaire. We will continue to identify potentially high-risk suppliers and engage in modern slavery risk identification, assessment and monitoring activities.

In response to a growing expectation from our investors and stakeholders to understand and manage the climate-related risks and opportunities that affect our business, MRL elected to align our climate-related disclosures with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) and made significant progress in implementing those recommendations. During the year, we undertook a formal process to identify and assess MRL's climate-related risks and opportunities. MRL's efforts to replace diesel with gas,

LNG & solar are starting to reflect in the carbon intensity per tonne of total material moved, which has seen a 19 per cent decrease between FY19 and FY20.

With the events we have seen around the world this year, MRL's social licence to operate and our relationships with communities and stakeholders are as important as ever. During the year, MRL increased our community contributions by 30 per cent, supporting initiatives to improve health and wellbeing, education and employment opportunities for those who need it most. At the same time, we understand the importance of proactive engagement with our Traditional Owners. Our approach is to identify areas of significance in consultation with the Traditional Owners, design and locate activities to avoid damaging identified areas, and seek agreement when disturbance is unavoidable. We are also focussed on increasing Indigenous participation in the business through our apprentice and trainee programmes as well as through Indigenous business opportunities.

FY20 has been an extraordinary year for all involved with MRL. I sincerely thank my fellow Directors for their efforts and dedication. On behalf of the Board, I also extend my gratitude to our Managing Director, Chris Ellison, and his leadership team for delivering such a tremendous outcome in a year that wasn't without its challenges but illustrated the strength and resilience of our business and our people.

Peter Wade  
Non-Executive Chairman

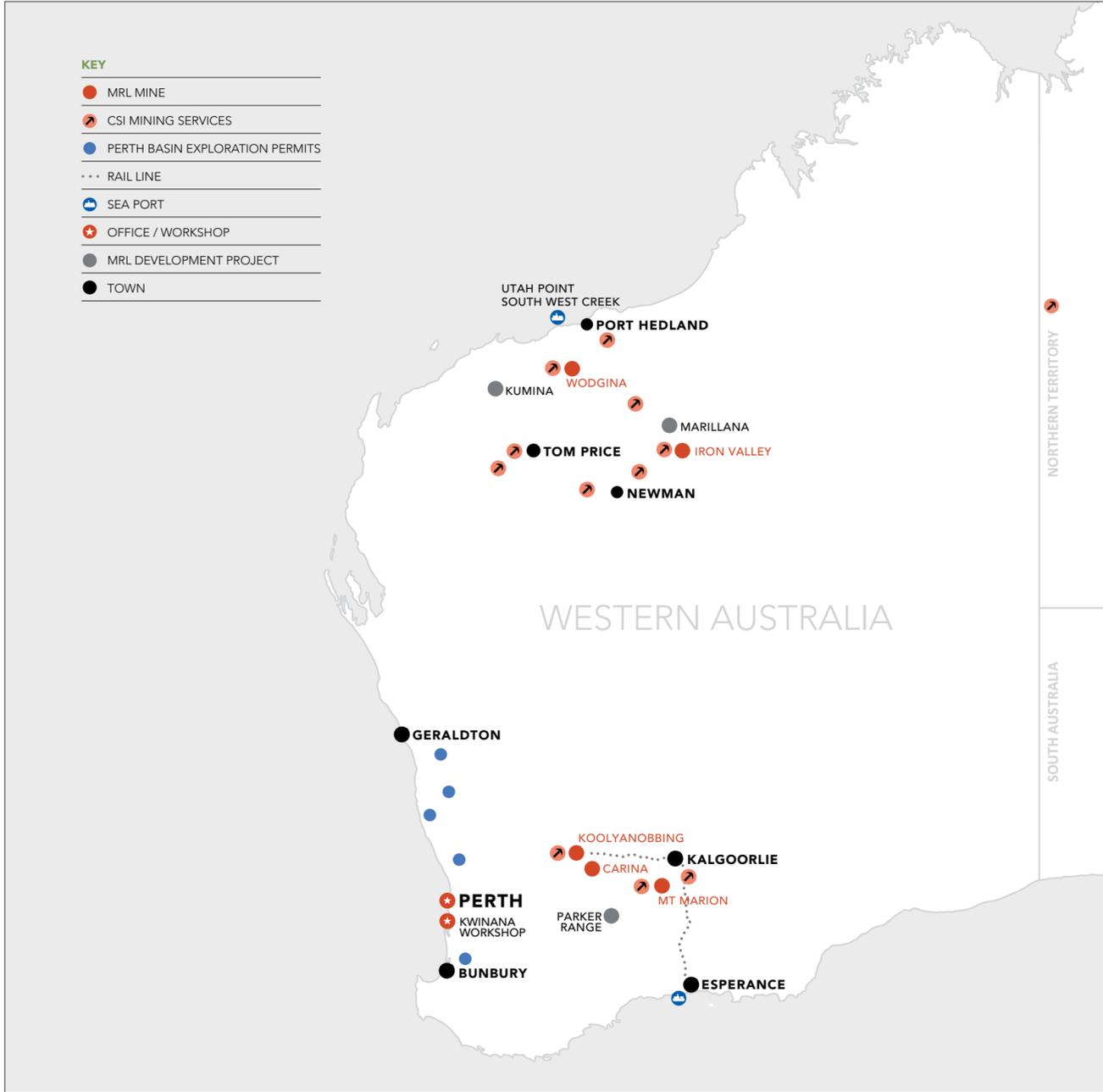






# MINERAL RESOURCES AT A GLANCE

## MRL AT A GLANCE: WHERE WE OPERATE



**INPUTS**

- HUMAN CAPITAL:**  
Our employees and contractors (3,100+ as at 30 June 2020) that provide the skills, experience and manpower required to undertake our business activities.
- NATURAL CAPITAL:**  
The natural resources such as water, land, materials and energy required to undertake our business activities.
- SOCIAL AND RELATIONSHIP CAPITAL:**  
The relationships we have with communities, government agencies and other stakeholders, as well as our reputation and brand that are essential to our social license to operate and the long-term sustainability of our business.
- FINANCIAL CAPITAL:**  
The pool of funds provided by shareholders, bondholders and banks, or generated through investments and operations that are required to undertake our business activities.
- MANUFACTURED CAPITAL:**  
The manufactured tangible objects such as buildings, plant, equipment and infrastructure that are required to undertake our business activities.
- INTELLECTUAL CAPITAL:**  
Intangible aspects such as intellectual property, organisational knowledge, systems and processes required to undertake our business activities.

**VALUE CREATION BUSINESS MODEL**

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

We achieve this by:

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



**FY20 OUTPUTS**

- Total Material Moved **92.2Mt**
- Iron Ore Production **14.1Mt**
- Spodumene Production **394kt**
- Mining Services volume increase **65%**
- Lower GHG emissions intensity **19%**
- COVID-19 Screenings **22,500**
- Return on Invested Capital (ROIC) **49.6%**

**FY20 OUTCOMES**

**HUMAN CAPITAL**

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

**NATURAL CAPITAL**

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

**SOCIAL AND RELATIONSHIP CAPITAL**

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

**FINANCIAL CAPITAL**

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

**MANUFACTURED CAPITAL**

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

**INTELLECTUAL CAPITAL**

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



# OUR **SUSTAINABILITY** APPROACH

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



## OUR SUSTAINABILITY JOURNEY

This is the third year that we have reported on our sustainability performance, following our inaugural FY18 Environmental, Social and Governance (ESG) Report and our FY19 Sustainability Report. This report covers operations where MRL and its subsidiaries have operational control and is prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. We have once again obtained external assurance over six of our sustainability performance indicators (refer to page 98 for a copy of the Independent Limited Assurance Statement).

This year we made significant strides in our management of sustainability. We developed a Sustainability Policy that outlines our commitment to sustainability risk and opportunity identification, management, performance measurement and reporting. The Sustainability Policy is supported by a suite of new policies including a Human Rights Policy, Anti-Bribery and Corruption Policy and a Supplier Code of Conduct.

Furthermore, we also established a cross-functional Sustainability Working Group to support and advise the business with the management and monitoring of key sustainability topics; as well as a FY20 Sustainability Plan focusing on sustainability governance, performance and reporting. For further information, refer to 'Material Topic 1: Conduct our business with ethics and integrity'.

## OUR MATERIAL SUSTAINABILITY TOPICS

### IDENTIFYING AND PRIORITISING OUR MATERIAL SUSTAINABILITY TOPICS

We applied the GRI reporting principles for defining report content by undertaking a thorough materiality review process to understand our material sustainability topics.

Every year we undertake a materiality assessment to identify the most pressing sustainability issues that influence our ability to create and sustain value in the short, medium and long-term. Our FY20 materiality process is informed by:

- Stakeholder engagement
- Investor roadshows
- Material issues defined by peer organisations
- Mining industry analyses undertaken by prominent advisory firms and think tanks
- Media reviews
- Criteria assessed by ESG rating agencies
- Sustainability Accounting Standards Board- Metals and Mining Sustainability Accounting Standard
- United Nations (UN) Sustainability Development Goals (SDGs).



We undertook a prioritisation exercise through the MRL Sustainability Working Group (refer to Figure 1) to consider the 'sustainability topics' influence on stakeholders as well as the significance of their economic, environmental and social impacts. Key Management Personnel validated the list of sustainability topics identified as material to MRL.

Six material topics were identified, across the themes of business ethics and integrity, health and safety, people, environment, climate change and social. Our sustainability themes are consistent with the previous reporting period, however, some of our material sustainability topics have been updated.

Table 1 shows our material sustainability topics mapped against the UN Sustainable Development Goals (SDGs). A summary of our contribution towards each SDG is provided, with further detail provided in each section of the Sustainability Report.

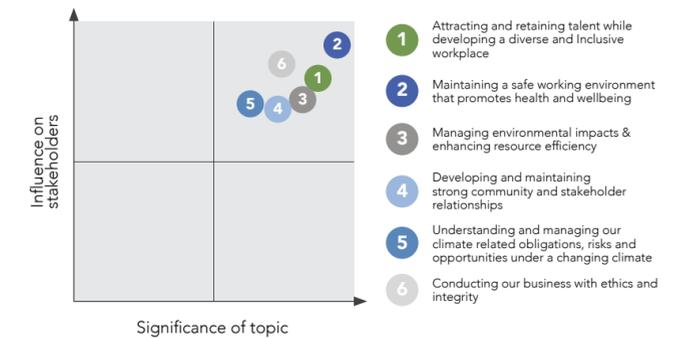


Figure 1: Material sustainability topics prioritisation

Theme	Material Topic	Relevant Sustainable Development Goal	An overview of MRL's contribution
Business Ethics and Integrity	1. Conducting our business with ethics and integrity	  	<p>MRL is committed to operating with ethics and integrity in all business activities and stakeholder relationships.</p> <p>MRL has a Code of Conduct and Business Integrity that represents our commitment to uphold the highest standards of ethics in our business practices. In FY20, MRL:</p> <ul style="list-style-type: none"> <li>Developed and implemented an e-learning package on the Code of Conduct and Business Integrity</li> <li>Implemented the Whistleblower Policy, supported by the Whistleblower Procedure</li> <li>Established an independent external Whistleblowing service, MinRes Integrity Assist</li> <li>Developed a Sustainable Procurement and Modern Slavery screening programme</li> <li>Developed the Supplier Code of Conduct and Human Rights Policy.</li> </ul>
Health and Safety	2. Maintaining a safe working environment that promotes health and wellbeing	 	<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>MRL's response to COVID-19 was a significant part of our health and safety activities in FY20, with our response focussed on:</p> <ul style="list-style-type: none"> <li>Keeping our people safe and well</li> <li>Maintaining safe and reliable operations and providing continuous support to our customers</li> <li>Supporting the Western Australian (WA) economy and communities.</li> </ul> <p>We continue to achieve strong health and safety performance and have made significant strides in mental health, wellbeing and critical risk management.</p>
People	3. Attracting and retaining talent while developing a diverse, inclusive and fair workplace	 	<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 in our success. We understand that developing a diverse, inclusive and non-discriminatory workplace brings many benefits to our business including improved organisational performance as well as positive impacts on organisational culture, reputation, employee attraction and retention. In FY20:</p> <ul style="list-style-type: none"> <li>The Diversity and Inclusion Policy was updated</li> <li>A target for overall female representation was developed and approved by the Board of Directors.</li> </ul>
Environment	4. Managing environmental impacts and enhancing resource efficiency	 	<p>MRL is committed to environmental management that maintains our licence to operate in an environmentally responsible and sustainable manner. In FY20:</p> <ul style="list-style-type: none"> <li>The MRL Environment Policy, which covers emissions to air and water, operational Greenhouse Gas (GHG) emissions, water use, waste generation, biodiversity, land management and rehabilitation, was updated</li> <li>Overall water risk for our operations, based on the WRI Aqueduct Water Risk Atlas, was disclosed</li> <li>Performance data on air emissions, water abstraction, tailings, biodiversity, land disturbance and rehabilitation was disclosed for the first time.</li> </ul>
Climate Change	5. Understanding and managing our climate-related obligations, risks and opportunities under a changing climate	 	<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. In FY20:</p> <ul style="list-style-type: none"> <li>Key climate-related risks and opportunities were identified and assessed as a first step on our Taskforce on Climate-Related Financial Disclosures (TCFD) journey</li> <li>A GHG emission intensity metric per total material moved (TMM) was developed.</li> </ul> <p>To reduce our carbon intensity, a three-stage Energy Roadmap was developed which progressively incorporates gas, LNG, renewable energy technologies and other emerging technologies over time.</p>
Social	6. Developing and maintaining strong community and stakeholder relationships	   	<p>MRL strives to develop and maintain strong community and stakeholder relationships as part of our social licence to operate. In FY20, MRL:</p> <ul style="list-style-type: none"> <li>Developed a new stand-alone Community Policy, to outline our commitment to build sustainable partnerships with business partners, governments, non-government organisations, host communities and other stakeholders to support mutually beneficial outcomes</li> <li>Developed a MRL Stakeholder Engagement Management Plan to ensure that we engage effectively with local communities, government and other key stakeholders on environmental, land access, heritage and community matters during all phases of our operations</li> <li>Increased our community contribution spend by 30 per cent compared to FY19</li> <li>Continued to offer apprenticeships, traineeships and a graduate programme that focus on introducing new talent to the organisation. We also provide work experience opportunities and actively promote careers in the mining industry.</li> </ul>

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

This report describes each material topic, including why the topic is important to MRL, what we are doing to manage it, our performance and future-looking initiatives.

OUR VOLUNTARY SUSTAINABILITY INITIATIVES

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

- Reporting in accordance with the Global Reporting Initiative's Sustainability Reporting Standards
- Aligning climate disclosure with the Recommendations of the TCFD
- Participating in the CDP Climate Change Questionnaire
- Reporting to the Bloomberg Gender Equality Framework
- Aligning with the UN Sustainable Development Goals.



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. MRL continues to work on improving and maintaining our reputation and relationships with our stakeholders as part of our sustainability journey. Table 2 shows our key stakeholder groups; our engagement mechanisms; the issues that matter to our stakeholders and how we manage those issues.

Stakeholder group	How we engage	What matters	How we manage what matters
<b>Finance providers and investors</b>	<ul style="list-style-type: none"> <li>Investor roadshows</li> <li>Full-year and half-year results briefings</li> <li>Annual General Meeting</li> <li>Ad hoc meetings, conversations and periodic reporting to analysts, financial institutions, ratings agencies, proxy advisors and institutional investors</li> </ul>	<ul style="list-style-type: none"> <li>Financial performance</li> <li>Disclosure of the management of material sustainability topics that influence the ability of MRL to create and sustain value</li> <li>Remuneration</li> <li>Corporate Governance</li> </ul>	<ul style="list-style-type: none"> <li>Australian Securities Exchange (ASX) announcements</li> <li>Disclosure of quarterly exploration and mining activities report, half-year and full-year financial report and Annual Report</li> <li>Disclosure of Annual Sustainability Reports</li> <li>Information 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 performance</li> <li>Participation in verification of ESG rating agency requests</li> <li>Engagement with key institutional investors on corporate governance and sustainability</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>Ad hoc meetings and conversations with suppliers</li> <li>Quarterly meetings with critical, high-spend suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Providing goods and services to MRL</li> <li>Supplier diversity</li> <li>Getting paid on time</li> <li>Continuity of business relationships</li> <li>Local procurement</li> <li>Supplier engagement</li> </ul>	<ul style="list-style-type: none"> <li>MRL utilises the Coupa information platform, which provides significant business intelligence to our procurement systems and processes</li> <li>In FY20, we developed a Sustainable Procurement and Modern Slavery screening programme, and updated the supplier onboarding form to allow for more detailed information on local and Indigenous status to be captured</li> <li>During FY20, MRL further strengthened the capacity and transparency of its procurement function through an enhanced category management approach</li> </ul>
<b>Employees and contractors</b>	<ul style="list-style-type: none"> <li>In FY20 MRL introduced the SnapComms application, which allows critical company messages to be distributed to MRL staff and contractors</li> <li>MRL weekly newsletter sent to staff via SnapComms, email and posted on noticeboards and the MRL intranet</li> <li>MRL intranet</li> <li>Noticeboards</li> <li>Networking events</li> <li>Daily shift meetings</li> <li>Inductions/other training events and programmes</li> <li>Department meetings</li> <li>BBQs and morning teas</li> </ul>	<ul style="list-style-type: none"> <li>Safe and supportive working environment</li> <li>Health and wellbeing</li> <li>Fair employee remuneration and recognition</li> </ul>	<ul style="list-style-type: none"> <li>Our COVID-19 response</li> <li>Our Safety Management Framework ensures that we have a healthy and safe working environment</li> <li>Our Code of Conduct and Business Integrity defines the way we do business</li> <li>Employee Assistance Programme, a professional and confidential service for employees and their families funded by MRL</li> <li>WorkPerks - 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 services</li> <li>Health and wellbeing programmes</li> <li>Support for training and professional development</li> <li>Market reviews of remuneration</li> </ul>

Table 2: Stakeholder Engagement

OUR SUSTAINABILITY APPROACH (CONTINUED)

Stakeholder group	How we engage	What matters	How we manage what matters
<b>Trade unions</b>	<ul style="list-style-type: none"> <li>Unions undertake regular visits to MRL sites</li> <li>MRL responds to union issues and queries as and when appropriate</li> </ul>	<ul style="list-style-type: none"> <li>Employment terms and conditions</li> <li>Site accommodation</li> <li>Safe working environment</li> <li>Local jobs and opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Unions are provided right of entry access to all MRL sites as and when appropriate</li> <li>Employees are remunerated at market comparable rates</li> <li>A high standard of site accommodation is provided</li> <li>MRL has a strong safety management framework in place</li> <li>MRL provides local training and apprenticeship opportunities</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Building strong customer relationships with timely and transparent communication</li> <li>Customer visits</li> </ul>	<ul style="list-style-type: none"> <li>Quality product or service delivered on schedule according to customer agreement</li> </ul>	<ul style="list-style-type: none"> <li>Quality services and products are provided as per customer agreements</li> </ul>
<b>Joint venture partners</b>	<ul style="list-style-type: none"> <li>Meetings at a frequency agreed by both parties</li> <li>Joint venture reporting of financial and operational results</li> </ul>	<ul style="list-style-type: none"> <li>Meeting contractual obligations</li> <li>Reliability of supply</li> <li>Product quality</li> <li>Value-add and profitability</li> </ul>	<ul style="list-style-type: none"> <li>Engaging on key matters in joint venture partnerships</li> </ul>
<b>Local, state and federal governments</b>	<ul style="list-style-type: none"> <li>Ongoing liaison with regulators and government agencies</li> <li>Attendance at local council meetings</li> </ul>	<ul style="list-style-type: none"> <li>Legal and regulatory compliance</li> <li>Local economic development</li> <li>Employment opportunities</li> <li>Land management and rehabilitation</li> </ul>	<ul style="list-style-type: none"> <li>Submissions as part of legal and regulatory approval processes</li> <li>Notifications when applying for new tenements</li> <li>Regulatory reporting</li> <li>Increasing proactive engagement</li> </ul>
<b>Local and Indigenous communities</b>	<ul style="list-style-type: none"> <li>Support and participation in local community events</li> <li>Adhoc information sessions and meetings with community members</li> <li>Heritage surveys</li> <li>Meetings with claim groups and Traditional Owners</li> </ul>	<ul style="list-style-type: none"> <li>Local economic development</li> <li>Contracting and employment opportunities</li> <li>Heritage conservation and respect for sites</li> <li>Land management and rehabilitation</li> <li>Indigenous community health</li> </ul>	<ul style="list-style-type: none"> <li>Agreements with Native Title groups</li> <li>Community partnerships</li> <li>Community donations and sponsorships</li> <li>Work experience opportunities – traineeships</li> </ul>
<b>Other tenement holders/private land holders</b>	<ul style="list-style-type: none"> <li>Notifications when applying for new tenements</li> </ul>	<ul style="list-style-type: none"> <li>Access to land when putting utilities or infrastructure in place</li> <li>Land management and rehabilitation</li> </ul>	<ul style="list-style-type: none"> <li>Establishing access agreements</li> </ul>
<b>Industry associations</b>	<ul style="list-style-type: none"> <li>Attendance at industry association events</li> <li>Participation in industry forums</li> </ul>	<ul style="list-style-type: none"> <li>Developing local business opportunities</li> <li>Advancing the development of standards and constructive policy</li> <li>Jobs in their region</li> </ul>	<ul style="list-style-type: none"> <li>MRL is a member of a number of industry associations, including:                             <ul style="list-style-type: none"> <li>Association of Mining and Exploration Companies (AMEC)</li> <li>Chamber of Minerals and Energy (CME), Western Australia</li> <li>Australian Petroleum Production and Exploration Association (APPEA)</li> <li>Port Hedland Industries Council (PHIC)</li> <li>Chamber of Commerce and Industry of WA (CCI), Chambers of Commerce for Kalgoorlie, Esperance, Port Hedland, Kwinana, Rockingham and the Mid West.</li> </ul> </li> <li>MRL participates in industry association forums and provides feedback on requests for comments</li> </ul>

Table 2 (continued): Stakeholder Engagement

OUR SUSTAINABILITY APPROACH (CONTINUED)

CREATING VALUE THROUGH OUR BUSINESS

We have created a value-added statement in Table 3 to demonstrate the value that we generated and distributed in FY20. We continue to increase the value distributed to federal, state and local governments; employees; our suppliers and contractors year on year.

	Metric	FY19 AUD million	FY20 AUD million
<b>Value generated</b>	Revenue	1,512.0	2,124.6
<b>Value distributed<sup>1</sup></b>	Payment to federal, state and local governments	124.1	185.1
	Employee wages and benefits paid	265.5	359.3
	Community contributions	1.9	2.6
	Payments to suppliers and contractors	891.4	1,035.4
	Investment in infrastructure, exploration and innovation	857.8	391.0
	Financing costs	19.4	97.6

<sup>1</sup> Values are referenced from the MRL FY20 Cash Flow Statement

Table 3: Value generated and distributed





# OUR BUSINESS CONDUCT

# WE ARE COMMITTED TO ENSURING OUR BUSINESS IS CONDUCTED WITH ETHICS AND INTEGRITY.



## MATERIAL TOPIC 1: CONDUCTING OUR BUSINESS WITH ETHICS AND INTEGRITY

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, further support our stable operating environment. Good corporate governance 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. 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 related 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.

In FY20, 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 Australian Securities Exchange (ASX) listed company, MRL is required to publicly report its application of the ASX Corporate Governance Council Corporate Governance Principles and Recommendations. We have followed the fourth edition of the Principles and Recommendations this year, which is structured around eight key principles.

The Key Corporate Governance Principles of the ASX Corporate Governance Council are:

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 our [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

During the reporting period, MRL established a cross-functional Sustainability Working Group to support and advise the business with the management and monitoring of key sustainability topics. The Sustainability Working Group meets monthly and includes senior representatives from the Human Resources, Environment, Community, Health and Safety, Procurement, Energy, Investor Relations, Finance and Sustainability teams.

The Sustainability Working Group developed a FY20 Sustainability Plan, shown in Table 4, that laid out three focus areas for the year: governance, performance/projects and reporting. The Sustainability Working Group provides the Board with regular updates on progress against the FY20 Sustainability Plan.

Focus Area	Activities
<b>Governance</b>	<ul style="list-style-type: none"> <li>• Development of new sustainability policies:                             <ul style="list-style-type: none"> <li>- Sustainability Policy</li> <li>- Human Rights Policy</li> <li>- Supplier Code of Conduct</li> <li>- Anti-Bribery and Corruption Policy</li> </ul> </li> <li>• Engagement with the business on sustainability</li> </ul>
<b>Performance/Projects</b>	<ul style="list-style-type: none"> <li>• Development of sustainability performance measures to track and improve sustainability performance over time</li> <li>• Development of sustainability data management and reporting framework including subject-matter specific data management and reporting procedures, which outline the processes to collect, collate, calculate and report on subject-matter specific sustainability information</li> <li>• Development of Sustainable Procurement approach and processes to ensure compliance with the <i>Modern Slavery Act, 2018</i> (Cth)</li> <li>• Identification of climate-related risks and opportunities as per the Recommendations of the TCFD</li> </ul>
<b>Reporting</b>	<ul style="list-style-type: none"> <li>• Ongoing improvement of sustainability reporting through the annual Sustainability Report and participation in voluntary questionnaires such as CDP Climate Change and the Bloomberg Gender Equality Index</li> <li>• Enhanced engagement with ESG rating agencies</li> </ul>

Table 4: FY20 Sustainability Plan Focus Areas

**BUSINESS ETHICS AND CONDUCT**

We believe that consistent and proper business conduct creates loyalty and trust with our stakeholders. We are committed to promoting a culture of ethical corporate behaviour.

*Code of Conduct and Business Integrity*

MRL has a [Code of Conduct and Business Integrity](#) (the “Code”) that defines the way we do business. It reflects our values and represents our commitment to uphold the highest standards of ethics in our business practices. We expect our employees to act honestly and with integrity and objectivity, striving at all times to contribute positively to the reputation and performance of MRL.

The Code covers a range of aspects including:

- Ensuring a safe workplace
- Fitness for work
- Respecting difference
- Human rights
- Native Title and heritage
- Acting lawfully
- Bribery and corruption
- Gifts, hospitality and entertainment
- Conflicts of interest
- Fair and open competition
- Insider trading
- Privacy
- Representing MRL
- Government and international obligations
- Consequences of breaching the Code.

MRL prohibits any form of punishment, disciplinary or retaliatory action 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.

During FY20, an e-learning package on the Code of Conduct and Business Integrity was developed and implemented throughout the business. Over 75 per cent of our employees and a number of our contractors completed this training in FY20, with over 90 per cent of our employees having completed the training at the date of this report. We are aiming for full completion by the end of FY21.

*Whistleblowing Provisions*

In FY20, MRL developed a [Whistleblower Policy](#), which demonstrates our commitment to promote a culture of ethical corporate behaviour. As part of this Policy, we commit to:

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

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

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
- 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.

Reportable Conduct can be reported through both internal and external reporting channels. In late 2019, MRL established the independent external Whistleblowing service, MinRes Integrity Assist.

MinRes Integrity Assist, an independent external whistleblowing service, is an avenue for MRL’s stakeholders to raise concerns of suspected or actual misconduct in the workplace. Deloitte provides this service and anonymous reports, if desired, can be made using any of the following methods:

- Email: [minresintegrity@deloitte.com.au](mailto:minresintegrity@deloitte.com.au)
- Phone: 1800 951 300
- Fax: +61 3 961 8182
- Visit website: [www.minresintegrity.deloitte.com.au](http://www.minresintegrity.deloitte.com.au)
- Mail to postal address: MinRes 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 FY20, MRL developed an [Anti-Bribery and Corruption Policy](#), which outlines our commitment to fair and legal business practices, anti-bribery and corruption.

As part of this Policy, MRL commits to:

- Comply with all relevant anti-bribery and anti-corruption laws and regulations
- Uphold appropriate controls around political donations and offering or accepting gifts, entertainment or hospitality
- Educating 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*

During FY20, we developed a [Human Rights Policy](#) to outline our commitment to human rights and our 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**

The [Risk Management, Internal Compliance and Control Policy](#) outlines MRL’s 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 division of MRL tracks and monitors their risks via divisional risk registers on an ongoing basis. These divisional risk registers are reviewed on a quarterly basis and consolidated into a Corporate Risk Register, which is reported to the Board Level Audit and Risk Committee. 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 and regulatory and financial risks that impact MRL. A specific climate-related risk and opportunity identification process was undertaken with the assistance of KPMG (refer to ‘Material Topic 5 Understanding and managing our climate-related obligations, risks and opportunities under a changing climate’ for more information). These risks, together with a number of other sustainability risks, are incorporated into the MRL business risk register.

*COVID-19 Risk Management*

MRL established a COVID-19 Steering Committee tasked with keeping our operations running, working with our suppliers to ensure supply chain continuity and to consider various scenarios that may occur in the future. We developed and distributed a COVID-19 information pack for our leadership teams to assist with navigating the impacts on our business. We established a dedicated COVID-19 MRL intranet page to provide relevant, accurate and updated information on Frequently Asked Questions; advice from the World Health Organisation and the Australian Federal and State Government health departments, hygiene information as well as MRL-specific travel, site and office information, posters and procedures to be followed.

We continue to review and refine appropriate risk mitigation strategies, including risks to critical infrastructure at each of our operations.

## OUR BUSINESS CONDUCT (CONTINUED)

We are in regular contact with others in our industry and government departments, sharing knowledge and working together to find solutions. We are also actively contributing to the Western Australian Chamber of Minerals and Energy COVID-19 working group to ensure a coordinated response from the resources industry.

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 the 2020 MRL Annual Report.

### Cybersecurity Risk Management

Cyberattacks on critical infrastructure were rated as the fifth top risk in the World Economic Forum's 2020 Global Risks Report. MRL faces an evolving threat landscape as cyberattacks become more sophisticated and focus their attention on disrupting business services, stealing or destroying valuable data and holding business systems to ransom. There has been a surge in cybersecurity threats associated with COVID-19, which is also seeing workforces become more dispersed through remote working.

MRL's Information Technology team has adopted a risk-based security approach using the Federal 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 that 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

Our procurement function supports the business through the acquisition of utilities, goods and services that we need to operate. In FY20, we had more than 2,050 active suppliers located across Australia, USA, Singapore, China, Thailand, Europe, Japan, Taiwan and South Africa. During FY20, we spent \$1,035.4 million on suppliers and contractors. Less than 1 per cent of our procurement spend was with Indigenous business, which we aim to increase in the future. To facilitate this, we are developing a regional supplier registration portal to improve local and Indigenous supplier engagement.

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.

During FY20, we made significant strides to improve the sustainability of our procurement function by:

- Holding awareness sessions with the Procurement team on sustainable procurement and modern slavery
- Developing a Supplier Code of Conduct and Human Rights Policy
- Formalising the Sustainability and Business Conduct evaluations as part of our tender processes

- Joining the Western Australian Industry Collaborative Working Group on Modern Slavery
- Developing a 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)
- Developing a process to assess Modern Slavery SAQs and engage with suppliers on red flag responses.

### Sustainable Procurement and Modern Slavery Awareness

During FY20, we held several sustainability and modern slavery awareness sessions with the Procurement team. These sessions covered the principles and drivers of sustainable procurement, the challenges of modern slavery and MRL's requirements under the *Modern Slavery Act 2018 (Cth)*.

Furthermore, a fortnightly standing meeting was established with key representatives of the Procurement team to discuss practical approaches to integrate sustainability and modern slavery risk processes into the procurement function.

### Supplier Code of Conduct and Human Rights Policy

This year we developed 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 included provisions in our General Services Agreements that contractors must be aware of, and comply with, and ensure that the Contractor's personnel comply with the Supplier Code of Conduct, all applicable Anti-Slavery Laws and any Company policies and standards relating to anti-slavery. This provision also requires contractors to apply this to subcontractors that are involved in the provision of services under the Services agreement.

Our Human Rights Policy supports the Supplier Code of Conduct, which outlines our 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 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
- Communicate this Policy and our commitment to human rights to all stakeholders, including employees, contractors and suppliers.

### Evaluation of Sustainability and Business Conduct in Tenders

During FY20, we formalised a set of Sustainability and Business Conduct evaluation criteria for tenders. 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, programmes and reporting, the quantification of 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 the presence of policies and management plans, risk assessments, incident reporting and performance metrics. Any person entering an MRL site is also required to complete a corporate safety induction and a site-specific or workplace-specific induction.



### WA Modern Slavery Collaborative Group

In late 2019, MRL joined the Western Australian (WA) Modern Slavery Collaborative Group (Group), which provides a forum for WA-based 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 on a regular basis to discuss the implementation of the SAQ Toolkit 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 or not, MRL has 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

During FY20, we requested 35 potentially high-risk suppliers to complete the Modern Slavery SAQ. We continue to identify potentially high-risk suppliers and engage in modern slavery risk identification, assessment and monitoring activities.

### Evaluation of Modern Slavery SAQ responses

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

- Workers are not free to leave accommodation at will, and live in substandard or overcrowded living arrangements
- Child labour is present
- Original personal identification and travel documentation, such as passports or birth certificates, are retained
- Financial penalties are applied to workers
- 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.

Going forward, we are developing our first Modern Slavery Statement as part of the reporting obligations under the *Modern Slavery Act 2018 (Cth)* due for release before 31 March 2021. We are also assessing options to implement a system solution to support our supplier sustainability and modern slavery screening processes.



# HEALTH AND SAFETY

# WE STRIVE TO MAINTAIN A **HEALTHY AND SAFE** **WORKING ENVIRONMENT** FOR OUR EMPLOYEES, CONTRACTORS AND VISITORS.



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

MRL promotes health and safety as a core business value that underpins everything we do. We work to identify and control hazards, protect our people from exposure to health and safety risks, and support the health and wellbeing of our people. We view safety performance as fundamental to our overall success and our social licence to operate.

### OUR COVID-19 RESPONSE

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

MRL is taking a responsible and proactive approach to managing the risks of COVID-19 implementing a range of precautions to keep our people healthy and safe, our operations running and providing continuous service to our customers. Our response centres on:

- Keeping our people safe and well
- Maintaining safe and reliable operations and providing continuous support to our customers
- Supporting the Western Australian economy and communities.

### Keeping our people safe and well

As the COVID-19 outbreak began, our primary focus was the safety and wellbeing of the MRL workforce, their families and the communities in which we operate. Some of the immediate actions that we undertook included:

- Implementing physical distancing in all workplace activities
- Limiting movements around our office and sites and prohibiting visitor access
- Supporting office-based employees to work from home where possible
- Reducing contact between our shift workers
- Eliminating social events and gatherings in all of our workplaces
- Employing additional cleaners and increasing our cleaning schedules around our sites and offices
- Raising awareness of improved hygiene practices
- Implementing travel restrictions and maintaining a travel register
- Providing up-to-date information for our workforce and their families
- Continuously monitoring developments around the world along with guidelines introduced by the Federal and State Governments and health authorities.

### Maintaining safe and reliable operations

During this challenging period, we strive to keep our operations running and provide continuous service to our customers. We have put in place strict protocols to keep our employees and contractors safe in line with government guidance, directives and advice from health officials. Some of the immediate actions we took included:

- Changing the rosters of our fly-in fly-out (FIFO) workforce to assist with minimising the movement of people within and outside of Western Australia
- Providing accommodation for interstate employees when not on shift, to meet travel and quarantine restrictions



- Reducing the number of people on flights, buses and vehicles to comply with physical distancing rules
- Undertaking COVID-19 screening services for all employees, contractors and visitors to our sites to ensure that no one entering a site is infected. No employee is approved to mobilise (either issued a flight ticket or confirmed to drive to site) until they have undertaken the COVID-19 screen and returned a 'Not Detected' result. We provide screening services at multiple locations in the Perth metropolitan area and regional areas. Screening is undertaken by qualified nursing staff with full medical PPE equipment. Processing of collected samples takes place in a National Association of Testing Authorities (NATA) accredited laboratory for analysis. Screening services are also offered to MRL customers, workforce and family members
- 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 Programme
- Providing regular updates from Executive Management to all workers on COVID-19 related developments.

While many of our initiatives focus on hygiene and physical health, we are acutely aware of the mental health implications of COVID-19 and the associated restrictions put in place.

- As a major partner of the West Coast Eagles, an Australian Rules Football League (AFL) club, we engaged six of the club's high-performance coaching team, who were temporarily stood down, to assist us in our COVID-19 response. The West Coast Eagles coaches worked with our site-based employees to help combat the psychological issues attributed to longer rosters, isolation

and distancing protocols in place. They also provided additional support and guidance by holding one-on-one sessions on motivation, mental and physical health including mindfulness, nutrition and wellbeing

- We undertook welfare checks for any workers who were required to self-isolate or quarantine
- We launched a live online comedy series, exclusive to our employees, featuring Australian comedian, Peter Rowsthorn. This interactive series provided some light-hearted entertainment to help lift the mood of our workforce, particularly those based at our mine sites
- We encouraged any staff who were struggling, or had family members that were struggling, to utilise the MRL Employee Assistance Programme
- We enabled staff members with medical or auto-immune conditions to work from home, where possible, to reduce the risk to these employees.



*Supporting the economy and communities*

The resources industry is an important contributor to the Western Australian and Australian economies, and MRL will continue to work with the government to do what we can to ensure our operations contribute positively to society during this time.

We worked with the Western Australian State Government to find a screening solution to minimise the risk of COVID-19 to the Western Australian resources sector that does not impact, or put pressure on, the public health system. Our decision to open up the MRL screening process to other companies, at cost, is to ensure this pandemic does not force the closure of the resources sector, which employs tens of thousands of people and is the economic lifeblood of Western Australia.

**OUR SAFETY COMMITMENTS**

We are committed to complying with all health and safety laws and regulations governing our activities and have developed a suite of policies, standards and procedures to guide compliance. We ensure we remain abreast of best practice by obtaining regular updates from SafetyLaw 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 as OneMRL in a healthy, safe and sustainable manner for the benefit of all our employees and stakeholders.
- Treat 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 and objectively and thoroughly investigated to confirm all causes and contributing factors before corrective and preventative actions are implemented 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.

The 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 that MRL takes all reasonable precautions under its duty of care to ensure that employees are fit for work.

**OUR SAFETY MANAGEMENT FRAMEWORK**

Safe operations depend on technically sound plant and equipment as well as work that is 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, with safety performance reported to the Board on a monthly basis.

Our occupational health and safety system applies to MRL and its subsidiaries, all employees, contractors, sub-contractors and visitors. This includes all MRL-owned, controlled and occupied premises and workplaces where activities are undertaken on behalf of MRL. The foundation of the framework are the 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. In MRL these are:
  - o Job Hazard Analysis - which is 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.

*Stop Work Authority*

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

Situations that warrant 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 Programme*

Following a detailed analysis in FY19 of historical high-risk activities that presented the greatest risk of high-consequence injury, in FY20, MRL developed a Critical Risk Management Programme. This assessment was 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 safety management system audits.

The list of identified Critical Risk Activities in MRL's workplace is shown in Figure 2. We continue to focus on critical controls associated with our critical risk activities.



Figure 2: 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 that are classified as Dangerous Goods must be managed, stored, handled and used in accordance with Dangerous Goods regulations. This includes ensuring that any person who is involved with hazardous substances is trained, competent and authorised to do so. MRL uses an external web-based

software programme 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 an emergency or crisis situation. These include cyclone, security issues, fatalities, significant environmental damage, kidnap, accidents, and destruction of assets.

All MRL projects and facilities have documented Emergency Management Plans that focus on:

- Ensuring the safety and health of all people associated with the Project/Contract/Facility
- Protecting the property and assets of MRL
- Minimising the impact on the environment
- Ensuring business or project continuity as soon as practically possible
- Safeguarding business reputation and commercial viability of MRL.

**CONTRACTOR MANAGEMENT**

Contractors are an important part of MRL's 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 contractor ability to undertake work for, or on behalf of, MRL. Contracting companies are required to submit a Safety Management Plan to MRL 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 that contractor and subcontractor groups have the necessary skills, resources and equipment to safely undertake work activities assigned by MRL. The MRL Contractor Safety Requirements Manual ("Manual") supports the Contractor Management Procedure, by outlining minimum safety and health requirements required by all contractors undertaking work for MRL. The Manual is applicable to all contractors and sub-contractors across MRL and all its subsidiary worksites.

Prior to the execution of any work by a contractor, a 'Contractor Induction Checklist' and 'Contractor Work Pack' of documents must 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 mobilisation to any MRL site.

To support the business in the effective management of contractors, the MRL Training team developed an online training package for contractor management. In FY20, key operational managers and supervisors undertook the training.

**HEALTH AND SAFETY TRAINING**

*Training*

An updated corporate safety induction training module was launched in FY20 to provide all employees, contractors, subcontractors and visitors with an overview of MRL, our 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.

In FY20, MRL commenced development of 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 to transition to site and work in a more streamlined manner.

In FY21, we will continue to develop further online content to facilitate greater understanding of MRL Health, Safety and Training procedural requirements and assist the business with streamlining the on-boarding process for all personnel joining the business.

Frontline managers and supervisors receive training on safety and leadership skills through MRL's internally developed Steel Cap Safety Leadership Programme.

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

- 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.

## HEALTH AND SAFETY (CONTINUED)

### Awareness and safety culture

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

We send a weekly safety and training notification 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, small or large 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 health and wellbeing programme covers physical wellbeing, mental wellbeing, injury prevention and management as well as 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.

MRL introduced a COVID-19 screening programme and it now forms part of the Fit for Work Procedure. Every FIFO/ Drive-in Drive-out (DIDO) worker, residential employee, contractor and visitor has to be screened for COVID-19, and return a negative result, before being granted permission to enter an MRL mine site.

### 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 Hygienists, the American Industrial Hygiene Association, Safe Work Australia and Standards Australia.

The types of health hazards that 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 both employees and contractors are exposed to include:

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

MRL undertakes baseline medical assessments of physical, hearing and lung function to establish medical fitness for work prior to employment. We also monitor exposure to health hazards to develop health exposure risk profiles and 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 area to ensure innovative and appropriate solutions.

As a business, we proactively manage 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
- Education of 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 that exposure levels are within acceptable limits set by legislation and scientific bodies
- Worker education and awareness sessions that focus on the correct selection and fitting of PPE, such as hearing protection devices and respiratory protection equipment
- Provision of periodic hearing testing
- Task-related 'warm-up for work programme', which focusses on assessing the risks associated with manual hazards and exercises to minimise musculoskeletal injuries
- Verification of existing controls through infield verification programmes.

During FY20, there were zero cases of recordable work-related ill health incidents and zero fatalities amongst our employees and contractors from work-related ill health.

### Mental wellbeing

We increasingly focus on the mental health and wellbeing of our workforce. Mental health and wellbeing is an important component of employee engagement and productivity and with a large FIFO workforce, we know that this brings additional challenges which can impact a person's mental health. The Western Australian Government Department of Mines, Industry Regulation and Safety (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 creates positive integration between work and play by linking mental health to social wellbeing. We are a member of the CME Mental Health Focus Group, which provides support to member businesses on mental health issues in the mining sector.

In FY20, we undertook a number of initiatives focussed on mental health:

- We engaged a full-time in-house psychologist, whose responsibilities include overseeing the Group's mental health programmes and initiatives
- We participated in the Lifeline WA/CME Focus Groups to develop a mental health programme for FIFO workers
- We held several community events including R U OK? Day, Mental Health Month, Movember and the Blue Tree Project
- We sent psychologists out to our sites to run information sessions on mental health awareness and leadership



- We had several guest speakers at our sites including mental health ambassador, retired Australian mixed martial artist and Ultimate Fighting Championship fighter, Soa "the Hulk" Palelei, who spoke about his work to break down the stigma that can be associated with mental health issues
- As part of our partnership with the West Coast Eagles football club, we recruited some of its high-performance coaching team to provide one-on-one motivation and advice on personal health, nutrition and wellbeing, while the AFL season was suspended due to COVID-19
- We hosted social activities across sites, such as quiz nights, karaoke and band visits, to ensure active participation in positive social interactions. This included the development of an exclusive MRL eight-week online comedy series, hosted by prominent Australian comedian Peter Rowsthorn and featuring a range of celebrity guests.

All employees and their families continue to have access to the Employee Assistance Programme, which provides confidential professional counselling and support to employees with personal or work-related difficulties.

### Non-work related health and wellbeing

Our workforce is exposed to a number of non-work related stressors, which may affect their health and wellbeing. Our Health Services team provides a number of services focussed on improving the health and wellbeing for our workforce, including:

- 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, a range of movement and flexibility testing as well as administering health management plans for high-risk employees
- Access to free health services for our permanent workforce, including:
  - Vaccinations
  - Skin checks
  - Support to quit smoking programme
  - Health checks
  - Exercise programme development
  - Body-scanning
  - Nutritional coaching
  - Wellness support.

Where logistically possible, we aim to provide these services across our work locations. If this is not possible, we facilitate these services through major towns and centres in Australia, primarily in Perth. Preferred provider networks assist MRL to ensure that we provide our employees with quality health and medical services. Regular meetings are held with preferred providers to review performance measures and ensure that we are providing access to quality health and wellbeing services.

Our health and wellbeing programme is promoted through our monthly health and wellbeing newsletter, regular company-wide email communications, site notices, 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. We measure more than 30 lead and lag indicators on a monthly basis, including workplace inspections, field interactions, near-miss incidents, safety communications and audits. We evaluate our performance against targets for each indicator.

Figure 3 shows MRL's injury frequency rates based on 1,000,000 hours worked for both employees and contractors.

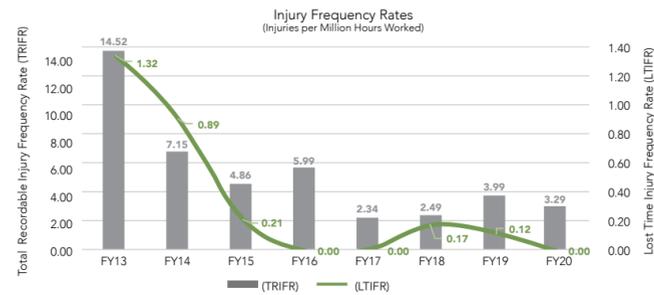


Figure 3: Historical Trends in LTIFR and TRIFR – combined employees and contractors

Both our LTIFR and TRIFR decreased this year, demonstrating our commitment to health and safety management. Our LTIFR performance is lower than our target of <0.25, while our TRIFR performance is still above our target of <3.00.

Table 5 shows our FY20 safety performance for employees, contractors and combined (per 1,000,000 hours worked) compared to our targets. In addition to LTIFR and TRIFR, for FY20, we have also reported the following data in the Performance Data Tables:

- FY20 and historical years<sup>1</sup> All Incident Rate
- FY20 and historical years<sup>2</sup> Near Miss Frequency Rate
- Frequency Rates based on both 1,000,000 and 200,000 hours worked<sup>3</sup>.



FY20 Safety Metric per 1,000,000 hours worked	Employees	Contractors	Combined Employees & Contractors	FY20 Target
Work-related Fatality Rate	0.00	0.00	0.00	Zero Meets Target
Lost-time Injury Frequency Rate	0.00	0.00	0.00	<0.25 Exceeds Target
Total Recordable Injury Frequency Rate	3.36	3.10	3.29	<3.00
High-consequence Work-related Injuries Rate <sup>1</sup>	0.00	0.00	0.00	
All Incident Rate <sup>2</sup>	-	-	180.66	
Near Miss Frequency Rate	-	-	40.19	
Hours worked	5,057,163	1,933,845	6,991,008	

<sup>1</sup> High consequence injuries are defined as significant injuries, which include LTIs and fatalities  
<sup>2</sup> All incidents Rate excludes non-work related injuries

Table 5: FY20 safety performance compared to our targets

Figure 4 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.

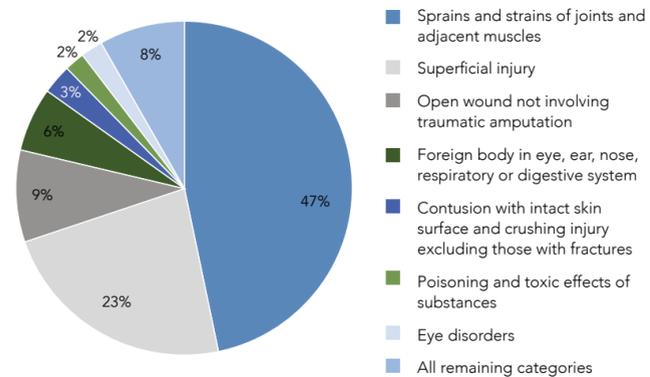


Figure 4: Nature of FY20 work-related injuries

<sup>1</sup> Refer to Performance Data Tables for FY18 and FY19 All incident Rate  
<sup>2</sup> Refer to Performance Data Tables for FY18 and FY19 Near Miss Frequency Rate  
<sup>3</sup> Refer to the Performance Data Tables for Frequency rates calculated based on 200,000 and 1,000,000 hours worked



**MONITORING AND EVALUATING OUR PERFORMANCE**

MRL has a Safety Internal Audit Procedure that outlines three layers of safety audits. These include project/facility/contract audits conducted by site-specific safety leads, corporate or business unit audits by the MRL Health and Safety team, and third-party audits by independent auditors.

The MRL Health and 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 98 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**

Looking forward, MRL aims to continuously improve its health and safety culture, risk profiling, behaviours and performance.

Our FY21 strategy continues to focus on five key areas:

- Leadership: Targeted programmes to promote visible and proactive safety leadership at all levels
- Critical risk management: Ensuring all critical risk activities are managed with clear accountabilities for verification of critical controls
- Operational discipline: Drive standards of accountability and operational discipline
- Systems: Continue to improve and simplify safety systems and processes
- Resilient people: Active investment in employee and contractor health and wellbeing education and programmes.

Some key activities that will take place during FY21 include:

- Continuing our health and safety e-learning training programme
- Implementing the Critical Risk Management Programme throughout the business
- Strengthening our focus on mental health wellbeing, training and awareness
- Developing a health and hygiene management system
- Developing a health monitoring programme for health surveillance and management.



# OUR **PEOPLE**

# WE ARE COMMITTED TO CREATING A **FAIR, DIVERSE AND INCLUSIVE WORKPLACE** THAT ATTRACTS AND RETAINS TALENT.

Our people are the foundation of our business and instrumental to our success. As at 30 June 2020, we had 2,347 employees, down from 2,646 employees as at 30 June 2019. This figure does not include contractors or Non-Executive Directors. Figure 5 shows our employee numbers per employment contract, type and gender. The majority of our employees are based in Western Australia. A breakdown of our employees per region is provided in the Performance Data Tables.

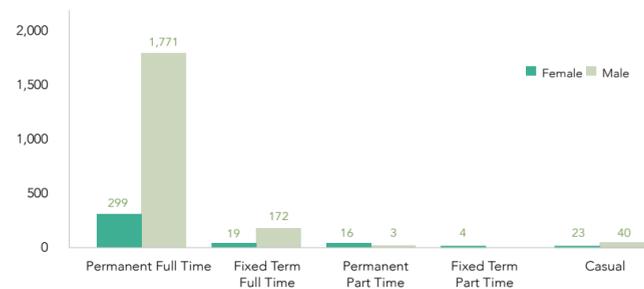


Figure 5: Total employees by employment contract, type and gender as at 30 June 2020



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

### Attracting and Recruiting Talent

It is critical that we are able to identify, attract and retain the right people in the right roles to help us meet our business objectives. In FY20, we streamlined the recruitment process, implemented new sourcing and selection tools and consolidated the reporting of recruitment statistics through enhanced recruitment dashboards.

For the first time, we have provided data on FY20 new hires<sup>4</sup> broken down by gender in Table 6. A breakdown of new hires by age group and region is provided in the Performance Data Tables.

Gender	Male	Female	Total
Total new hires in FY20 by gender	188	854	1,042
Average of monthly new hire <sup>1</sup> rate across FY20 by gender	0.66	2.97	3.63

<sup>1</sup> Monthly new hire rates are calculated using the sum of monthly hires divided by the average headcount for the previous 12 months. An average of the monthly new hire rates is provided over FY20.

Table 6: FY20 new hires by gender

<sup>4</sup> New hire values do not include re-hires (employees that were previously employed and then re-hired)



## OUR PEOPLE (CONTINUED)

During FY20, we undertook a number of initiatives to enhance talent attraction and recruitment.

- We revisited our approach to attracting and retaining talent by launching the MRL Be Different campaign across social media and recruitment sites. This campaign highlighted the benefits to working for MRL, including our approach to think differently and empower creativity
- We enhanced our Employee Referral Programme to supplement existing recruitment strategies. This programme incentivises current employees to refer suitably qualified and skilled candidates to MRL
- We reviewed all of our Seek job advertisement templates to ensure that we are attracting a diverse and inclusive workforce
- We developed a MRL LinkedIn 'Life' Page to highlight our brand, employees, accomplishments and company culture
- We attended and sponsored several career development events. Refer to 'Material Topic 6: Developing and maintaining strong community and stakeholder relationships' – 'Promoting careers in the mining industry' for further information
- We collaborated with Blue Tongue, an organisation that upskills Light Vehicle (LV) Mechanics to provide them with a formalised Heavy Diesel (HD) Fitter trade certificate. The LV Mechanics go through eight weeks of intensive training at TAFE in a simulated heavy vehicle work environment to upskill them to meet MRL HD Fitter standards. Once this training is complete, the LV Mechanics will work on MRL sites as apprentices, employed under Bluetongue, for 15 months of on-the-job training. The intention is for these participants to join MRL as full-time employees once the training is completed and the HD Fitter trade certificate is awarded
- To develop the next generation of talent, we further strengthened our apprenticeship programme, continued our partnership with the Kwinana Industries Council (KIC), and delivered an entry-level dump truck operator training programme. Refer to 'Material Topic 6: Developing and maintaining strong community and stakeholder relationships' – 'Skills Development' for further information.

### 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 that our people are fairly treated, provided career development opportunities and have a positive employee experience.

To improve the retention of employees, we undertook a number of initiatives during the year:

- We developed a monthly dashboard report to summarise feedback provided during exit interviews and surveys by all exiting employees. This information is used to inform employee retention initiatives
- We reviewed and amended some of our mining rosters to be more family friendly
- We reviewed rates of pay for key operational roles, and adjusted where required, to

ensure that we remain competitive in the market, and that 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 offer weekly training sessions to employees to support performance and development, and also train emerging frontline leaders through the 'Steel Cap Leader' programme. Refer to 'Material Topic 3: Attracting and retaining talent while developing a diverse and inclusive workforce' – 'Workplace Culture and Training' for more information.

The COVID-19 pandemic presented some specific challenges to our workforce, particularly our site-based workforce. In response to this, we developed a series of COVID-19 people retention initiatives:

- Screening all employees, contractors and visitors for COVID-19 before allowing entrance to our sites; as well as offering COVID-19 screening for all non-site based employees and their families
- We offer a monetary bonus and additional leave entitlements to all employees who work a 4/2 roster.
- We continue our relationship with the West Coast Eagles football club and engaged members of the high-performance coaching team to assist with our COVID-19 response. Refer to 'Material Topic 2: Maintaining a safe working environment that promotes health and wellbeing' – 'Our COVID-19 Response' for further information
- Due to restrictions regarding interstate travel in Australia, we provided support to all employees who travelled to Western Australia, through accommodation and meal allowances during rest & recreation periods
- We have offered financial assistance to interstate employees who are willing to relocate to Western Australia indefinitely
- We regularly communicate with our employees to outline the steps that MRL is taking to mitigate risk and keep people safe, as well as to manage employee concerns and anxiety related to COVID-19.



## REMUNERATION AND BENEFITS

Remuneration and non-compensation benefits are an important element of employee attraction and retention. To ensure that our remuneration and benefits structure is competitive, innovative and fair, we have developed a Recruitment and Benefits Plan.

### Remuneration

Our remuneration framework consists of two elements:

- Fixed annual remuneration such as salary payments, superannuation and other fixed benefits
- At-risk remuneration:
  - o Short-Term Incentive (STI) for Executive Key Management Personnel<sup>5</sup> (KMP) awarded based on performance measures over 12 months and settled partially in cash and partially in MRL shares over the following two financial years
  - o Long-Term Incentive (LTI) for Executive KMP subject to the testing of the performance measure over a total performance period of 4 years
  - o Annual and One-off Rights Plans for approximately 60 eligible senior employees awarded on performance measures and subject to service periods of 3 to 5 years

Performance measures for STI and Annual and One-off Rights Plans include safety indicators, organisational culture and development, financial management, operational efficiency and strategic growth.

Performance measures for Executive KMP STI also include safety, environmental, social and governance performance measures. The performance measure for Executive KMP LTI 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 2020 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 Programme, which is our way of saying thanks to our people:

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

<sup>5</sup> 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 Chairman and Non-Executive Directors.



## OUR PEOPLE (CONTINUED)

### Leave entitlements

MRL offers a number of leave entitlements that are beyond legal requirements in Australia, including paid maternity leave and community services 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.

The maternity leave pay entitlement is 16 weeks' pay, at the employee's ordinary rate of pay, based on the employee's ordinary hours at the time the leave becomes due.

Full-time and part-time employees are also able to take unpaid parental leave if they are responsible to care for a new baby or newly adopted child and they 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. In FY20, 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 to do so through their emergency service organisations or by the Federal, State or Local Government. MRL will also allow Emergency Services Volunteers up to 10 working days of 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.

### DIVERSITY AND INCLUSION

MRL understands that 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, as well as enhanced internal, customer and stakeholder relationships.

Our Diversity and Inclusion Committee met several times during the reporting period and provided several updates to the Board. In March 2020, the Board approved an overall female representation target of 16 per cent in line with the Workplace Gender Equality Agency (WGEA) industry average applied by MRL<sup>6</sup>.

In FY20, the [Diversity and Inclusion Policy](#) was updated, as well as our commitments 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 that employment decisions at all levels are transparent, fair, free of conscious and unconscious bias, and based on role requirements, merit, skills and qualifications

<sup>6</sup> In line with the 2019 Workplace Gender Equality Agency (WGEA) average female representation in the Metal Ore Mining Industry for organisations with 1000-4999 employees.

- 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.

### Our Diversity and Inclusion Performance

Table 7 shows our overall diversity and inclusion performance. As at 30 June 2020, 15.4 per cent of MRL's workforce identified as female, compared to our Board approved target and resource industry average of 16.1 per cent. This shows an improvement from 13.2 per cent as at 30 June 2019.

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

Table 7: Overall female and Indigenous representation

While the overall MRL female representation is just short of the industry average, the following business units exceeded the industry average as at 30 June 2020:

- Corporate services: 42.1 per cent female representation
- Transport and Site Services: 23.4 per cent female representation
- Commodities: 17.9 per cent female representation

As at 30 June 2020, employees identifying as Indigenous accounted for 1.4 per cent of MRL's workforce, compared to a resource industry average of 4.7 per cent<sup>7</sup>. This is a slight decrease compared to 30 June 2019, when 1.6 per cent of MRL's employees identified as Indigenous.

While not yet at the industry standard, our Commodities business unit had 2.3 per cent Indigenous representation as at 30 June 2020.

### EMPLOYEE DIVERSITY PER WGEA CATEGORIES

Our employee diversity is illustrated using the WGEA employment categories as at 30 June 2020. Figure 6, Figure 7 and Figure 8 show our employee statistics per employee category based on gender, age and Indigenous status, respectively. The WGEA category of 'CEO' refers to MRL's Managing Director as per the WGEA classifications.

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

<sup>7</sup> Chamber of Minerals and Energy of Western Australia, 2019: 'Diversity in the Western Australian Resources sector' report.

OUR PEOPLE (CONTINUED)



Figure 6: Employee gender profile by WGEA categories as at 30 June 2020

Our FY20 employee gender balance by WGEA categories has been externally assured (refer to page 98 for a copy of the Independent Limited Assurance Statement).



Figure 7: Employee age profile by WGEA categories as at 30 June 2020

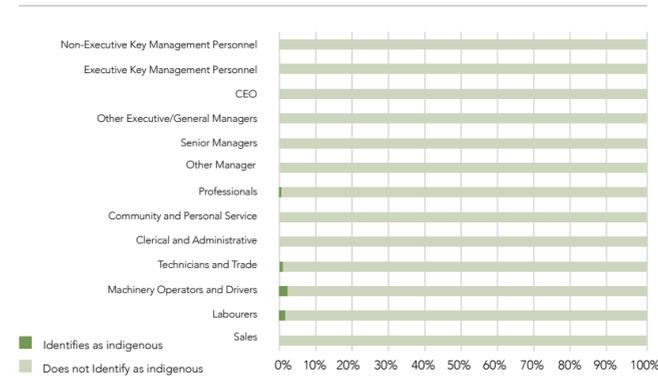


Figure 8: Employee indigenous profile by WGEA categories as at 30 June 2020

Our Board, as at 30 June 2020, included four male members (80 per cent) and one (20 per cent) female member. Of our Board members, one member (20 per cent) is between the ages of 30 and 50, with the remaining 80 per cent aged over 50 years. No Board members identify as Indigenous.

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

- In July 2019, we held an inaugural Women's Networking Event to highlight MRL's commitment to diversity and inclusion
- The chairperson of the MRL Diversity and Inclusion Steering Committee was invited to speak at the Women in Mining & Resources Leadership Summit in August 2019 – an event hosted by the Minerals Council of Australia with 17 employees invited to attend
- In February 2020, we hosted a series of 'Financial Wellbeing for Women' lunch and learn events with Commonwealth Bank
- In March 2020, 21 employees attended the Chamber of Minerals and Energy of Western Australia's 'Women in Resources' Awards Event at the Perth Convention Centre
- Our Entry Level Operator Training Programme, which had two intakes in March and May 2020, had 57 per cent female representation and 9 per cent Indigenous representation. See 'Material Topic 3: Attracting and retaining talent while developing a diverse and inclusive workforce' – 'Workplace Culture and Training' for further information
- In May 2020, we introduced an internal target for our recruitment team to add 10 Indigenous employees to our workforce by 30 June 2020. We exceeded this target by recruiting twelve Indigenous employees during this period
- We continue to engage with the Wirrpananda Foundation to discuss opportunities around Indigenous engagement.

We report our annual gender statistics publicly to the Australian Governments' Workplace Gender Equality Agency and will participate for the second consecutive year in the Bloomberg Gender Equality Index questionnaire.

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. During the reporting period, MRL released a Working from Home Guideline, which outlines employee opportunities and obligations for 'working from home' arrangements that support flexibility. We supported many of our Perth-based workforce to work from home as part of managing the COVID-19 pandemic.

Grievances and disputes

All MRL employees have the right to freedom of association. As at 30 June 2020, 41.8 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

MRL's Code of Conduct and Business Integrity (the 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 and harassment at any level of MRL or in any part of the employment relationship. In FY20, an e-learning package on the Code of Conduct and Business Integrity was developed and implemented throughout the business. Over 75 per cent of our employees and a number of our contractors completed this training in FY20, with over 90 per cent of our employees having completed the training at the date of this report. We are aiming for full completion by the end of FY21.

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 as well as bullying, discrimination and harassment training.

Responsible workforce restructuring

On 1 November 2019, 60 per cent of the Wodgina Lithium operation was sold to US-based Albemarle Corporation, to form the MARBL Lithium Joint Venture<sup>8</sup>. A decision was made by the MARBL Lithium Joint Venture to put the operation into care and maintenance to protect the world-class resource, pending the completion of lithium hydroxide conversion processing. This resulted in a number of employee positions no longer being required. Our Human Resources team undertook a determined effort to redeploy as many employees as possible. Of 272 affected employees, 153 (56 per cent) were redeployed, 19 were retained for care and maintenance activities and 100 were 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, inspiring and high-performing workplace enabled by a supportive culture.

MRL evaluates its cultural performance using well-validated diagnostic evaluation tools. This allows us to identify our desired and actual culture, causal factors and potential levers for change. To support our cultural journey, senior leaders have engaged in coaching conversations with the former Head Coach and the current Team Manager of the New Zealand All Blacks Rugby Team. Feedback is provided back to MRL to support the introduction of appropriate change initiatives to support our journey. In FY20, we employed an in-house clinical psychologist to ensure that we are proactive in providing mental health support.

<sup>8</sup> MRL and Albemarle Corporation hold a 40 per cent interest and 60 per cent interest respectively in the MARBL Lithium Joint Venture

## OUR PEOPLE (CONTINUED)

### 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 the given tasks of their role to the expected standard of performance.

MRL has a dedicated Training team, which identifies training needs within the business based on the scope of specific roles and associated work activities. During FY20, we released a new web-based Learning Management System (LMS), which allows all employees and contractors to complete online learning modules. Each person's development plan, located on LMS, outlines specific training needs.

In FY20, we undertook a number of training-related initiatives:

- An updated Corporate Induction package was rolled out to employees and contractors. The development and rollout of site-specific induction training packages also commenced
- A new training module for the Code of Conduct and Business Integrity was developed. See 'Material Topic 1: Conducting our business with ethics and integrity' – 'Code of Conduct and Business Integrity' for further information. Over 75 per cent of our employees and a number of our contractors completed this training in FY20, with over 90 per cent of our employees having completed the training at the date of this report. We are aiming for full completion by the end of FY21.
- We enhanced our electronic training assessment solutions by collaborating with a software provider to develop an infield assessment application that allows assessment records to automatically transfer to our Training Management System
- A structured three-month Entry Level Dump Truck Operator Training Programme was developed to provide operators with the necessary skills and knowledge to become safe, competent and efficient operators. The first intake was in March 2020 with 15 dump truck trainees joining the business. In May 2020, we had our second intake of 18 entry-level operators. For both intakes, we focussed on increasing the diversity of candidates, resulting in a cohort with 57 per cent female representation and 9 per cent Indigenous representation. Almost half of these candidates were second-generation MRL employees (children of MRL staff members)
- We implemented a five-week intensive site training programme at each of our owner operator sites for the 'Priority Rules' project, which provides a hierarchy for vehicles to dictate which vehicle has right of way at uncontrolled intersections
- We require that any worker who operates mobile equipment hold a nationally recognised training certificate. Where a worker does not hold this qualification, MRL has a number of multi-skilled Compliance Trainers to deliver this training internally
- We supported the KIC iWomen training programme
- Our apprenticeship programme supported our 'second-generation employee' philosophy.

We continue to run the MRL Steel Cap Leadership Programme, as well as performance development and leadership training sessions:

- The Steel Cap Leadership Programme provides our frontline leaders with leadership and communication skills related to safety, people and performance. Successful candidates attain four recognised units of competency under the Australian Quality Training Framework and the Australian Qualifications Framework. During FY20, 72 candidates successfully completed the programme
- We hold weekly training sessions with staff on personal and team performance, focussed on key business skills to manage change, conversations and problem solving. In FY20, we held over 50 sessions.
- We held a number of customised leadership programmes across business units covering topics such as leadership in tough times, safety, resilience and mental health.

### LOOKING FORWARD

Over the next year, we look to further attract and retain talent while developing a diverse and inclusive workforce. Our Diversity and Inclusion Steering Committee will play an important part in driving improved diversity and inclusion performance.

Some initiatives that we intend to look at going forward include:

- 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 programme
- Expanding our support for existing managers and new recruits
- Enhancing our succession and career planning activities
- Appointing an apprentice mentor and developing a programme to support new and future apprentices
- Enhancing our data analytics capabilities to ensure our remuneration and benefits are competitive in the market.





# 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

Environmental management is an essential part of maintaining our social licence to operate. We adopt a systematic approach to mitigate risk and identify management strategies to ensure that our operations do not result in unacceptable environmental impacts.

### 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)*.

In FY20, we updated the MRL Environment Policy, which 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 the 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.

We implement our Environmental Policy through our Environmental Management System (EMS), which aligns 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 that 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 (WA) Environment Committee, which ensures that we are engaged on emerging developments in Western Australia and Federal 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 other waste.

Our dedicated Environment team has expanded significantly during FY20, and is responsible for environmental approvals, environmental management and regulatory reporting, as well as heritage and project-specific community stakeholder engagement. New additions to our team include additional specialist resourcing in the areas of compliance, mine closure and project approvals. Each operational site has an environmental advisor/s responsible for onsite environmental governance, training and awareness, compliance, monitoring and regulatory reporting. The corporate Environment team manages sites that are on 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

During the course of our operations, we operate equipment and undertake activities such as drilling, blasting, haulage and transportation, which generate 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 toxic substances. MRL reports its emissions of toxic 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.

Table 8 provides the FY17 to FY19 aggregated emissions for eight key NPI substances emitted across reportable MRL facilities<sup>9</sup>. The increase in Particulate Matter 10.0um over the three-year period is reflective of the growth in our operations, although emissions of a number of other substances have decreased.

Substance	NPI Substance Number	FY17	FY18	FY19
		Total (tonnes)	Total (tonnes)	Total (tonnes)
Carbon monoxide	20	760.9	1,024.4	921.7
Lead & compounds	52	0.2	0.6	0.7
Mercury & compounds	55	0.0	0.0	0.0
Oxides of Nitrogen	69	1601.2	1,683.2	1657.4
Particulate Matter 10.0 um	70	5,485.8	9,129.1	12,381.5
Particulate Matter 2.5 um	92	91.7	93.7	84.4
Sulphur Dioxide	77	0.8	1.1	1.0
Total Volatile Organic Compounds	85	263.9	130.2	121.6

Table 8: FY17 to FY19 air (lower a on air) quality emissions

In order 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 at crushing transfer points. We further reduce wheel-generated dust through our site-specific traffic management plans and posted speed limits.

We are currently reliant on diesel 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. Equipment operated on our sites is fitted with diesel particulate filters and regularly maintained to limit air emissions. We have made significant progress in non-diesel electricity generation

<sup>9</sup> Due to the timeframes associated with NPI reporting, FY20 data will be reported in the FY21 Sustainability Report



## ENVIRONMENT (CONTINUED)

through the development of the Wodgina natural gas-fired power station and the Mt Marion gas-fired power station. We continue to investigate ways to reduce our reliance on diesel fuel. 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 are regularly undertaken at site toolbox talks. Regular personal dust exposure monitoring takes place as well as static dust monitoring at parts of our Koolyanobbing iron ore operations. Haul truck safety programmes are in place at our Iron Valley operations to reduce any dust related visibility hazards.

### WATER

MRL operates in the Pilbara and Goldfields 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 at the Mt Marion and Wodgina lithium operations.

### SHIRE OF YILGARN, GOLDFIELDS

Our Koolyanobbing iron ore operations (encompassing Koolyanobbing, Mt Jackson, Windarling, and Deception) and Mt Marion lithium operations are located in the Shire of Yilgarn 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<sup>10</sup> shown in Figure 9 provides an indication of overall water risk<sup>11</sup> 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.

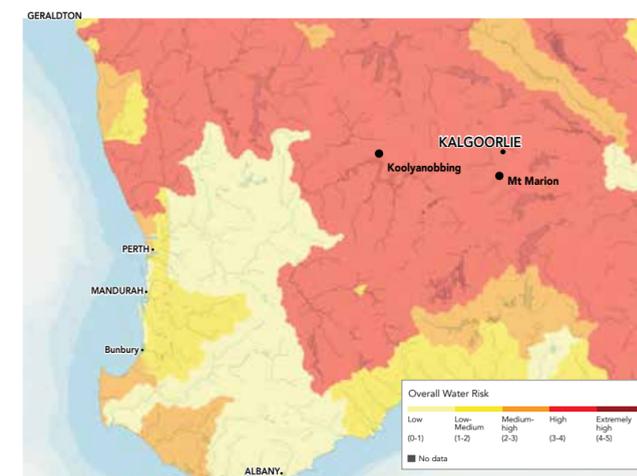


Figure 9: World Resources Institute (2019) Aqueduct Water Risk Atlas - Overall Water Risk for Koolyanobbing and Mt Marion

### 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 groundwater dependent receptors or ecosystems within or surrounding the site.

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 the 'Tailings' section for further information).

### Koolyanobbing Iron Ore

Koolyanobbing iron ore (encompassing Koolyanobbing, Mt Jackson, Windarling and Deception) utilises a combination of water drawn from the Goldfields and Agricultural Water Supply Pipeline, in 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 not suitable for livestock or human consumption without treatment. Its beneficial use is currently limited to mining operations and there are no nearby groundwater dependent ecosystems which could be 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 disposed of through dust suppression activities and via infiltration and evaporation when stored in un-used mine pits.

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.

<sup>10</sup> World Resources Institute Aqueduct Tool is open data and available for use under the Creative Commons Attribution International 4.0 Licence.

<sup>11</sup> 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.

PILBARA REGION

The Iron Valley iron ore and Wodgina Lithium<sup>12</sup> operations 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. Based on the World Resources Institute (WRI) 2019 Aqueduct Water Risk Atlas shown in Figure 10, Wodgina is located in an area of extremely high overall water risk, with Iron Valley located in an area of medium-high overall water risk.

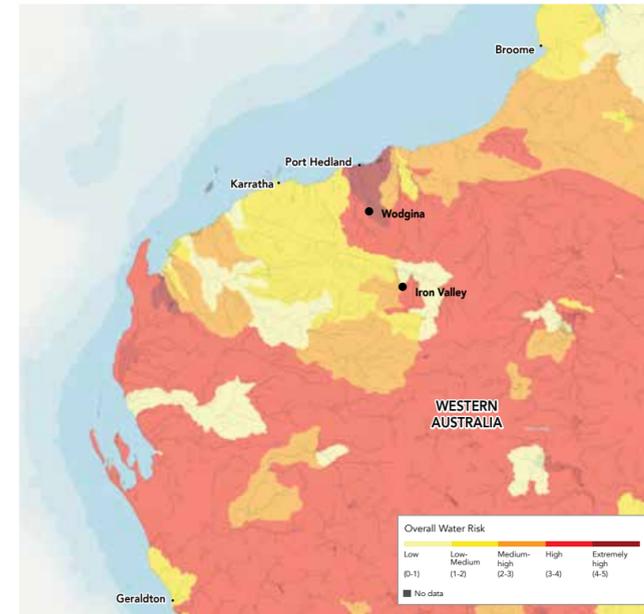


Figure 10: World Resources Institute (2019) Aqueduct Water Risk Atlas - Overall Water Risk for Wodgina and Iron Valley

Wodgina Lithium

Wodgina Lithium, currently on care and maintenance, is located in an area of extremely high overall water risk. The annual evaporation rate is approximately 8 times higher than the average annual rainfall. The operation obtains water from groundwater sourced from several bore fields that are typically brackish.

The Wodgina operation has a spodumene beneficiation plant, a water intensive process that requires high quality water. 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.

Iron Valley Iron Ore

Iron Valley iron ore 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 a source of 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 at Weeli Wooli Creek. In FY20, 7.7GL of water was discharged, a decrease from approximately 13.6GL discharged in FY19 and 14.58GL discharged in FY18. 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.

Water abstraction data

We have reported historical groundwater<sup>13</sup> abstraction data for the first time this year in Table 9.

	FY18 (KL)	FY19 (KL)	FY20 (KL)
Mt Marion	281,865	2,279,694	1,512,176
Koolyanobbing	-	673,210	878,842
Iron Valley	14,281	15,709	25,363
Wodgina	751,914	1,191,100	500,865
<b>Total</b>	<b>1,048,060</b>	<b>4,159,713</b>	<b>2,917,246</b>

Table 9: FY18 - FY20 Water abstraction data per site

WASTE

Mining waste

During the course of our operations, we generate mining-related waste streams in the form of waste rock and tailings. Waste rock refers to the rock that 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 (ROM) 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.

We have disclosed the total quantity of our waste rock for the first time this year in Table 10. The growth in waste rock quantities is illustrative of the change in our operations over time, with a significant increase between FY19 and FY20 representing the growth in our operations.

Waste Rock quantities ('000 WMT)	FY17	FY18	FY19	FY20
Mt Marion	5,583	19,615	18,980	25,401
Koolyanobbing	24,726	7,870	13,582	38,765
Iron Valley	6,407	8,960	10,909	11,177
Wodgina	1,554	26,159	4,768	1,540
<b>Total</b>	<b>38,271</b>	<b>62,605</b>	<b>48,240</b>	<b>76,883</b>

Table 10: FY17 to FY20 Waste rock quantities

<sup>12</sup> Wodgina Lithium was placed on Care and Maintenance from 1 November 2019

<sup>13</sup> Abstracted groundwater is classified as 'other water' >1000 mg/L Total Dissolved Solids

Tailings

Mine tailings are fine-grained waste rock material that is discharged 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.

During FY20, MRL had two active TSFs:

- Wodgina TSF3E, a landform TSF located at the Wodgina operation<sup>14</sup>
- Mt Marion GCB, in-pit tails located at the Mt Marion operations.

MRL consider many factors in the planning, design, construction, operation, maintenance and rehabilitation of a TSF. This includes the proximity to employees, communities and infrastructure, as well as the geological conditions and deposition of the tailings. We manage TSFs in a safe and compliant manner consistent with regulatory requirements, applicable guidelines and standards. We regularly review our approach to tailings dams and take into account learnings from others. In August 2019, we released a report from independent hydrogeological company AQ2 on potential impacts of seepage from Wodgina TSF3-EXT. The report, available on our website, concludes that TSF3-EXT is operating in a manner that is not adversely affecting the environment and is moving towards a state that is consistent with its long-term design expectations.

At our Mt Marion operations, we have added a solids extraction process to dry stack over 60 per cent of the total tailings. This has reduced the operations water footprint by significantly reducing the amount of water associated with overall tailings disposal. The dry-stack tailings have led to 63 per cent less water sent to the Ghost Crab Pit when compared against the full wet tailings water balance for the plant. We expect to see the full impact of the dry stacking in the FY21 tailings waste data. The in-pit tails also represent a reduced environmental risk, when compared to a TSF, as they have a lower risk of failure and are easier to rehabilitate and close.

There are three inactive closed landform TSFs at the Wodgina mine site, Wodgina TSF1, TSF2 and TSF3. All TSFs are located in remote areas and are significant distances from local communities and infrastructure. The Tailings Safety Disclosure on our website provides further information on our TSFs. We have disclosed our tailings waste data for the first time this year in Table 11.

Operation	FY18 (Tonnes)	FY19 (Tonnes)	FY20 (Tonnes)
Mt Marion	508,132	736,563	935,020
Wodgina <sup>1</sup>	-	131,591	414,879
<b>Total</b>	<b>508,132</b>	<b>868,154</b>	<b>1,349,899</b>

<sup>1</sup> No tailings generated at Wodgina operation in FY18

Table 11: Historical Tailings waste for Mt Marion and Wodgina operations

Non-mineral waste

Our mining operations also generate non-mineral waste. Each site has a landfill where we dispose of waste tyres and general inert waste. This data has been included for the first time this year to provide a more complete representation of waste data. Table 12 provides aggregated non-mineral waste disposal data by waste type and disposal method for FY18 - FY20.

<sup>14</sup> Wodgina Lithium went into care and maintenance on 1 November 2019

	FY18 (Tonnes)	FY19 <sup>1</sup> (Tonnes)	FY20 (Tonnes)	Disposal Method
<b>Non-hazardous waste</b>				
General Waste <sup>2</sup>	2,666	2,131	2,426	Landfill
Comingled waste	40	54	47	Recycling
Tyres & Rubber	1,001	1,092	355	Landfill
Liquid waste	742	751	801	Treatment
<b>Hazardous waste</b>				
Hydrocarbons <sup>3</sup>	61	66	110	Treatment
<b>Total waste</b>	<b>4,511</b>	<b>4,094</b>	<b>3,738</b>	

<sup>1</sup> FY19 non-mineral waste data previously reported in 2019 MRL Sustainability Report has been updated to include site landfill figures

<sup>2</sup> General waste data includes timber, garnet and mixed builders waste. Data from onsite landfills has been included in the waste tonnage values for the first time to provide a more complete representation of waste data

<sup>3</sup> Hydrocarbons includes waste oil, grease and oily water

Table 12: Non-mineral waste streams by weight and disposal method

We also generate wastewater as a by-product of sewage treatment. We have Waste Water Treatment Plants (WWTPs) at our Koolyanobbing, Windarling, Iron Valley and Mt Marion operations, with treated wastewater disposed of either in fenced evaporation ponds or on fenced irrigation fields.

At our Wodgina operations, 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.

BIODIVERSITY

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

When undertaking Environmental Impact Assessments, MRL is required to undertake an assessment of environment aspects, including flora and fauna. We undertake further biodiversity risk assessments during operational phases 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 very limited. MRL manages the prevention of introduction of weed species through strict hygiene practices for all vehicles/mobile equipment entering and exiting sites where weeds are present. We manage feral fauna on our sites through a number of measures including restrictions to feeding any feral fauna, appropriate waste hygiene practices and onsite training on feral fauna management.

## ENVIRONMENT (CONTINUED)

Table 13 provides an overview of each of our operational sites in terms of the location of the operation relative to protected areas or areas of high biodiversity value; and IUCN Red List category species located in the area of operation.

	Wodgina	Iron Valley	Koolyanobbing <sup>1</sup>	Mt Marion
<b>Location of site relative to protected areas or areas of high biodiversity value</b>	The Wodgina lithium mine and beneficiation plant is located approximately 120 km south of Port Hedland in the Pilbara region of Western Australia. The operation is not located in or adjacent to any protected areas under either state or commonwealth legislation. However, the site is located within an area of high biodiversity value as it provides habitat for listed threatened fauna species.	The Iron Valley iron ore mine is located approximately 90 km north-west of Newman in the Pilbara region of Western Australia. Weeli Wolli Creek, located along the Eastern boundary of the site, is a freshwater ecosystem defined as a Priority 1 Ecological Community under the <i>Biodiversity Conservation Act 2016</i> .	The Koolyanobbing iron ore mine is located approximately 47 km north east of Southern Cross in the Shire of Yilgarn in Western Australia. Koolyanobbing operations are located near the Mount Manning - Helena-Aurora Ranges Conservation Park. Rare flora are also located in the Koolyanobbing Range and the Windarling Range.	The Mt Marion lithium mine and beneficiation plant is located approximately 36 km south of the City of Kalgoorlie-Boulder in the Shire of Yilgarn in Western Australia. The Mt Marion operation is not located in or adjacent to any protected areas under either state or commonwealth legislation.
<b>IUCN Red List: Critically endangered species in area of operation</b>	No critically endangered species	No critically endangered species	One critically endangered flora species: <ul style="list-style-type: none"> <li><i>Tetratheca paynterae</i> subsp. <i>Paynterae</i></li> </ul>	No critically endangered species
<b>IUCN Red List: Endangered species in area of operation</b>	Two endangered species: <ul style="list-style-type: none"> <li>Northern Quoll (<i>Dasyurus hallucatus</i>)</li> <li>Night Parrot (<i>Pezoporus occidentalis</i>)</li> </ul>	Two endangered species: <ul style="list-style-type: none"> <li>Northern Quoll (<i>Dasy-urus hallucatus</i>)</li> <li>Night Parrot (<i>Pezoporus occidentalis</i>)</li> </ul>	Two endangered flora species: <ul style="list-style-type: none"> <li><i>Ricinocarpos brevis</i></li> <li><i>Tetratheca erubescens</i></li> </ul>	No endangered species
<b>IUCN Red List: Vulnerable species in area of operation</b>	Five vulnerable species: <ul style="list-style-type: none"> <li>Pilbara Leaf-nosed Bat (<i>Rhinonictis aurantia</i>)</li> <li>Ghost Bat (<i>Macroderma gigas</i>)</li> <li>Pilbara Olive Python (<i>Liasis olivaceus barroni</i>)</li> <li>Grey Falcon (<i>Falco hypoleucos</i>)</li> <li>Greater Bilby (<i>Macrotis lagotis</i>)</li> </ul>	Four vulnerable species: <ul style="list-style-type: none"> <li>Pilbara Leaf-nosed Bat (<i>Rhinonictis aurantia</i>)</li> <li>Pilbara Olive Leaf Python (<i>Liasis olivaceus barroni</i>)</li> <li>Greater Bilby (<i>Macrotis lagotis</i>)</li> <li>Crest tailed Mulgara (<i>Dasymercus cristicada</i>)</li> </ul>	One vulnerable species: <ul style="list-style-type: none"> <li>Malleefowl (<i>Leipoa ocellata</i>) habitat</li> </ul>	One vulnerable species: <ul style="list-style-type: none"> <li>Malleefowl (<i>Leipoa ocellata</i>) habitat</li> </ul>
<b>IUCN Red List: Near threatened species in area of operation</b>	No near threatened species	No near threatened species	No near threatened species	No near threatened species
<b>IUCN Red List: Least concern species in area of operation</b>	4 least concern species: <ul style="list-style-type: none"> <li>Wood Sandpiper (<i>Tringa glareola</i>)</li> <li>Common Sandpiper (<i>Actitis hypoleucos</i>)</li> <li>Oriental Plover (<i>Charadrius veredus</i>)</li> <li>Fork-tailed Swift (<i>Apus pacificus</i>)</li> </ul>	No least concern species	No least concern species	No least concern species
<b>Conservation Codes for Western Australian flora and fauna: Priority 3: Poorly-known species<sup>2</sup></b>	N/A	N/A	N/A	Three species identified: <ul style="list-style-type: none"> <li><i>Diocirea acutifolia</i>;</li> <li><i>Allocasuarina eriochlamys</i> subsp. <i>Grossa</i>;</li> <li><i>Austrostipa blackii</i>.</li> </ul>

<sup>1</sup> Koolyanobbing Iron Ore operations includes Koolyanobbing, Mt Jackson, Windarling and Deception; which are connected by a private haul route.

<sup>2</sup> As per Government of Western Australia, Department of Biodiversity, Conservation and Attractions Conservation Codes: Species that are known from several locations, and the species does not appear to be under imminent threat, or from few but widespread locations with either large population size or significant remaining areas of apparently suitable habitat, much of it not under imminent threat. Species may be included if they are comparatively well known from several locations but do not meet adequacy of survey requirements and known threatening processes exist that could affect them. Such species are in need of further survey.

Table 13: Site biodiversity status and species per IUCN Red List conservation status



At our Iron Valley operations, we abstract groundwater 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 showed no fish species of conservation significance and concluded that 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.

Our Koolyanobbing iron ore operations are located in areas where the rare *Tetratheca* flora species are found. We undertake annual monitoring and reporting of vegetation and significant flora health. An environmental offset plan is in place to develop restoration and translocation programmes. Refer to 'Working with Kings Park Science to conserve *Tetratheca* Species' for more information.

### WORKING WITH KINGS PARK SCIENCE TO CONSERVE THE *TETRATHECA* SPECIES

MRL continues to be involved in a comprehensive research and translocation programme for *Tetratheca erubescens*, a rare shrub found in the Koolyanobbing Range where we operate. In collaboration with Kings Park Science, the programme expands on previous studies undertaken on other restricted endemic *Tetratheca* species occurring on banded iron formation ranges in the region and intends to develop a practical, effective and sustainable restoration programme by identifying methods to translocate and establish *Tetratheca erubescens* in the field.

MRL supports a collaborative research programme alongside Kings Park Science, 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 would greatly improve the understanding of the species group and, more importantly, the conservation and translocation of *Tetratheca erubescens*.

### WORKING WITH CURTIN UNIVERSITY ON THE DNA POLLINATOR STUDY

MRL is working with Curtin University on a genetic and pollination study of key endemic species in the Shire of Yilgarn to assist in the understanding of the potential impact of development on flora.

A desktop study has been completed, with fieldwork anticipated to commence in FY21. Field activities will occur during spring and focus on the species located on the existing ridge lines. This study will provide important insights into the management of biodiversity in the area going forward.



## ENVIRONMENT (CONTINUED)

### LAND MANAGEMENT AND REHABILITATION

Land management and rehabilitation are 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.

#### 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. DMIRS' objective for rehabilitation and closure is that mining activities are rehabilitated and closed in a manner to make them physically safe to humans and animals, geotechnically 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, communities in the area of operation 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 are available for rehabilitation 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*.

Table 14 provides a summary of land disturbance and rehabilitation information for FY19 and FY20, consolidated for all MRL tenements, as reported to the MRF.

Operation	Land disturbed (ha)		Land under rehabilitation (ha)	
	FY19	FY20	FY19	FY20
Mt Marion	573	628	-	33
Koolyanobbing	2,378	2,484	463	507
Iron Valley	468	494	3	3
Wodgina	938	1,228	119	152
<b>Total</b>	<b>4,357</b>	<b>4,835</b>	<b>585</b>	<b>695</b>

Table 14: FY19 and FY20 Total land disturbed and under rehabilitation

#### Mine Closure Planning

The Western Australian *Mining Act, 1978* requires the development of Mine Closure Plans to ensure that mining operations are closed, decommissioned and rehabilitated in an ecologically sustainable manner. All of MRL mine sites have Mine Closure Plans, which are developed and revised in consultation with key stakeholders.

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.

### LOOKING FORWARD

Looking forward, MRL aims to continuously improve its environmental risk assessment, management and performance.

Our FY21 strategy focusses on three key areas:

- Systems: Continue to improve and simplify environmental systems and processes
- Risk Management and Compliance: Identify and manage key environmental risks to ensure compliance and maintain MRL's social licence to operate
- Rehabilitation and Closure: Plan and execute mine rehabilitation and closure activities.

Some key activities that will take place during FY21 include:

- Implementing an enhanced environmental compliance and monitoring software solution
- Developing a Geographic Information System to capture, analyse and disseminate environmental spatial data throughout the Company
- Strengthening our focus on environmental auditing and inspections
- Improving processes for planning and implementation of rehabilitation and closure works for operational sites and those in care and maintenance.



# 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.

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



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

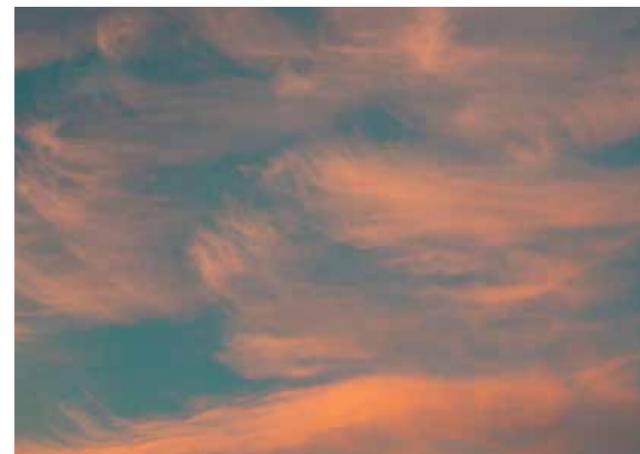
### TASKFORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Climate change can pose complex and significant long-term challenges to investors. There is a growing expectation from our investors and stakeholders that we understand and manage the climate-related risks and opportunities that affect our business.

Established by the Financial Stability Board, the industry-led Taskforce on Climate-related Financial Disclosures (TCFD) developed a set of recommendations (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, namely governance, strategy, risk management, metrics and targets. Table 15 shows the progress MRL has made on its TCFD Journey.



TCFD RECOMMENDATION	OUR PROGRESS
<b>GOVERNANCE</b> - 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. Key climate-related risks and opportunities are included in the Company's Enterprise Risk Register, which is presented to the Board on a quarterly basis.
b) Describe management's role in assessing and managing climate-related risks and opportunities	The MRL Sustainability Working Group, a cross-functional management level group, meets on a monthly basis. Climate-related risks and opportunities are discussed in this forum and escalated (where required) to the Board via the monthly Sustainability Board Report.
<b>STRATEGY</b> - 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.	This year we have taken the first step on our TCFD journey by engaging professional services firm KPMG to undertake an assessment of our alignment to the TCFD recommendations and to facilitate a process to identify and assess our key climate-related risks and opportunities. See 'Our climate-related risks and opportunities'.
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	MRL supports the intent of the Paris Agreement to limit global warming to less than 2°C above pre-industrial average temperatures. We will be building on our first step of identifying and assessing our climate-related risks and opportunities to develop appropriate mitigation and management strategies.
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>The process undertaken to identify and assess our key climate-related risks and opportunities involved the assessment of two 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"> <li>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 degrees 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</li> <li>Scenario 2: 'High GHG emissions with limited global coordination' is aligned with global temperate increases of approximately 4 degrees above pre-industrial average temperatures and is characterised by business-as-usual conditions with limited and uncoordinated climate change regulation and activity.</li> </ul> <p>See 'Our climate-related risks and opportunities' for more information about the scenarios considered when identifying and assessing our key climate-related risks and opportunities.</p> <p>As we develop our management approach, we will 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>
<b>RISK MANAGEMENT</b> - Disclose how the organisation identifies, assesses and manages climate-related risks.	
a) Describe the organisation's processes for identifying and assessing climate-related risks	This year we undertook a climate-related risk and opportunity identification and assessment process facilitated by KPMG. See 'Our climate-related risks and opportunities' for more information on the process undertaken and its key outcomes.
b) Describe the organisation's processes for managing climate-related risks.	The climate-related risk and opportunity identification and assessment process was the first step in our TCFD journey and will be used to inform our strategic responses. We will develop appropriate mitigation and management strategies during FY21 for our key climate-related risks and opportunities.
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Key climate-related risks and opportunities are included in the Company's Enterprise Risk Register, which is presented to the Board on a quarterly basis.
<b>METRICS AND TARGETS</b> - 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.	We have taken the first step in our TCFD journey through the identification and assessment of key climate-related risks and opportunities. Going forward, we will be developing appropriate management strategies to either mitigate, transfer, accept, or control these risks. We will also look to develop metrics to measure and manage our key climate-related risks and opportunities.
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.	We disclose our energy consumption and Scope 1 <sup>1</sup> and Scope 2 <sup>2</sup> GHG emissions in our annual sustainability reporting. We calculate our GHG emissions in line with the GHG Protocol and the Australian National Greenhouse and Energy Reporting Act (2007). This year we have calculated our carbon intensity for the first time per TMM. See 'Our Energy Use and Greenhouse Gas Emissions' for further information.
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	This year we have calculated our carbon intensity for the first time per TMM. We will be developing a GHG emissions intensity reduction target in FY21.

<sup>1</sup> Scope 1 emissions are direct GHG emissions from facilities (and associated activities) that MRL has operational control over.

<sup>2</sup> Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity in facilities (and associated activities) that MRL has operational control over

Table 15: Our progress against the recommended TCFD climate disclosures

**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 to MRL that will influence both the context and the way in which we operate.

During the reporting period, MRL engaged KPMG to:

- Undertake an assessment of our alignment to the TCFD Recommendations
- Facilitate the identification of climate-related risks and opportunities
- Facilitate the assessment of climate-related risks and opportunities.

*Scenario development*

We developed scenarios to better understand possible future pathways and inform the identification and assessment of climate-related risks and opportunities. We developed two scenarios, aligned with both:

- The Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report’s Representative Concentration Pathways (RCPs), which project GHG emission concentration and temperature increases above pre-industrial average temperatures
- The Shared Socioeconomic Pathways (SSPs), which examine how global society, demographics and economics may change over the next century.

Table 16 provides an overview of each scenario.

Scenario 1: ‘Paris-aligned’ Orderly and Paris-aligned transition to a low-carbon economy	Scenario 2: ‘Current Trajectory’ High GHG emissions with limited global coordination
<ul style="list-style-type: none"> <li>• Globally coordinated and government-led decarbonisation, where the worst physical impacts of climate change are avoided</li> <li>• Aligned with the Paris Agreement to keep global temperature increases below 2 degrees above pre-industrial average temperatures</li> </ul>	<ul style="list-style-type: none"> <li>• Business as usual conditions with limited and un-coordinated climate change regulation and activity; and associated climate-related geopolitical tension</li> <li>• Significant increase in the impact of severe weather events</li> <li>• Global temperate increases of approximately 4 degrees above pre-industrial average temperatures</li> </ul>
<p>Aligned with:</p> <ul style="list-style-type: none"> <li>• IPCC RCP 2.6, which represents an ambitious pathway where global annual GHG emissions peak and decline early</li> <li>• SSP, which represents a gradual and global shift to a sustainable path</li> </ul>	<p>Aligned with:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• SSP3, which represents a future with regional rivalry and nationalist concerns about competitiveness and security</li> </ul>

Table 16: Overview of Scenarios developed to identify and assess climate-related risks and opportunities

*Identifying and assessing climate-related risks and opportunities*

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

To identify and assess climate-related risks and opportunities, we undertook the following:

- Assessed physical climate information and projections for Australia for the areas where MRL’s operations are located. This included a series of climate-indicators for 2030 and 2050 under Scenario 1 and 2, including average temperature increases, maximum temperature increases, rainfall, days above 35 degrees Celsius and 99.9 percentile rainfall days
- Held a series of interviews with management and senior executives to identify climate-related risks and opportunities
- Held a risk assessment workshop and survey to rank likelihood and consequence of the identified 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 17 and Table 18, respectively.

Risk	Relevance of Scenario	Risk Description
<b>Physical - Acute</b>	<ul style="list-style-type: none"> <li>• Current Trajectory (More likely)</li> <li>• Paris Aligned (Likely)</li> </ul>	<p><b>Extreme Events:</b> 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. There is also the potential to impact construction and development of new facilities and infrastructure. This 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.</p>
		<p><b>Average and maximum temperatures:</b> Climate change is likely to cause an increase in the long-term average and maximum temperatures in areas of MRL operation, including construction projects. This increases the risk associated with employee health and safety due to more extreme-heat days and longer-term exposure to higher temperatures. This may 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.</p> <p><b>Water:</b> Climate change will result in increased temperatures and reduced rainfall in the ‘Rangelands’ and ‘Southwest Flatlands’ areas of Australia, where MRL operates. This increases the risk associated with water availability and quality for MRL operations, particularly those activities that are water sensitive, such as the lithium beneficiation plants. While water risks vary across the locations where MRL operates, this risk may result in the costly import of water into certain locations.</p>
<b>Physical - Chronic</b>	<ul style="list-style-type: none"> <li>• Current Trajectory (More likely)</li> <li>• Paris Aligned (Likely)</li> </ul>	<p><b>Carbon Pricing:</b> In response to climate change, governments will seek to reduce emissions from industry through the implementation of carbon pricing mechanisms, such as emission trading schemes or a carbon tax. As the world transitions to a blanket carbon price that approaches US\$50-\$100 per tonne by 2030 (when carbon cost pass through will likely be normal practice), there is a risk that there may be a period of time when it is not possible to pass through the cost of carbon to customers. This may lead to increased costs for MRL as well as potential adverse impacts on reputation, future business opportunities and business growth resulting from 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.</p> <p><b>Increased data collection and reporting requirements:</b> In response to climate change, governments, regulatory bodies and other interested stakeholders will seek 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 requirements on MRL.</p> <p><b>Emission intensive resources:</b> In response to climate change, governments will seek to reduce emissions from industry through the implementation of carbon pricing mechanisms, such as emission trading schemes or a carbon tax. There is a risk that this will result in a reduction in the value associated with emission-intensive assets and resources such as natural gas. This may affect MRL’s gas exploration activities resulting in potential reduced business opportunities, impacts on market perceptions and potential adverse financial impacts.</p>
		<p><b>Stakeholder Requirements:</b> As the global economy seeks to address climate change, there is a risk that organisations unable to manage climate risks and decarbonise will 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 opportunities.</p> <p><b>Government and regulatory expectation:</b> As the global economy seeks to address climate change, there is a risk that government and regulatory bodies will be less likely to engage, partner or support organisations (and investment proposals) that do not adequately consider climate risks and decarbonisation. This may result in reduced business and financing opportunities, a loss of social licence to operate, as well as potential adverse impacts on reputation and market perceptions.</p>
<b>Transition - Policy and Legal</b>	<ul style="list-style-type: none"> <li>• Paris Aligned (More likely)</li> <li>• Current Trajectory (Less likely)</li> </ul>	<p><b>Substitution:</b> 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.</p> <p><b>MRL’s Natural Gas Assets:</b> 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 natural gas assets. This may result in potential adverse financial impacts, loss of business opportunities and adverse impacts on market perception.</p>
		<p><b>Stakeholder Requirements:</b> As the global economy seeks to address climate change, there is a risk that organisations unable to manage climate risks and decarbonise will 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 opportunities.</p> <p><b>Government and regulatory expectation:</b> As the global economy seeks to address climate change, there is a risk that government and regulatory bodies will be less likely to engage, partner or support organisations (and investment proposals) that do not adequately consider climate risks and decarbonisation. This may result in reduced business and financing opportunities, a loss of social licence to operate, as well as potential adverse impacts on reputation and market perceptions.</p>
<b>Transition - Technology</b>	<ul style="list-style-type: none"> <li>• Paris Aligned (More likely)</li> <li>• Current Trajectory (Likely)</li> </ul>	<p><b>Stakeholder Requirements:</b> As the global economy seeks to address climate change, there is a risk that organisations unable to manage climate risks and decarbonise will 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 opportunities.</p> <p><b>Government and regulatory expectation:</b> As the global economy seeks to address climate change, there is a risk that government and regulatory bodies will be less likely to engage, partner or support organisations (and investment proposals) that do not adequately consider climate risks and decarbonisation. This may result in reduced business and financing opportunities, a loss of social licence to operate, as well as potential adverse impacts on reputation and market perceptions.</p>
		<p><b>Substitution:</b> 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.</p> <p><b>MRL’s Natural Gas Assets:</b> 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 natural gas assets. This may result in potential adverse financial impacts, loss of business opportunities and adverse impacts on market perception.</p>

Table 17: Climate-related risks

Risk	Relevance of Scenario	Risk Description
<b>Transition - Market</b>	<ul style="list-style-type: none"> <li>Paris Aligned (More likely)</li> <li>Current Trajectory (Likely)</li> </ul>	<b>Changing consumer and customer demand:</b> 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.
<b>Transition - Reputation</b>	<ul style="list-style-type: none"> <li>Paris Aligned (More likely)</li> <li>Current Trajectory (Likely)</li> </ul>	<p><b>Social licence:</b> As the global economy seeks to address climate change, there is a risk that organisations unable to manage climate risks and decarbonise may experience a loss of social licence to operate. This may adversely affect MRL's reputation, relationships with regulators and business opportunities, as well as its ability to attract and retain talent.</p> <p><b>Scrutiny and activism:</b> 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 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.</p>
	<ul style="list-style-type: none"> <li>Paris Aligned (More likely)</li> <li>Current Trajectory (Likely)</li> </ul>	<b>Natural gas exploration and development:</b> 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 scrutiny by a range of stakeholders. In this environment, there is potential for negative sentiment and community pressure surrounding the MRL gas investment strategy. This may affect MRL's ability to move forward with this strategy and may potentially result in adverse impacts on its reputation, market perceptions and future business opportunities.
	<ul style="list-style-type: none"> <li>Paris Aligned (More likely)</li> <li>Current Trajectory (Likely)</li> </ul>	<b>Cost of Capital:</b> 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 17 (continued): Climate-related risks

Opportunity	Relevance of Scenario	Opportunity Description
<b>Resource Efficiency</b>	<ul style="list-style-type: none"> <li>Paris Aligned (More likely)</li> <li>Current Trajectory (Likely)</li> </ul>	<b>Demand for lower carbon goods and services:</b> As the world transitions to a low-carbon economy, there is likely to be an increased focus on resource efficiency and increased demand for lower-carbon goods and services by customers and government. This presents an opportunity for MRL to develop a competitive advantage, embedding itself with customers, enhancing corporate reputation and/or investor ratings, and new business opportunities by delivering lower-carbon and more resource-efficient products and services for its customers.
	<ul style="list-style-type: none"> <li>Current Trajectory and Paris Aligned (Equally likely)</li> </ul>	<b>Water:</b> Long-term climate changes have 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.
<b>Energy Source</b>	<ul style="list-style-type: none"> <li>Paris Aligned (More likely)</li> <li>Current Trajectory (Likely)</li> </ul>	<b>Energy solutions and diesel displacement:</b> 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, and alternative revenue streams. This may strengthen MRL's competitive advantage, enhance its corporate reputation and allow for the development of new business opportunities.
<b>Products and Services</b>	<ul style="list-style-type: none"> <li>Paris Aligned (More likely)</li> <li>Current Trajectory (Likely)</li> </ul>	<b>Alternative mining products:</b> As the world transitions to a lower-emission economy, the drive for resource and carbon efficiency will increase the demand for alternative lightweight products in mining operations such as carbon fibre mining components. This provides a potential opportunity for MRL to identify opportunities to invest in and utilise emerging technologies applicable to the mining sector.
<b>Markets</b>	<ul style="list-style-type: none"> <li>Paris Aligned (More likely)</li> <li>Current Trajectory (Likely)</li> </ul>	<b>Access to new markets – mining services and infrastructure:</b> As the focus on addressing climate change increases, this poses an opportunity for MRL to develop innovative lower-carbon mining services and infrastructure. This may strengthen MRL's competitive advantage, enhance its corporate reputation and allow for the development of new business opportunities.
<b>Resilience</b>	<ul style="list-style-type: none"> <li>Paris Aligned (More likely)</li> <li>Current Trajectory (Likely)</li> </ul>	<b>Design and development of infrastructure:</b> Understanding and analysing long-term climate risk and incorporating this into the design and development of infrastructure and associated services provides an opportunity for MRL to increase the 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.

Table 18: Climate-related opportunities

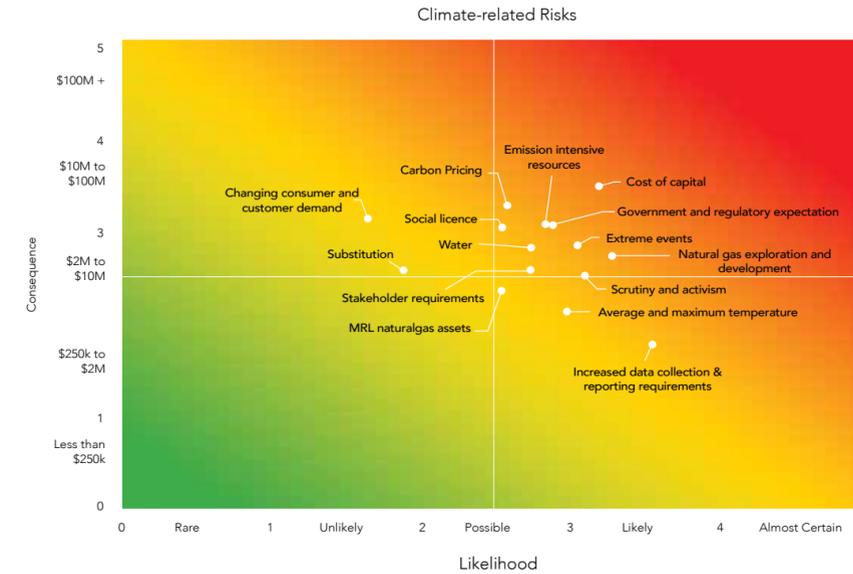


Figure 11: Assessment of climate-related risks

Through a risk assessment workshop and survey, we assessed the identified climate-related risks and opportunities according to likelihood and consequence. Figure 11 shows the outputs of the climate related risk assessment exercise, with key risks shown in the top right quadrant.

The top climate-related risk in terms of overall risk rating is associated with cost of capital. Other key risks relate to natural gas exploration and development, government and regulatory expectation, emission intensive resources, carbon pricing and physical risks associated with extreme acute events. As a result of this analysis, the Board has confirmed that MRL will not be investing in thermal coal.

Figure 12 shows the outputs of the climate-related opportunity assessment exercise, with key opportunities shown in the top right quadrant. The top climate-related opportunity relates to energy sources and diesel displacement. This aligns with the MRL Energy Roadmap, 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 – Decarbonising our operations' for further information. Other key opportunities relate to developing innovative lower-carbon mining services and infrastructure.

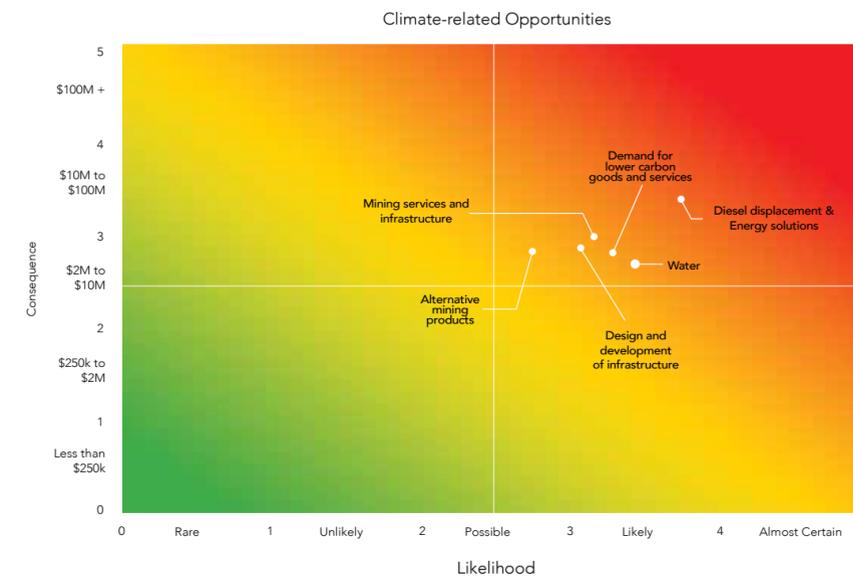


Figure 12: Assessment of climate-related opportunities

## 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 reporting.

## 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 19 provides energy consumption for entities under MRL's operational control.

	FY17 (GJ)	FY18 (GJ)	FY19 (GJ)	FY20 (GJ)
<b>Non-renewable fuel consumption</b>				
Natural Gas	152,911	149,274	233,215	236,596
Diesel fuel	2,201,545	2,585,027	2,614,939	3,395,692
LNG <sup>1</sup>	355,986	329,367	429,662	364,018
Petrol	3,109	1,974	1,679	1,189
Oils & greases	17,862	29,679	22,806	43,123
Non-lubricant oils <sup>2</sup>	7,733	5,594	5,891	4,967
LPG & Acetylene			38	793
<b>Total non-renewable fuel consumption</b>	<b>2,739,145</b>	<b>3,100,915</b>	<b>3,308,230</b>	<b>4,046,379</b>
<b>Electricity consumption</b>				
Purchased electricity consumption	15,160	11,435	12,200	10,004
Self-generated solar PV electricity consumption	122	2,840	3,270	2,947
<b>Total electricity consumption</b>	<b>15,282</b>	<b>14,275</b>	<b>15,471</b>	<b>12,951</b>
<b>Electricity sold consumption</b>				
Gross solar PV self-generation	137	3,285	3,632	3,712
Self-generated solar PV electricity not consumed	15	445	361	765
Solar PV electricity sold	15	445	361	765
<b>Total energy consumption with the organisation</b>	<b>2,754,427</b>	<b>3,115,190</b>	<b>3,323,701</b>	<b>4,059,330</b>

<sup>1</sup> Immaterial update to FY18 LNG data from what was presented in FY19 Sustainability Report

<sup>2</sup> No GHG emissions associated with non-lubricant oils

Table 19: FY17 to FY20 Energy consumption data

Our energy consumption continues to increase as our business grows. Between FY19 and FY20, our total energy consumption increased by 22 per cent, largely driven by a 30 per cent increase in our diesel consumption. This correlates with a 53 per cent increase in TMM.

Many of our operations are located in remote areas of Western Australia. We are currently reliant on diesel 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. While we have made some 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, we continue to investigate ways to reduce our reliance on diesel fuel. 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

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 control<sup>15</sup> 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 CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O. We also measure sulphur hexafluoride (SF<sub>6</sub>) emissions.

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

Table 20 shows our historical Scope 1 and 2 GHG emissions in metric tonnes of CO<sub>2</sub>e equivalent

	FY16	FY17	FY18	FY19 <sup>1</sup>	FY20 <sup>2</sup>
Scope 1 (tCO <sub>2</sub> e)	108,427	181,475	215,726	218,432	270,278
Scope 2 (tCO <sub>2</sub> e)	1,898	3,007	2,222	2,373	1,917
<b>Total (tCO<sub>2</sub>e)</b>	<b>110,325</b>	<b>184,482</b>	<b>217,948</b>	<b>220,805</b>	<b>272,194</b>

<sup>1</sup> GHG emissions for FY19 may be materially lower, by 11 per cent, as the legal position relating to the delineation for inclusion or exclusion of rail operator emissions has not yet been clearly defined, as at the date of reporting

<sup>2</sup> GHG emissions for FY20 may be materially lower, by 16 per cent, as the legal position relating to the delineation for inclusion or exclusion of rail operator emissions has not yet been clearly defined, as at the date of reporting

Table 20: FY16 to FY20 Scope 1 and 2 GHG emissions

External limited assurance is provided over our FY20 Scope 1 and 2 GHG emissions. Refer to page 98 for a copy of the Independent Limited Assurance Statement.

While our absolute GHG emissions continue to increase as our business grows, we are actively working on reducing the GHG emission intensity of our operations. For the first time, we have assessed the GHG emission intensity of our operations per TMM<sup>16</sup> for sites under our operational control in FY20, shown in Table 21. Between FY19 and FY20, we have seen a 19 per cent reduction in our GHG emission intensity.

	FY19	FY20	Change
GHG intensity <sup>1</sup> : tCO <sub>2</sub> e/ TMM (wet metric kt)	3.6	2.9	Year on year reduction of 19 per cent

<sup>1</sup> The GHG emissions included in the intensity metrics are Total Scope 1 and 2 GHG emissions, which include the greenhouse gases CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O and SF<sub>6</sub>.

Table 21: FY19 and FY20 GHG emissions intensity of our operations (tCO<sub>2</sub>e/TMM)

<sup>15</sup> This excludes GHG emissions from our mining services activities, as MRL does not have operational control over these activities.

<sup>16</sup> This includes TMM at Wodgina Lithium

**CLIMATE CHANGE (CONTINUED)**

**RESPONDING TO CLIMATE CHANGE**

*Decarbonising our operations*

MRL continues to invest in activities that reduce the carbon intensity of our operations. To support the growth of our business, it is important that we ensure the provision of reliable, secure, low-cost and sustainable energy solutions. We have developed a three-stage Energy Roadmap, which progressively incorporates gas, LNG, renewable energy technologies and other emerging technologies over time to reduce our carbon intensity.

Figure 13 shows our planned energy source transition over time for electricity generation, mining equipment, transportation and logistics.



Figure 13: MRL Energy Roadmap

Gas will be an important part of our short-term decarbonisation efforts. MRL Energy, an MRL business unit, is working on the development of low-cost and secure gas solutions to support the growth and development of MRL and the broader resource industry in Western Australia. MRL also owns a subsidiary company, Energy Resources Limited (ERL), which holds Exploration Permits and two Production Licences within the onshore Perth Basin. ERL is planning to conduct exploration activities on this acreage to assess these gas resources and, subject to approval, will drill a conventional gas exploration well and undertake a seismic survey in FY21.

Renewable energy technologies, such as solar and wind generated electricity, will become an increasingly significant part of our energy mix. MRL has 0.79MW installed capacity of solar photovoltaic (PV) at our Perth-based offices. In FY20, we generated 1,031 MWh of solar powered electricity. We consumed 819 MWh solar power internally, eliminating 565 tCO<sub>2</sub>e of Scope 2 emissions. We are in the process of evaluating a pilot solar project for a greenfield iron-ore project in the Pilbara.

We review current and emerging clean energy technologies and continue to support the Future Energy Exports Cooperative Research Centre (CRC) through cash and in-kind engineering support of the proposed development of a micro-LNG /Hydrogen R&D plant in Kwinana. The CRC undertakes industry-led research on developing technologies in the LNG and hydrogen energy sectors.

*Contributing to the global energy transition*

MRL's commodities portfolio includes two hard rock lithium mines in Western Australia. The Wodgina<sup>17</sup> and Mt Marion<sup>18</sup> operations produce lithium spodumene concentrate, a key component used in the manufacture of batteries. In addition to our two lithium mines, in November 2019 we acquired a 40 per cent interest in Albemarle's Kemerton lithium hydroxide facility, which is under construction in the South West of Western Australia. The 50Ktpa two-train plant will produce lithium hydroxide, a higher-grade lithium product.

Batteries are a significant part of the low-carbon global energy transition as they are critical for storing excess energy in renewable grid technologies and in the electrification of transport and industry. As the world's demand for electric vehicles and energy storage grows, so too does the demand for lithium.

Australia has approximately 16 per cent of the world's lithium reserves and, in 2019, Australia accounted for approximately 55 per cent of global lithium production<sup>19</sup>. The Wodgina mine is one of the largest known hard rock lithium deposits in the world.



GHG emissions from transportation account for approximately a quarter of global GHG emissions, and they are expected to grow at a faster rate than any other sector<sup>20</sup>. Within Australia, the transport sector accounts for approximately 16 per cent of Australia's GHG emissions, with light vehicles alone contributing 10 per cent of Australia's total GHG emissions<sup>21</sup>.

Electric vehicles (EVs) can play an important role in reducing GHG emissions associated with transportation. Between 2014 and 2019, the global market for EVs expanded by an annual average of 60 per cent, totalling 7.2 million units in 2019. EVs accounted for approximately 2.6 per cent of global car sales in 2019<sup>22</sup>.

MRL plays an important part in the battery value chain through our lithium commodities and continues to look for opportunities to develop innovative and lower-carbon mining services and infrastructure as the world transitions to a lower-carbon economy.

<sup>17</sup> The Wodgina Lithium Project is structured as an unincorporated joint venture (MARBL JV) between MRL (40 per cent) and Albemarle Corporation (60 per cent) effective from 1 November 2019. As at 1 November 2019, the Wodgina operation went into care and maintenance.

<sup>18</sup> The MRL-operated Mt Marion Lithium Project is a joint project between MRL (50 per cent) and one of the world's largest lithium producers, Jiangxi Ganfeng Lithium Co., Ltd (50 per cent).

<sup>19</sup> Sourced from the US Geological Survey, Mineral Commodity Summaries, January 2020 – Lithium

<sup>20</sup> World Resources Institute, 2019: Blog - Fastest growing source of global emissions - Transport

<sup>21</sup> Australian Government Climate Change Authority – Opportunities to reduce light vehicle emissions in Australia

<sup>22</sup> International Energy Agency, 2020: The Global EV Outlook 2020





# SOCIAL

# WE STRIVE TO MAKE A POSITIVE IMPACT ON SOCIETY AND STRENGTHEN OUR RELATIONSHIPS WITH COMMUNITIES.



An important part of our social licence to operate is the value that we create for society, which we do through developing strong community and stakeholder relationships and creating opportunities for skills development.



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

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

In FY20, we developed a new stand-alone Community Policy, where we committed 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 people impacted by our activities, and work to build cultural awareness across all of 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
- 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

We support communities through contributions that have a positive community benefit. Community contributions generate value for our business by promoting our brand, enhancing our reputation and demonstrating our social responsibility.

MRL defines community contributions as voluntary spend that benefits the community. We have four categories of community contributions, namely:

- Community partnerships - multi-year commitments to organisations that focus on creating positive health and wellbeing, educational and employment outcomes
- Community donations to charity fundraisers and not-for-profit organisations
- Community education support through contributions to primary and high schools
- Contributions to community facilities and events

In FY20, we contributed \$2.60 million to communities, a 30 per cent increase from FY19. Our FY20 community contributions data has been externally audited (refer to page 98 for a copy of the Independent Limited Assurance Statement). Figure 14 shows our community contributions since FY16.



Figure 14: Community contributions (\$ million)

During FY20, we had the following multi-year community partnerships in place with:

- Shooting Stars
- Youth Focus
- Starlight Children's Foundation
- Lucy Saw Centre
- Telethon 7
- Ronald McDonald House Charities.
- Harry Perkins Institute of Medical Research

We are proud of these community partnerships and the social outcomes that they have achieved.

**Youth Focus**

MRL is a Premier Partner of Youth Focus, a Western Australian counselling service and education programme that builds awareness about youth mental health issues and suicide prevention.

Our sponsorship supports Youth Focus’s core services of youth and family counselling for young people aged between 12 – 25 years. During FY20, our funding helped Youth Focus support 6,090 young people through its 10 offices and Headspace centres. This represents a 34 per cent increase on FY19.

Through in-school and workplace sessions, Youth Focus connected with a further 5,700 people during FY20 to provide the community with the knowledge, resources and confidence to talk safely and openly about mental health issues to reduce stigma and encourage people to seek help for themselves and others.

The crucial service that Youth Focus provides young people continues to increase with demand outstripping supply. Funding provided by MRL continues to support the counselling service that is responsive to the needs of young people in Western Australia.

**Harry Perkins Institute of Medical Research**

MRL partnered with the Harry Perkins Institute of Medical Research to assist in establishing the Centre for Cardiovascular Health in Western Australia. Our support has enabled the Harry Perkins Institute to create a Professorial Chair of Cardiovascular Disease. This has enabled the recruitment and four-year appointment of a scientist with internationally recognised expertise and a record of accomplishment in youth cardiovascular research. A greater medical research presence will have an immediate impact on Western Australia’s cardiac-healthcare system.

**Shooting Stars**

In 2018, we entered into a four-year partnership agreement with Shooting Stars, an initiative of Glass Jar Australia and Netball WA, which uses netball and other rewards to encourage Indigenous girls to attend school and engage in their education, while promoting their health and wellbeing.

Through the Shooting Stars programme, we aim to increase attendance rates at school while creating pathways to employment. Each participant’s school attendance data is tracked on a weekly basis and summarised at the end of each term.

To date, Shooting Stars has eight sites across Western Australia, namely, Carnarvon, Derby, Halls Creek, Leonora, Meekatharra, Mullewa, and Narrogin, and has engaged more than 350 Aboriginal and Torres Strait Islander girls. More than 30 per cent of participants

have improved their attendance term on term, with 60 per cent of participants maintaining an average attendance rate of 80 per cent or above. Furthermore, Shooting Stars is a key driver in creating equality for female leaders and generational change, with 75 per cent of its staff and 50 per cent of its Board identifying as Indigenous.

**Domestic Violence Crisis Centres**

MRL is proud to support the Lucy Saw Refuge, which provides safe accommodation and education for children of abuse and women and children without income. Our funding assists in maintaining two refuges in Rockingham and Fremantle. We have also donated to crisis centres throughout Perth, the Pilbara, the Goldfields, the Great Southern and Peel regions to provide much-needed funds for daily essentials.

**Starlight Children’s Foundation**

In FY20, MRL renewed a third three-year term sponsorship to support the Starlight Children’s Foundation, which helps to make a difference to sick children through Starlight’s Wishgranting Programme. The Wishgranting Programme delivers experiences that provide long-term positive distraction for seriously ill and hospitalised children.

Our total funding to date for Starlight has now reached a milestone of \$1 million. In FY20, MRL helped make a difference by providing funding for 23 West Australian life-impacting Starlight Wishes, over 30 per cent of all Starlight wishes granted in Western Australia.

**Telethon**

Our sponsorship over the past two years has helped to discover causes, cures and treatments for illnesses affecting children and young people.

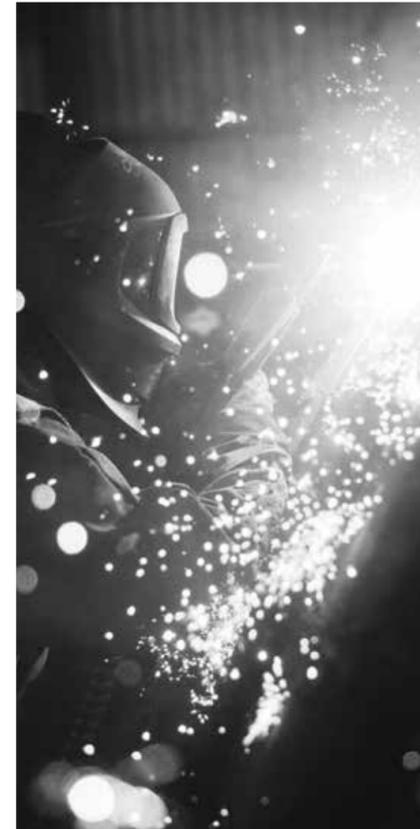
During the 2020 Telethon event, MRL donated \$1 million. Some of the funding supports the equine-assisted learning programme for high-risk youth in the Kimberley region of Australia and assists the Type 1 Diabetes Family Centre, helping support families impacted by type 1 diabetes to face the daily challenges of the disease.

**Ronald McDonald House**

MRL has been a supporter of Ronald McDonald House, which provides accommodation and support services to families whose child faces a serious illness, for many years. MRL provides two full-time chefs for the ‘Home for Dinner’ programme, cooking and preparing meals for families every night of the year. We also sponsor a room at the House, which provided temporary accommodation for 11 families in FY20 while their child was in hospital.

**Mineral Resources Park**

Last year we entered into a five-year partnership with the West Coast Eagles football club to help establish Mineral Resources Park, a community facility and permanent home to the Wirrpanda Foundation and the West Coast Eagles community outreach programme. Our relationship with the West Coast Eagles continued in FY20 with the deployment of some of the West Coast Eagles high-performance coaching team to our sites as part of our response to COVID-19 to support physical and mental wellbeing. Refer to ‘Material Topic 2: Maintaining a safe working environment that promotes health and wellbeing’ - ‘Our Response to COVID-19’ for further information.



**MANAGING OUR RELATIONSHIPS WITH COMMUNITIES AND STAKEHOLDERS**

Our relationships with communities and key stakeholders are an important part of our licence to operate. Effective stakeholder engagement involves building relationships based on mutual trust, respect and understanding.

We developed a MRL Stakeholder Engagement Management Plan to ensure that we engage effectively with local communities, government and other key stakeholders on environmental, land access, heritage and community matters during all phases of our operations.

*Engagement activities*

The Joint Standing Committee on Northern Australia’s inquiry into the destruction of the Juukan Gorge rock shelters highlights the critical importance of managing Australia’s Indigenous heritage.

Proactive community programmes that combine native title and Indigenous heritage legal requirements within broader social licence to operate objectives produce better 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 15.



Figure 15: 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 Heritage 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 activities to avoid damaging areas of heritage significance. Due to the recent events that led to the destruction of the Juukan Gorge rock shelters, MRL has reviewed all our Section 18 applications under the *Aboriginal Heritage Act (1972)*.

We have several agreements with Traditional Owners, which include a range of obligations such as heritage protocols, employment and business opportunities, community engagement, cultural awareness training, health and education initiatives, and work ready programmes. We had regular meetings with Traditional Owner groups during the year and are looking to develop further community programmes moving forward.

*Indigenous participation*

We will be working on increasing Indigenous participation in the business through our apprentice, trainee and graduate programmes as well as through Indigenous business opportunities.

- In FY20, we had two apprentices who identified as Indigenous. For further information, refer to ‘Material Topic 6: Skills Development – Apprentices’
- We engaged Spartan First, an Indigenous occupational health provider, who we use to undertake pre-employment medical assessments
- Through our involvement with the Wirrpanda Foundation, we provide mentorship to less-skilled Indigenous employees. For information on our Indigenous workforce representation, refer to ‘Material Topic 3: Attracting and retaining talent while developing a diverse and inclusive workforce’.

**SKILLS DEVELOPMENT**

As competition for talent increases, we need to contribute to the development of skills that our business needs. Our Learning and Development Tactical Plan provides pathways to introduce new talent to business as well as development initiatives for existing talent.

MRL offers apprenticeships, traineeships and a graduate programme that focus on introducing new talent to the organisation.

*Apprentices*

Our apprentice programme aims to support and grow our apprentices into high performing and successful members of our workforce. Apprenticeships are a structured training arrangement, usually of four years’ duration, which combine practical work experience with complementary off-the-job training at a Registered Training Organisation. On successful completion of the programme, the apprentice is issued with a nationally recognised qualification and the on-the-job skills required to be able to effectively perform in their chosen trade.

Our apprentice programme has a number of key objectives, including to:

- Ensure that 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 apprentice programme continues to strengthen each year. In FY20, we had 34 apprentices, a 48 per cent increase from the prior year. The diversity of our apprentices has also improved, with three female apprentices this year, up from zero in FY18 and FY19, and two Indigenous apprentices. Thirteen of our apprentices were second-generation MRL employees.

Figure 16 provides a breakdown of apprentices by type, gender and Indigenous status.

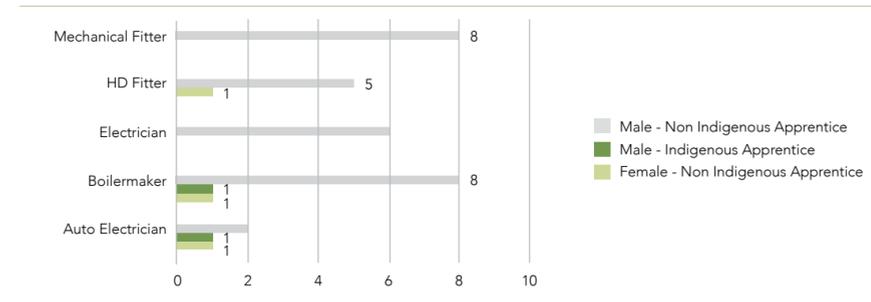


Figure 16: FY20 apprentices by type, gender and indigenous status

**Trainees**

In addition to our apprentice programme, we offer 12-month trainee programmes with Registered Training Organisations. In FY20, we had five trainees<sup>23</sup>, four (80 per cent) of which identify as female as shown in Figure 17. In FY20, no trainees identified as Indigenous.

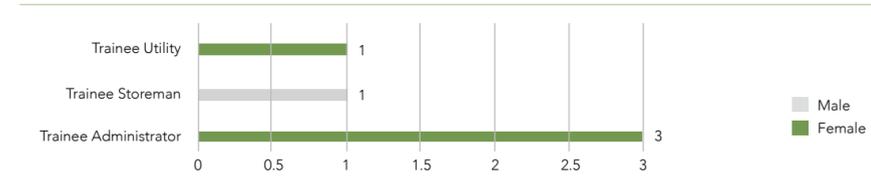


Figure 17: FY20 trainees by type and gender

**Graduates**

Our graduate programme is a 24-month internally developed and assessed structured programme, which involves a mixture of site and office-based work. Graduates are exposed to the industry through a mixture of both corporate and site-based experience. Graduate programmes are split into four six-month sections, which allows graduates to rotate through different areas of their chosen career path.

In FY20, we had six graduates across the disciplines of finance, geology, electrical engineering, mechanical engineering, mining engineering and instrumentation and controls engineering, which included one female graduate.

<sup>23</sup> This excludes the two intakes of the Entry Level Operator Training Programme – a three month structured training programme for entry-level operators. There were two intakes to this programme - in March 2020 with the first intake of 15 dump truck trainees and in May 2020 with the second intake of 18 entry-level operators.



Figure 18 provides a breakdown of graduates by type and gender.

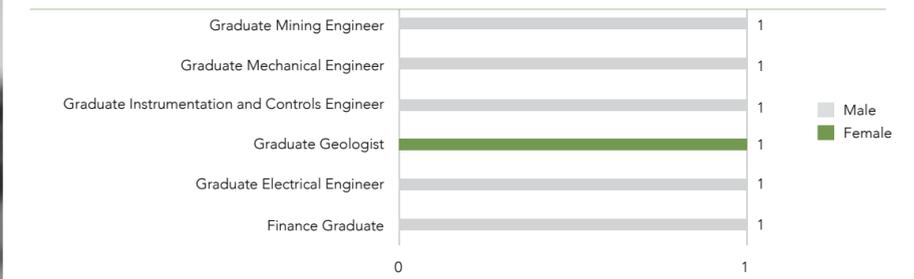


Figure 18: FY20 graduates by type and gender

**Work experience opportunities**

During FY20, we continued our relationship with the KIC, which has a long history supporting the growth, development and sustainability of business in the Kwinana Industrial area.

The KIC hosts the Metals & Engineering School-based Traineeship, which provides students with the tools needed to graduate with a Certificate II in Engineering. We, again, supported this initiative by taking on Year 11 and 12 work experience students from Gilmore College. Work experience rotations take place at a number of areas in our Kwinana Workshop, including steel fabrication, electrical and mobile equipment maintenance, light and heavy fitting. We also provide the new Year 11 KIC Metals and Engineering School-based trainees their own toolboxes. In FY20, 10 students completed a five-week placement at our Kwinana Workshop. MRL's participation in the KIC Traineeship provides our business with an opportunity to employ skilled pre-apprentices, and provides students with a pathway in to MRL.

**Promoting careers in the mining industry**

We have also supported KIC as the main sponsor of the 2020 'iWomen Projects', which provide awareness of career opportunities in the mining sector to Year 10 female students from KIC-collaborating schools in the region. Thirty-two students were selected by their schools to participate and completed a seven-day programme over a three-week period. Activities undertaken include workshops, team-building exercises, presentations, industry excursions and mock interviews. Other activities include the use of social media and personal branding, preparing a professional resume and exercises to help develop participants' leadership skills.

We attended and sponsored several career development events including the Skills West Career expo, Coolgardie Day and the Yilgarn Agricultural Show in Southern Cross, where we engaged members of the local community on the activities and employment opportunities that are available with MRL in the region.

While COVID-19 saw the cancellation of the 2020 CME Inspiring Girls Career Forum, we continue to support this event, which highlights the resources industry to female secondary school students.

**LOOKING FORWARD**

Going forward, we look to:

- Broaden the Indigenous representation in our apprentice, trainee and graduate programmes
- Expand our graduate programme by offering graduate environment and safety roles
- Attend a number of graduate recruitment events to promote future graduate opportunities within the business
- Establish a dedicated apprentice mentor position in the business to support the continued growth of the apprentice programme
- Enhance our cultural awareness
- Develop a community grievance mechanism
- 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

PERFORMANCE DATA TABLES

HEALTH AND SAFETY

Historical Safety Injury Rates – Total employees and Contractors (per 1,000,000 hours worked)	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
TRIFR	14.52	7.15	4.86	5.99	2.34	2.49	3.99	3.29
LTIFR	1.32	0.89	0.21	0.00	0.00	0.17	0.12	0.00

Lost Time Injuries (LTI)	FY18	FY19	FY20
<b>Lost Time Injury Frequency Rate (LTIFR) – Employees</b>			
Number of LTI	0.00	0.00	0.00
Employees LTIFR (per 1,000,000 hours worked)	0.00	0.00	0.00
Employees LTIFR (per 200,000 hours worked)	0.00	0.00	0.00
Employees - hours worked	3,382,349	5,191,716	5,057,163
<b>LTIFR – Contractors</b>			
Number of LTI	1	1	0
Contractors LTIFR (per 1,000,000 hours worked)	0.38	0.35	0.00
Contractors LTIFR (per 200,000 hours worked)	0.08	0.07	0.00
Contractors - hours worked	2,657,560	2,831,694	1,933,845
<b>LTIFR – Combined Employees and Contractors</b>			
Number of LTI – combined employees and contractors	1	1	0
Combined employees and contractors LTIFR (per 1,000,000 hours worked)	0.17	0.12	0.00
Combined employees and contractors LTIFR (per 200,000 hours worked)	0.03	0.02	0.00
Combined employees and contractors - hours worked	6,039,909	8,023,411	6,991,008

Total Recordable Injuries (TRI)	FY18	FY19	FY20
<b>Total Recordable Injury Frequency Rate (TRIFR) – Employees</b>			
Number of recordable work-related injuries	8	19	17
Employees TRIFR (per 1,000,000 hours worked)	2.37	3.66	3.36
Employees TRIFR (per 200,000 hours worked)	0.47	0.73	0.67
Employees - hours worked	3,382,349	5,191,716	5,057,163
<b>TRIFR – Contractors</b>			
Number of recordable work-related injuries	7	13	6
Contractors TRIFR (per 1,000,000 hours worked)	2.63	4.59	3.10
Contractors TRIFR (per 200,000 hours worked)	0.53	0.92	0.62
Contractors - hours worked	2,657,560	2,831,694	1,933,845
<b>TRIFR – Combined Employees and Contractors</b>			
Number of recordable work-related injuries	15	32	23
Combined employees and contractors TRIFR (per 1,000,000 hours worked)	2.49	3.99	3.29
Combined employees and contractors TRIFR (per 200,000 hours worked)	0.50	0.80	0.66
Combined employees and contractors - hours worked	6,039,909	8,023,411	6,991,008

PERFORMANCE DATA TABLES (CONTINUED)



Fatalities	FY18	FY19	FY20
<b>Fatality Rate – Employees</b>			
Number of fatalities	0	0	0
Employees fatality rate (per 1,000,000 hours worked)	0.00	0.00	0.00
Employees fatality rate (per 200,000 hours worked)	0.00	0.00	0.00
Employees - hours worked	3,382,349	5,191,716	5,057,163
<b>Fatality Rate – Contractors</b>			
Number of fatalities	0	0	0
Contractors fatality rate (per 1,000,000 hours worked)	0.00	0.00	0.00
Contractors fatality rate (per 200,000 hours worked)	0.00	0.00	0.00
Contractors - hours worked	2,657,560	2,831,694	1,933,845
<b>Fatality rate – Combined Employees and Contractors</b>			
Number of fatalities – combined employees and contractors	0	0	0
Combined employees and contractors fatality rate (per 1,000,000 hours worked)	0.00	0.00	0.00
Combined employees and contractors fatality rate (per 200,000 hours worked)	0.00	0.00	0.00
Combined employees and contractors - hours worked	6,039,909	8,023,411	6,991,008

High Consequence Work-related Injuries	FY18	FY19	FY20
<b>High Consequence Work-related Injury Rate – Employees</b>			
Number of high consequence work-related	0	0	0
Contractors high consequence work-related injury rate (per 1,000,000 hours worked)	0.00	0.00	0.00
Contractors high consequence work-related injury rate (per 200,000 hours worked)	0.00	0.00	0.00
Employees - hours worked	3,382,349	5,191,716	5,057,163
<b>High Consequence Work-related Injury Rate – Contractors</b>			
Number of high consequence work-related injuries	1	1	0
Contractors high consequence work-related injury rate (per 1,000,000 hours worked)	0.38	0.35	0.00
Contractors high consequence work-related injury rate (per 200,000 hours worked)	0.08	0.07	0.00
Contractors - hours worked	2,657,560	2,831,694	1,933,845
<b>High Consequence Work-related Injury Rate – Combined Employees and Contractors</b>			
Combined employees and contractors	1	1	0
Combined employees and contractors high consequence work-related injury rate (per 1,000,000 hours worked)	0.17	0.12	0.00
Combined employees and contractors high consequence work-related injury rate (per 200,000 hours worked)	0.03	0.02	0.00
Combined employees and contractors - hours worked	6,039,909	8,023,411	6,991,008

All Incidents	FY18	FY19	FY20
<b>All Incident Rate – Combined Employees and Contractors</b>			
Number of all incidents – combined employees and contractors	967	1,327	1,263
Combined employees and contractors all incident rate (per 1,000,000 hours worked)	160.10	165.39	180.66
Combined employees and contractors all incident rate (per 200,000 hours worked)	32.02	33.08	36.13
Combined employees and contractors - hours worked	6,039,909	8,023,411	6,991,008

Near Miss Incidents	FY18	FY19	FY20
<b>Near Miss Incident Rate – Combined Employees and Contractors</b>			
Number of near miss incidents – combined employees and contractors	256	300	281
Combined employees and contractors near miss incident rate (per 1,000,000 hours worked)	42.38	37.39	40.19
Combined employees and contractors near incident rate (per 200,000 hours worked)	8.48	7.48	8.04
Combined employees and contractors - hours worked	6,039,909	8,023,411	6,991,008

PEOPLE

TOTAL EMPLOYEES BY EMPLOYMENT CONTRACT, TYPE AND GENDER

Employment contract & type	30 June 2018			30 June 2019			30 June 2020		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Permanent Part Time	9	1	10	12	3	15	16	3	19
Permanent Full Time	221	1,211	1,432	284	1,703	1,987	299	1,771	2,070
Fixed-term Part Time	1	0	1	0	0	0	4	0	4
Fixed-term Full Time	8	280	288	31	557	588	19	172	191
Casual	25	28	53	23	33	56	23	40	63
<b>Total</b>	<b>264</b>	<b>1,520</b>	<b>1,784</b>	<b>350</b>	<b>2,296</b>	<b>2,646</b>	<b>361</b>	<b>1,986</b>	<b>2,347</b>

TOTAL EMPLOYEES BY EMPLOYMENT CONTRACT, TYPE AND REGION

Region	30 June 2020					
	Permanent Part Time	Permanent Full Time	Fixed-term Part time	Fixed-term Full time	Casual	Total
Ashburton	0	142	0	1	0	143
China	0	1	0	0	0	1
Northern Territory	0	21	0	0	0	21
Perth	19	554	4	128	47	752
Pilbara-Newman	0	475	0	43	3	521
Port Hedland	0	42	0	13	1	56
Queensland	0	8	0	0	1	9
Yilgarn	0	827	0	6	11	844
<b>Total</b>	<b>19</b>	<b>2,070</b>	<b>4</b>	<b>191</b>	<b>63</b>	<b>2,347</b>

Region	30 June 2019					
	Permanent Part Time	Permanent Full Time	Fixed-term Part time	Fixed-term Full time	Casual	Total
Ashburton	0	45	0	6	0	51
China	0	1	0	0	0	1
Northern Territory	0	18	0	0	0	18
Perth	15	560	0	43	47	665
Pilbara-Newman	0	390	0	4	2	396
Port Hedland	0	332	0	509	0	841
Queensland	0	0	0	0	0	0
Yilgarn	0	641	0	26	7	674
<b>Total</b>	<b>15</b>	<b>1,987</b>	<b>0</b>	<b>588</b>	<b>56</b>	<b>2,646</b>

Region	30 June 2018					
	Permanent Part Time	Permanent Full Time	Fixed-term Part time	Fixed-term Full time	Casual	Total
Ashburton	0	25	0	0	1	26
China	0	1	0	1	0	2
Northern Territory	0	19	0	0	0	19
Perth	10	442	1	28	43	524
Pilbara-Newman	0	328	0	8	5	341
Port Hedland	0	305	0	142	1	448
Queensland	0	0	0	0	0	0
Yilgarn	0	312	0	109	3	424
<b>TOTAL</b>	<b>10</b>	<b>1,432</b>	<b>1</b>	<b>288</b>	<b>53</b>	<b>1,784</b>

DIVERSITY STATISTICS

	30 June 2018	30 June 2019	30 June 2020
Overall Female Representation	14.8%	13.2%	15.4%
Overall Indigenous Representation	1.7%	1.6%	1.4%

WGEA Category	30 June 2018			30 June 2019			30 June 2020		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Non-Executive Key Management Personnel <sup>1</sup>	1	4	5	1	4	5	1	3	4
Executive Key Management Personnel	0	2	2	0	3	3	0	3	3
CEO	0	1	1	0	1	1	0	1	1
Other Executive/General Managers	4	19	23	3	22	25	4	24	28
Senior Managers	0	14	14	0	18	18	0	12	12
Other Manager	17	139	156	18	160	178	21	167	188
Professionals	66	180	246	87	241	328	90	255	345
Community and Personal Service	1	7	8	0	12	12	0	9	9
Clerical and Administrative	60	12	72	66	16	82	75	18	93
Technicians and Trade	17	644	661	38	1,051	1,089	22	743	765
Machinery Operators and Drivers	47	411	458	69	618	687	101	691	792
Labourers	51	91	142	69	154	223	47	63	110
Sales	0	0	0	0	0	0	1	0	1
Other	1	0	1	0	0	0	0	0	0

<sup>1</sup> Not a WGEA Category and not included in employee totals

PERFORMANCE DATA TABLES (CONTINUED)

Age	30 June 2018				30 June 2019				30 June 2020			
	Under 30	30-50	Over 50	Total	Under 30	30-50	Over 50	Total	Under 30	30-50	Over 50	Total
Non-Executive Key Management Personnel <sup>2</sup>	0	2	3	5	0	2	3	5	0	1	3	4
Executive Key Management Personnel	0	1	1	2	0	0	3	3	0	1	2	3
CEO	0	0	1	1	0	0	1	1	0	0	1	1
Other Executive/General Managers	0	14	9	23	0	14	11	25	0	16	12	28
Senior Managers	0	6	8	14	0	5	13	18	0	7	5	12
Other Manager	1	95	60	156	1	110	67	178	2	126	60	188
Professionals	29	158	59	246	44	200	84	328	45	220	80	345
Community and Personal Service	0	2	6	8	0	6	6	12	0	6	3	9
Clerical and Administrative	11	42	19	72	15	44	23	82	32	43	18	93
Technicians and Trade	84	409	168	661	175	654	260	1,089	131	456	178	765
Machinery Operators and Drivers	30	252	176	458	61	380	246	687	104	418	270	792
Labourers	27	75	40	142	54	115	54	223	25	56	29	110
Sales	0	0	0	0	0	0	0	0	0	1	0	1
Other	0	1	0	1	0	0	0	0	0	0	0	0

Indigenous Status	30 June 2018			30 June 2019			30 June 2020		
	Identifies as Indigenous	Does not identify as Indigenous	Total	Identifies as Indigenous	Does not identify as Indigenous	Total	Identifies as Indigenous	Does not identify as Indigenous	Total
Non-Executive Key Management Personnel <sup>3</sup>	0	5	5	0	5	5	0	4	4
Executive Key Management Personnel	0	2	2	0	3	3	0	3	3
CEO	0	1	1	0	1	1	0	1	1
Other Executive/General Managers	0	23	23	0	25	25	0	28	28
Senior Managers	0	14	14	0	18	18	0	12	12
Other Manager	2	154	156	0	178	178	0	188	188
Professionals	1	245	246	4	324	328	2	343	345
Community and Personal Service	0	8	8	0	12	12	0	9	9
Clerical and Administrative	1	71	72	0	82	82	0	93	93
Technicians and Trade	4	657	661	10	1,079	1,089	11	754	765
Machinery Operators and Drivers	17	441	458	18	669	687	18	774	792
Labourers	6	136	142	11	212	223	2	108	110
Sales	0	0	0	0	0	0	0	1	1
Other	0	1	1	0	0	0	0	0	0

<sup>2</sup> Not a WGEA Category and not included in employee totals

<sup>3</sup> Not a WGEA Category and not included in employee totals





PERFORMANCE DATA TABLES (CONTINUED)

COLLECTIVE BARGAINING

	30 June 2018	30 June 2019	30 June 2020
Employees covered by Collective Bargaining Agreements (percentage)	44.6	47.1	41.8

NEW HIRES

Gender	Female	Male	Total
Total new hires in FY20 by gender	188	854	1,042
Average of monthly new hire <sup>4</sup> rate across FY20 by gender	0.66	2.97	3.63

Age Group	Under 30	30 - 50	Over 50	Total
Number of new hires over FY20 by Age Group	213	599	230	1,042
Percentage of new hires in FY20 by Age Group	20	57	22	100

Region	Yilgarn	Perth	Pilbara-Newman	Ashburton	Port Hedland	Queensland	Northern Territory	New South Wales	Total
Number of new hires over FY20 by Region	382	288	220	103	36	9	3	1	1,042
Percentage of new hires in FY20 by Region	36.66	27.64	21.11	9.88	3.45	0.86	0.29	0.10	100

<sup>4</sup> Monthly new hire rates are calculated using the sum of monthly hires divided by the average headcount for the previous 12 months. An average of the monthly new hire rates is provided over FY20.

ENVIRONMENTAL

AIR QUALITY

Substance	NPI Substance Number	FY17	FY18	FY19
		Total (tonnes)	Total (tonnes)	Total (tonnes)
Carbon monoxide	20	760.9	1,024.4	921.7
Lead and compounds	52	0.2	0.5	0.7
Mercury and compounds	55	0.00	0.0	0.0
Oxides of nitrogen	69	1,601.2	1,683.2	1,657.4
Particulate matter 10.0 um	70	5,485.8	9,129.1	12,381.5
Particulate matter 2.5 um	92	91.7	93.7	84.4
Sulphur dioxide	77	0.8	1.1	1.0
Total Volatile Organic Compounds	85	263.9	130.2	121.6

WATER ABSTRACTION

Operation	FY18 (KL)	FY19 (KL)	FY20 (KL)
Mt Marion	281,865	2,279,694	1,512,176
Koolyanobbing	-	673,210	878,842
Iron Valley	14,281	15,709	25,363
Wodgina	751,914	1,191,100	500,865
<b>Total</b>	<b>1,048,060</b>	<b>4,159,713</b>	<b>2,917,246</b>

WASTE DATA: TAILINGS

Operation	FY18 (tonnes)	FY19 (tonnes)	FY20 (tonnes)
Mt Marion	508,132	736,563	935,020
Wodgina <sup>5</sup>	-	131,591	414,879
<b>Total</b>	<b>508,132</b>	<b>868,154</b>	<b>1,349,899</b>

WASTE DATA: WASTE ROCK

Waste Rock Quantities	FY17 ('000 WMT)	FY18 ('000 WMT)	FY19 ('000 WMT)	FY20 ('000 WMT)
Mt Marion	5,583	19,615	18,980	25,401
Koolyanobbing	24,726	7,870	13,582	38,765
Iron Valley	6,407	8,960	10,909	11,177
Wodgina	1,554	26,159	4,768	1,540
<b>Total</b>	<b>38,271</b>	<b>62,605</b>	<b>48,240</b>	<b>76,883</b>

<sup>5</sup> No tailings generated at Wodgina operation in FY18

WASTE DATA: NON-MINERAL WASTE

Waste Type	FY18 (tonnes)	FY19 (tonnes)	FY20 (tonnes)	Disposal Method
<b>Non-hazardous Waste</b>				
General waste	2,666	2,131	2,426	Landfill
Co - mingled waste	40	54	47	Recycling
Tyres and rubber	1,001	1,092	355	Landfill
Liquid waste	742	751	801	Treatment
<b>Hazardous waste</b>				
Hydrocarbons	61	66	110	Treatment
<b>Total</b>	<b>4,511</b>	<b>4,094</b>	<b>3,738</b>	

LAND DISTURBED AND REHABILITATED

Operation	Land disturbed (ha)		Land under rehabilitation (ha)	
	FY19	FY20	FY19	FY20
Mt Marion	573	628	-	33
Koolyanobbing	2,378	2,484	463	507
Iron Valley	468	494	3	3
Wodgina	938	1,228	119	152
<b>Total</b>	<b>4,357</b>	<b>4,835</b>	<b>585</b>	<b>695</b>

CLIMATE CHANGE

TOTAL ENERGY CONSUMPTION

	FY17 (GJ)	FY18 (GJ)	FY19 (GJ)	FY20 (GJ)
<b>Non-renewable Fuel Consumption</b>				
Natural gas	152,911	149,274	233,215	236,596
Diesel fuel	2,201,545	2,585,027	2,614,939	3,395,692
LNG <sup>6</sup>	355,986	329,367	429,662	364,018
Petrol	3,109	1,974	1,679	1,189
Oils and greases	17,862	29,679	22,806	43,123
Non-lubricant oils <sup>7</sup>	7,733	5,594	5,891	4,967
LPG and Acetylene			38	793
<b>Total non-renewable fuel consumption</b>	<b>2,739,145</b>	<b>3,100,915</b>	<b>3,308,230</b>	<b>4,046,379</b>
<b>Electricity Consumption</b>				
Purchased electricity consumption	15,160	11,435	12,200	10,004
Self-generated solar PV electricity consumption	122	2,840	3,270	2,947
<b>Total electricity consumption</b>	<b>15,282</b>	<b>14,275</b>	<b>15,471</b>	<b>12,951</b>
<b>Electricity Sold</b>				
Gross solar PV self-generation	137	3,285	3,632	3,712
Self-generated solar PV electricity not consumed	15	445	361	765
Solar PV electricity sold	15	445	361	765
<b>Total energy consumption with the organisation</b>	<b>2,754,427</b>	<b>3,115,190</b>	<b>3,323,701</b>	<b>4,059,330</b>

GHG EMISSIONS

	FY16	FY17	FY18	FY19	FY20
Scope 1 (tCO <sub>2</sub> e)	108,427	181,475	215,726	218,432	270,278
Scope 2 (tCO <sub>2</sub> e)	1,898	3,007	2,222	2,373	1,917
<b>Total (tCO<sub>2</sub>e)</b>	<b>110,325</b>	<b>184,482</b>	<b>217,948</b>	<b>220,805</b>	<b>272,194</b>

GHG INTENSITY

	FY19	FY20
GHG intensity: tCO <sub>2</sub> e/ TMM (wet metric kt)	3.6	2.9

SOCIAL

	FY16	FY17	FY18	FY19	FY20
Community contributions (\$ million)	1.06	1.28	1.37	1.99	2.60

<sup>6</sup> Immaterial update to FY18 LNG data from what was presented in 2019 Sustainability Report

<sup>7</sup> No GHG emissions associated with non-lubricant oils

GRI Standard	Disclosure	Publication/Section	Page/URL
<b>General Disclosures in accordance with Core</b>			
<b>GRI 102: General Disclosures 2016: Organisational Profile</b>	102-1 Name of the organisation	Sustainability Report – About This Report	inside cover
	102-2 Activities, brands, products, and services	Sustainability Report – MRL at a Glance : Value Creation	page 7
	102-3 Location of headquarters	MRL 2020 Annual Report – Corporate Directory	page 138
	102-4 Location of operations	Sustainability Report – MRL at a Glance : Where we operate	page 6
	102-5 Ownership and legal form	MRL 2020 Annual Report – Corporate Directory	page 138
	102-6 Markets served	MRL 2020 Annual Report – Notes to Financial Statements (Note 4)	page 87
	102-7 Scale of the organization	Sustainability Report – Our People, MRL at a Glance MRL 2020 Annual Report – Notes to the Financial Statements (Note 3), Financial Statements, Operational Review	page 36, page 5 page 86 pages 76-135 pages 16-26
	102-8 Information on employees and other workers	Sustainability Report – Our People	page 36
	102-9 Supply chain	Sustainability Report – Our Business Conduct	page 18
	102-10 Significant changes to the organization and its supply chain	Sustainability Report – Our Business Conduct, MRL at a Glance MRL 2020 Annual Report – Operational Review	page 18, page 5 pages 16-26
	102-11 Precautionary Principle or approach	Sustainability Report – Environment	page 48
	102-12 External initiatives	Sustainability Report – Our Sustainability Approach	page 14
	102-13 Membership of associations	Sustainability Report – Our Sustainability Approach	page 15
<b>GRI 102: General Disclosures 2016: Strategy</b>	102-14 Statement from senior decision-maker	Sustainability Report – Chairman's Review	page 1
<b>GRI 102: General Disclosures 2016: Ethics and integrity</b>	102-16 Values, principles, standards, and norms of behaviour	Sustainability Report – Inside cover, Our Business Conduct	inside cover page 18
<b>GRI 102: General Disclosures 2016: Governance</b>	102-18 Governance structure	Sustainability Report – Our Business Conduct	page 19
	102-22 Composition of the highest governance body and its committees	MRL 2020 Annual Report: Directors Report	pages 43-46
	102-23 Chair of the highest governance body	MRL 2020 Annual Report: Directors Report	pages 43-46
	102-32 Highest governance body's role in sustainability reporting	Sustainability Report – Our Business Conduct	page 19
<b>GRI 102: General Disclosures 2016: Stakeholder Engagement</b>	102-40 List of stakeholder groups	Sustainability Report – Our Sustainability Approach	page 14
	102-41 Collective bargaining agreements	Sustainability Report – Our Sustainability Approach	page 14
	102-42 Identifying and selecting stakeholders	Sustainability Report – Our Sustainability Approach	page 14
	102-43 Approach to stakeholder engagement	Sustainability Report – Our Sustainability Approach	page 14
	102-44 Key topics and concerns raised	Sustainability Report – Our Sustainability Approach	page 14

GRI Standard	Disclosure	Publication/Section	Page/URL
<b>General Disclosures in accordance with Core</b>			
<b>GRI 102: General Disclosures 2016: Reporting practice</b>	102-45 Entities included in the consolidated financial statements	MRL 2020 Annual Report – Financial Statements; About this report	pages 76 - 135 inside cover
	102-46 Defining report content and topic Boundaries	Sustainability Report – Our Sustainability Approach	page 11
	102-47 List of material topics	Sustainability Report – Our Sustainability Approach	page 13
	102-48 Restatements of information	Sustainability Report – Environment; Climate Change	page 54 page 67
	102-49 Changes in reporting	Sustainability Report – Our Sustainability Approach	page 12
	102-50 Reporting period	Sustainability Report – About this Report	Inside cover
	102-51 Date of most recent report	Sustainability Report – About this Report	Inside cover
	102-52 Reporting cycle	Sustainability Report – About this Report	Inside cover
	102-53 Contact point for questions regarding the report	Sustainability Report – About this Report	Inside cover
	102-54 Claims of reporting in accordance with the GRI Standards	Sustainability Report – Our Sustainability Approach	page 11
	102-55 GRI content index	Sustainability Report – GRI Index	page 92
	102-56 External assurance	Sustainability Report – Independent Limited Assurance Statement	page 98

GRI Standard	Disclosure	Publication/Section	Page/URL
<b>Material Topics</b>			
<b>THEME: BUSINESS ETHICS AND INTEGRITY</b>			
<b>Material Topic 1: Conducting our business with ethics and integrity</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Sustainability Report – Our Business Conduct	page 19-24
	103-2 The management approach and its components	Sustainability Report – Our Business Conduct	pages 19-24
	103-3 Evaluation of the management approach	Sustainability Report – Our Business Conduct	pages 19-24
MRL Specific Indicator	Number of employees that completed the Code of Conduct and Business Integrity training	Sustainability Report – Our Business Conduct	page 21
<b>THEME: HEALTH AND SAFETY</b>			
<b>Material Topic 2: Maintaining a safe working environment that promotes health and wellbeing</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Sustainability Report – Health and Safety	pages 26-34
	103-2 The management approach and its components	Sustainability Report – Health and Safety	pages 26-34
	103-3 Evaluation of the management approach	Sustainability Report – Health and Safety	pages 26-34
Management approach disclosures as per GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Sustainability Report – Health and Safety	page 29
	403-2 Hazard identification, risk assessment, and incident investigation	Sustainability Report – Health and Safety	pages 29-30
	403-3 Occupational health services	Sustainability Report – Health and Safety	pages 31-32
	403-4 Worker participation, consultation, and communication on occupational health and safety	Sustainability Report – Health and Safety	page 30
	403-5 Worker training on occupational health and safety	Sustainability Report – Health and Safety	page 30
	403-6 Promotion of worker health	Sustainability Report – Health and Safety	pages 31-32
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability Report – Health and Safety	page 30
GRI 403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system	Sustainability Report – Health and Safety	page 29
	403-9 Work-related injuries	Sustainability Report – Health and Safety	page 33
	403-10 Work-related ill health	Sustainability Report – Health and Safety	pages 31-32

GRI Standard	Disclosure	Publication/Section	Page/URL	Omission
<b>Material Topics</b>				
THEME: PEOPLE				
<b>Material Topic 3: Attracting and retaining talent while developing a diverse and inclusive workforce</b>				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Sustainability Report – Our People	pages 36-45	
	103-2 The management approach and its components	Sustainability Report – Our People	pages 36-45	
	103-3 Evaluation of the management approach	Sustainability Report – Our People	pages 36-45	
GRI 401: Employment 2016	401-1: New employee hires and employee turnover (Part a)	Sustainability Report – Our People	page 37	Part b not disclosed
	401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Report – Our People	page 40	
GRI 405: Diversity and Equal Opportunity 2016	405-1: Diversity of governance bodies and employees	Sustainability Report – Our People	pages 42-43	
MRL specific topic indicator	Gender balance per Workplace Gender Equality Agency occupational categories	Sustainability Report – Our People	page 43	
THEME: ENVIRONMENT				
<b>Material Topic 4: Managing environmental impacts and enhancing resource efficiency</b>				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Sustainability Report – Environment	pages 48-58	
	103-2 The management approach and its components	Sustainability Report – Environment	pages 48-58	
	103-3 Evaluation of the management approach	Sustainability Report – Environment	pages 48-58	
GRI 305: Emissions 2016	305-7: Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Sustainability Report – Environment	page 50	
GRI 303: Water and Effluents 2018	303-3: Water withdrawal 303-4: Water discharge	Sustainability Report – Environment	page 53	
GRI 304: Biodiversity 2016	304-4: IUCN Red List species and national conservation list species with habitats in areas affected by operations	Sustainability Report – Environment	page 55	
GRI 306: Waste 2020 Management Approach	306-1: Waste generation and significant waste-related impacts	Sustainability Report – Environment	pages 53-54	
GRI 306: Waste 2020	306-3: Waste generated	Sustainability Report – Environment	pages 53-54	

GRI Standard	Disclosure	Publication/Section	Page/URL
<b>Material Topics</b>			
THEME: CLIMATE CHANGE			
<b>Material Topic 5: Understanding and managing our climate-related obligations, risks and opportunities under a changing climate</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Sustainability Report – Climate Change	pages 60-70
	103-2 The management approach and its components	Sustainability Report – Climate Change	pages 60-70
	103-3 Evaluation of the management approach	Sustainability Report – Climate Change	pages 60-70
GRI 302: Energy 2016	302-1: Energy consumption within the organisation	Sustainability Report – Climate Change	page 67
GRI 305: Emissions 2016	305-1: Direct (Scope 1) GHG emissions	Sustainability Report – Climate Change	page 68
	305-2: Energy indirect (Scope 2) GHG emissions	Sustainability Report – Climate Change	page 68
	305-4: GHG emissions intensity	Sustainability Report – Climate Change	page 68
THEME: SOCIAL			
<b>Material Topic 6: Developing and maintaining strong community and stakeholder relationships</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Sustainability Report – Social	pages 72-78
	103-2 The management approach and its components	Sustainability Report – Social	pages 72-78
	103-3 Evaluation of the management approach	Sustainability Report – Social	pages 72-78
MRL specific topic indicators	MRL community donations	Sustainability Report – Social	page 74
	Number of apprenticeships by type, gender and Indigenous status	Sustainability Report – Social	page 77
	Number of traineeships by type, gender and Indigenous status	Sustainability Report – Social	page 77
	Number of graduates by type, gender and Indigenous status	Sustainability Report – Social	page 78



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 2020 Sustainability Report ('Sustainability Report') for the year ended 30 June 2020. 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 2020:

- ▶ Total Scope 1 greenhouse gas (GHG) emissions (in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>-e))
- ▶ Total Scope 2 GHG emissions (tCO<sub>2</sub>-e)
- ▶ Total value (in Australian dollars (AUD)) of community contributions
- ▶ Lost Time Injury Frequency Rate (LTIFR)
- ▶ Total Recordable Injury Frequency Rate (TRIFR)
- ▶ Gender ratios by personnel 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* 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

13 October 2020

Ernst & Young  
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