

Date: 14 August 2019

ATTN: Ms Beatriz Balbin,  
Chief, Special Procedures Branch,  
Office of the High Commissioner on Human Rights.

Mr Surya Deva  
Chair-Rapporteur of the Working Group on the issue of human rights and transnational corporations  
and other business enterprises

Mr David R. Boyd  
Special Rapporteur on the issue of human rights obligations relating to the enjoyment of a safe,  
clean, healthy and sustainable environment

Mr David Kaye  
Special Rapporteur on the promotion and protection of the right to freedom of opinion and  
expression

Mr Clément Nyaletsossi Voule  
Special Rapporteur on the rights to freedom of peaceful assembly and of association

Mr Michel Forst  
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#### **Joint Communication from Special Procedures**

Distinguished Officials of the United Nations Office of the High Commissioner for Human Rights.

Pursuant to your letter of 17 June 2019, and in my capacity as CEO of MMG Limited, the majority owner and operator of the Las Bambas Operation, I would like to respond to the concerns of the Special Procedures Branch and the Special Rapporteurs.

We wish to firstly recognise the critical role that the Office of the High Commissioner for Human Rights (OHCHR) as well as that of its Special Procedures Branch and the specific mandates of each of the Special

Rapporteurs, to ensure the recognition, respect and protection of universal human rights, and the critical contribution these rights make to global social and economic development.

By way of background, MMG Limited was founded in 2009. Headquartered in Melbourne, Australia, we are listed on the Hong Kong Stock Exchange (HKEx 1208) and Australian Securities Exchange (MMG). Working in partnership with our major shareholder, China Minmetals Corporation, we operate and develop copper, zinc and other base metals projects across Australia, the Democratic Republic of the Congo and Peru. We mine to deliver progress through the development of our people; the investments we make in improving local capability; and the value we deliver to our shareholders.

Las Bambas is a large, long-life copper mine located in Cotabambas, in the Apurimac region, 75km southwest of the city of Cusco, Peru. Our activities intersect with three Regions, four Provinces, 14 Districts and 71 Communities - 43 communities in our Direct Area of Influence and 28 along the transport logistics corridor. Despite the complexity of this social context, and the increase in social conflict across all Regions in Peru, we consider that Las Bambas continues to maintain open and constructive relationships with the majority of communities.

Las Bambas is a joint venture project between the operator MMG (62.5%), a wholly owned subsidiary of Guoxin International Investment Co. Ltd (22.5%) and CITIC Metal Co. Ltd (15.0%). The Las Bambas project was acquired from Glencore plc in 2014 and came into commercial production on 1 July 2016.

As part of the acquisition of the Las Bambas project MMG inherited a community resettlement program that had been negotiated by the previous owner as part of the mine's development in order to acquire 4,774 hectares of land under a land-swap agreement. When acquired, planning and agreements were well advanced to resettle 441 families of the Fuerabamba community to a newly built town.

The new settlement, Nueva Fuerabamba, was designed collaboratively with Las Bambas and the community and is located eight kilometres from the mine site and the original community location. The town has purpose-built and modern facilities and infrastructure, including potable running water, sewage collection and treatment, telecommunications, and medical, educational and recreational facilities.

The established and growing township of Challhuahuacho lies between the mine site and the relocated township of Nueva Fuerabamba. The Nueva Fuerabamba township is located over 100km away from the Yavi Yavi agricultural estate. Until the protest activities of March/April 2019, this was uninhabited pastureland. At the time of transfer of this land to the ownership of the Fuerabamba community, the current roadway and easement was already established and in public use.

A formal agreement was signed by all eligible community members and Las Bambas in 2010. Based on the community's needs, the agreement was reviewed and updated prior to the physical transfer, which began in August 2014, and concluded in 2016. The process followed an informed and participatory approach and was undertaken in a manner consistent with the provision of Free Prior and Informed Consent as outlined in the International Council on Mining and Metals (ICMM) Position Statement on Indigenous Peoples.

Copper concentrate produced on site at Las Bambas is transported approximately 500km by truck to a train transfer station in Yanahuara district, where it is transported a further 260km by train to the Port of Matarani. It is important to mention that most of the road - including the section passing through the Yavi Yavi farm holding - which forms part of this bimodal system was declared as a public road by the Government of Peru, being now under the administration of the Ministry of Transport and Communications. The compensation for this land acquisition was the responsibility of the Peruvian National Government.

Las Bambas has implemented a phased approach to the upgrading of the road with the aim of reducing the impact of concentrate transport logistics on local communities along the road. It is also important to recognise that Las Bambas is only one user of this road, with other users including local communities and enterprises seeking access to key regional centres and markets. Other mining companies and major industrial users also access the road where it intersects with their operations. As an example, the trip from Challhuahuacho to Arequipa takes 7 hours less than prior to these improvements.

While over US\$250 million has so far been spent on upgrades and improvements to the public road, we understand some of the concerns of local communities and we are working closely with government, communities and other stakeholders to build sustainable long-term solutions. In line with this, Las Bambas

has a permanent community relations team embedded on the concentrate route with a view to ensuring ongoing engagement with communities about our operations and impacts and supporting the delivery of local social development projects in collaboration with the communities.

Las Bambas is committed to contributing to the social and economic development of the communities in which we work. As examples of this, Las Bambas has:

- directly invested more than US \$375 Million in partnership with the communities and the government (2004 to 2018)
- generated royalties of more than US \$223 million for the Apurímac region since January 2016 – 100% of royalties are redistributed to regional and local governments including two public universities in the Apurímac region.
- invests around US\$5.3 million in local businesses to procure goods and services annually; and
- employs more than 8,000 workers, whom the vast majority are Peruvian citizens and including 1,800 direct employees of whom 20% are from the local communities.

Las Bambas aspires to being recognised as the leading mining company in Peru working in accordance with international standards and norms. In line with our Code of Conduct and Corporate Standards and Policies, Las Bambas is committed to ensuring that our operations respect international law as defined through the Universal Declaration on Human Rights and the role of the UN Guiding Principles on Business and Human Rights in clarifying our obligations to recognise, remedy and respect. We also seek always to operate in accordance with the National legal framework and the specific approvals and license conditions of our operation.

Our management approach to the operation seeks to promote the central role of stakeholder engagement, and a shared responsibility to contribute to the social and economic development objectives as established by the Peruvian Government. We see our local communities as integral to the design and delivery of these projects and consider that their role as partners in this work is essential if we are to fully leverage the development opportunities that an economic investment the scale of Las Bambas can provide to the Apurímac Region and to Peru.

In line with this way of work, we consider that Las Bambas has always been transparent about our views in relation to the specific matters raised by the Special Procedures mechanism, in relation to the recent social conflict with the Fuerabamba community led by Mr Gregorio Rojas Paniura, and its link to the actions of the Peruvian State and Las Bambas.

As we have outlined above, it is important to note the discrepancies between the situation outlined in the above and the alleged facts contained in the letter addressed to us, including:

#### **1. Information and/or comments on the information summary and related allegations**

With respect to the specifics outlined in your information summary and related allegations, our understanding of these complex and interrelated matters is as follows:

The Peruvian Government, through the Ministry of Transport and Communications, has confirmed that the road used for the transport of Las Bambas concentrate, and which has been the subject of periodic community blockades, was declared as a public road. According to publicly available information, the road existed at the time that of the transfer of the lands known as Yavi Yavi to the Fuerabamba Farming Community in 2011 as part of the compensation packages resulting from the broader resettlement agreement. This road was subsequently reclassified by the Peruvian National Government as a national road following extensive representations from district, provincial and regional authorities as stated in public documents held by the Peruvian Government.

The negotiation of the resettlement process with the Fuerabamba community commenced in 2008 and the agreement was formalised in 2011. The Agreement was reached after a long period of negotiations in which both the community and their representatives actively participated. The process was undertaken in line with requirements of the 2012 International Finance Corporation Performance Standard 7 and supporting guidance provided by the ICMM's Position Statement on Indigenous Peoples and Mining. Support was provided to the community in terms of independent expert advisory to ensure that they were well supported in their negotiations with the company. As part of the resettlement agreement, the Fuerabamba Farming Community swapped its traditional lands for five properties, four of them located in the Apurimac Region and one (the Yavi Yavi Farm) located in the Cusco Region, to be used for agricultural purposes.

Between 2011-2017, Fuerabamba has received more than US\$1.2 billion in benefits which include:

- the construction of a new world class town including modern health and education centres, in accordance with cultural requirements and community aspirations;
- a 3-story house per family;
- An employment entitlement for the life of mine, provided for each titleholder and transferable within the family;
- pensions for elderly, disabled as well as other vulnerable people such as female-headed households;
- additional farming and community lands;
- designated contracts for local businesses and services;
- world class health services, including a state-of-the-art health centre;
- strong focus on cultural programs focusing on the preservation of language and culture;
- individual livelihood restoration plans at the family level that support families in achieving their social, cultural and economic objectives post resettlement; and
- compensation of approximately \$300M to impacted families.

On average, each family has received more than \$2.4M in benefits which included more than \$500k in cash compensation.

The physical resettlement process commenced in August 2014 and concluded in 2016. The process followed an informed and participatory approach and enabled the opportunity for the Fuerabamba community to make additional adjustments to the Agreement based on their social, cultural and economic needs. The relocation of households was undertaken on a new development, Nueva Fuerabamba, in an area proximal to their previous households and which enabled them to remain within the Challhuahuacho District of the Cotabambas Province in the Apurimac Region. This enabled community members to maintain critical social and cultural connections while also providing an opportunity for them to improve their quality of life through access to world class housing, health, education and community facilities.

The Las Bambas and Antapaccay mining projects were previously owned under a single business unit, with the proposal that both operations would be linked by a slurry pipeline to enable the further processing of copper and molybdenum concentrate from Las Bambas at Antapaccay. The sale of the Las Bambas asset required a decoupling of this arrangement for concentrate transport and processing and required additional construction at Las Bambas as well as a change in the proposed transport process for the product. This planning was undertaken by previous owner Glencore in anticipation of placing the asset for sale. The technical amendments to enable this decoupling of the businesses were carried out according to the legal requirements, through an amendment to the original Environmental Impact Study. The amendment process complied with all legal requirements and was completed by Glencore prior to their sale of the asset to the joint venture led by MMG.

Las Bambas recognises that the process undertaken at this time, while fully compliant with all legal requirements, did not meet the expectations of some community members regarding engagement on the proposed changes to the project. For this reason, Las Bambas has worked consistently since this time to seek to build community understanding of the business drivers for this change and has ensured that in subsequent environmental assessment and approval processes that the engagement processes for affected communities exceed the requirements provided in law.

Despite the legal status of the road as a public route, as confirmed by the National Government, and that the transfer of lands between the Fuerabamba Farming Community and Las Bambas were undertaken in a

manner consistent with legal requirements and global leading practice, certain communities on the road and the community of Nueva Fuerabamba have continued to challenge the legitimacy of these activities through social protest, including through the use of violent protest.

Las Bambas considers the safety and security of people in our workforce and the communities as our primary concern. Our engagement in any community dialogue has always focused on the achievement of peaceful resolution, recognising the communities right of assembly and freedom to be heard. While we in no way condone the use of illegal actions, we have always sought to maintain a dialogue directly with the communities and their leaders, and with the appropriate involvement of Government representatives depending on the nature of such discussions.

Las Bambas maintains numerous dialogue fronts, often characterised by requests from communities for payments that do not conform to the legal framework, such as road user charges. We remain committed to delivering social and economic development not only to communities within our Direct Area of Influence but also those affected communities along the public road. Given the clear infrastructure and service delivery gaps in these communities, it is disappointing that many of the offers made by Las Bambas to contribute to the development of these communities through social projects have been rejected, with a focus instead on requests for individual cash payments. We do not support the use of cash payments in these instances as we consider that payments do not deliver intergenerational benefit and increase the risk of uneven benefit distribution in communities, bribery and corruption.

We particularly express our concern in relation to the most recent social protest which resulted in the blockade of public road PE-3SY in Yavi Yavi and access to our mine. This protest lasted for more than 60 days and prevented the entry and exit of more than 8,000 employees, affecting public order, social peace and the fundamental rights of these employees, creating risks to them, and concern among their families and communities. The physical damage to the road and the use of people as a barrier to prevent passage, also prevented the arrival of supplies and workers to the operation and the transport of copper concentrates, causing damage to our local suppliers and the local, regional and national economy.

MMG considers the right to social protest is a valid and legal tool to enable communities to effectively express their views on certain activities or issues. The exercise of this right in accordance with the norms of International Human Rights Law and the national judgements of the Peruvian Constitutional Court, provides an opportunity for organisations such as MMG to better understand community perceptions about the impacts of our operations and to identify opportunities to continuously improve our performance.

The exercise of the right to social protest also brings with it specific obligations on individuals and communities. MMG does not accept or condone acts of vandalism and violence which may in turn undermine the fundamental rights of individuals.

According to both official reports and media coverage of the recent social conflict, it has been demonstrated that while the right to social protest was not criminalised, that criminal activities are alleged to have been undertaken in exercising this right. These alleged acts have included the use of women and children to block free passage on the road; the use of force or intimidation to prevent any dissenting views to such actions; and the use of violence including the stoning of a helicopter that was transporting government officials.

MMG considers that the concepts of social protest and the rule of law are not mutually exclusive concepts, and that legitimate and legal mechanisms for dispute resolution must be used in all circumstances. We note with concern that the dialogue process initiated by the Government in response to the social protest, and in which Las Bambas publicly expressed its willingness to participate, was continuously derailed by the uncompromising attitude of external 'legal advisors' who were perceived to incite the ongoing use of illegal measures, including inciting the community to persist with road blockades.

It is our understanding that those persons who are alleged to have undertaken these acts were subsequently identified by the competent legal authorities and today face a process of investigation by the Public Prosecutor's Office and the Judiciary. Given the Constitutional principle of non-interference in matters of the Judiciary, Las Bambas is not able to provide commentary on the nature of any charges, however we are committed to respecting the outcomes of any judicial process.



## **2. Information on our company's approach to human rights and human rights due diligence**

It is widely recognised that governments have prime responsibility for protecting human rights, however, a growing body of corporate good practice on human rights has provided clearer indication of what might reasonably be expected from companies – that is, beyond the minimum requirement that companies comply with host governments' laws and regulations. The release of the UN Guiding Principles on Business and Human Rights (the UN Guiding Principles) in 2011, has been a critical document in clarifying the expectations on business and society.

Within this framework, MMG recognises that companies can, and do have, a responsibility to support and respect the protection of international human rights within their 'sphere of influence' and to make sure they are not complicit in human rights abuses. At its most basic level this means to do no harm.

MMG is committed to respecting the human rights in the communities in which we live and operate, and to providing access to effective remedy where we make an impact. Further, MMG is committed to the continuous improvement in the wellbeing of communities surrounding our operations through our commitment to the protection of human rights, the ongoing monitoring and improvement of grievance management process and our alignment with the United Nations Sustainable Development Goals.

We recognise that the concept of human rights covers a broad range of interrelated issues, requiring an integrated approach across numerous business functions. At MMG, our Human Resources, Supply, Community Relations, Stakeholders Relations, Security, Exploration and Project Development functions have specific responsibilities for upholding our commitment to human rights.

MMG has implemented a company-wide Social Performance Standard that requires all sites to undertake a comprehensive human risks assessment of their operations and impacts. This is to be undertaken at any material change in the project or at a minimum of every 5 years

This identification process of human rights risks, and the development of controls to manage these risks is consistent with the 'protect' and 'respect' aspects of the UN Guiding Principles on Business and Human Rights, specifically our obligations to:

- avoid complicity in human rights abuses;
- foster corporate cultures in which respecting rights is an integral part of doing business;
- avoid causing or contributing to adverse human rights impacts through their own activities and address any such impacts when they occur; and
- seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts.

In line with these requirements, Las Bambas has identified several human rights risks associated with its operations and worked to develop critical controls to prevent their occurrence or to mitigate their impacts on our employees and communities.

These identified risks include:

### Security and Human Rights

Since 2014 Las Bambas has carried out a human rights education process and risk assessments in relation to its use of both private and public security forces, and identified the steps required to align with, and join, the Voluntary Principles on Security and Human Rights (VPSHR). A policy formally aligns the VPSHR with our Security Management Plans (SMP), security contracts and protocols with public security providers.

To support our commitment to the VPSHR, Las Bambas and MMG have been actively working towards substantive conformance to the VPSHR at sites where security and human rights risks are considered material. We have also actively supported the Peruvian Government with VPSHR related training for members of the National Police and have participated in locally based meetings of the participating entities in the VPI.

In 2018, MMG lodged an application for admission to the Voluntary Principles Initiative and the Voluntary Principles Association with a view to being accepted as a member at the Plenary meeting in Q1 2019. We were advised that our acceptance was approved without objection at the Plenary, however, a recent decision

to substantively revise the membership process and criteria leaves the current status of our application and membership of the Initiative unclear.

### Labour Rights

MMG recognises the important work of the International Labour Organisation (ILO) in defining, through its constituency of governments, employer groups and workers, the basic principles and rights at work. MMG operates in each of its host jurisdictions in line with local labour laws as a minimum and considering the eight core conventions of the ILO focusing on human rights which are directly applicable to business.

MMG's People Policy provides an overview of the core MMG principles in relation to the management of company employees, several of the principles directly support the upholding of basic human rights, specifically:

- people are employed under terms and conditions that are fair, and as a minimum meet all legal requirements;
- people are provided with safe and healthy conditions of work, and where feasible assisted to return to work following illness or injury;
- people are treated equitably in a workplace which values diversity and inclusion in terms of gender, age, cultural and ethnic background, religion, sexual orientation or disability;
- people are provided with a workplace which is free from harassment;
- people are confident to raise concerns which will be addressed in a timely and fair manner.

We support the right to freedom of association across our business and ensure that all our employees feel empowered to exercise this right. A significant number of our workforce agreements are collective, covering 43% of employees across the company (up from 28% in 2017).

### Inclusion and Freedom from Discrimination

MMG recognises the need to ensure that our community engagement mechanisms, including those employed at Las Bambas, recognise and respect the rights and interests of all people, and provide for their effective engagement irrespective of gender, age, culture or ability.

Through the management of human rights issues as part of our daily operations, we have been able to align our approach to a targeted subset of the Sustainable Development Goals (SDGs) as the overarching framework for our contribution to human development (UN SDG's 1-6). The UN SDGs also act as a central tenet in establishing a consistent monitoring and evaluation framework across MMG operations.

In line with our commitment to Gender Equality and Women's empowerment, our work in social development, employment, education, health and economic development at Las Bambas considers the gender impacts of our activities. The outcome of this has included the development of targeted economic development programs for older woman through the production of Cuy; scholarship initiatives to encourage the participation of girls in all forms of education and training; income supplementation for vulnerable resettled groups including female headed households; and programs focussed on women's health issues including reproductive health and anaemia.

In addition to this, in 2016, Las Bambas created the Las Bambas Diversity and Inclusion Committee. Comprised of 16 employees, the purpose of the Committee is to ensure that Las Bambas is a leader in the promotion of a workplace environment in which all people feel included, valued and able to contribute to the creation of business value and the delivery of progress for all.

### Business Ethics

Our Values and our Code of Conduct underpin our commitment to establishing and maintaining long-term, meaningful relationships with our stakeholders, including governments and employees. We aim to act with integrity in all situations and to provide formal structures to review and respond to any potential behavioural, ethical or cultural issues as they may arise.

The MMG Code of Conduct sets out the standards of behaviour expected from all MMG employees, contractors and suppliers. We expect MMG people to integrate these standards of behaviour into their working practices.

The Code of Conduct covers areas such as conflict of interest, fraud, anti-corruption and legal compliance. Matters relating to the Code are overseen by the Code of Conduct Committee. We also engage an independent confidential whistle-blower service provider which is available to all employees globally in their local language.

We recognise that some of the jurisdictions in which we work present unique challenges with respect to transparency and individual freedoms. Because of this we seek to match good governance with a commitment to transparency initiatives such as the Extractive Industries Transparency Initiative.

Our broader relationship with key global initiatives on Human Rights centre on the following:

- China MinMetals Corporation (CMC), MMG's majority shareholder, became a member of the UN Global Compact in 2009. While CMC's membership to the UN Global Compact does not impose any specific obligations on MMG, the membership affords MMG with the opportunity to gain access to, and engage with, a peer network on human rights. MMG is currently pursuing subsidiary membership status of the UN Global Compact.
- Through our membership of the International Council on Mining and Metals (ICMM) we commit to respecting human rights under Principle 3 of the ICMM Sustainable Development Framework. This commitment has been strengthened through the development of joint industry and civil society guidance on key issues such as Free Prior and Informed Consent and the Rights of Indigenous Peoples, and with the recent release of a set of performance expectations. We also participate in ICMM convened member discussions and peer learning on a wide range of business and human rights issues, including the role of business with regards to civic freedoms and defenders.

### **3. Information to engage on the outcomes of the Working Group Members official visit to Peru in 2017**

Since the start of MMG's involvement in the Las Bambas project, the concept of dialogue has been central to our relationships with the communities in our direct area of influence and along the transport corridor, as well as with the State.

The structure of our community relations and social development teams has been designed to ensure both a consistent presence in communities impacted by the operations, as well as a focus on effective community participation in operational decisions including the focus of any social development projects, and the identification of risks and opportunities to the community related to our operations. This includes the establishment of permanent community information offices in Abancay, Challhuahuacho and Tambobamba in the Apurímac Region.

We consider that a culture of open, respectful and transparent dialogue between Las Bambas and the communities is key to delivering sustainable solutions to social conflicts and to ensuring mutually beneficial outcomes from the operation of a long-lived mining project in one of the most remote and historically poor regions in Peru.

In line with the recommendations of the Working Group to ensure a consistent focus on the role of engagement, accordingly the role of direct engagement with communities and our willingness to actively participate in dialogue with the Government and community representatives through Dialogue Tables is key to Las Bambas' social strategy. Our commitment is evidenced through our ongoing willingness to participate in all requests made by the Government.

In relation to the recommendation of the Working Group on Business and Human Rights (2017) to *[(a) Take measures to comply with your responsibility to respect human rights, adopting a human rights policy, among other things; acting with due diligence with regard to human rights to detect, prevent and mitigate risks and the consequences of your activities on human rights and to inform about the way in which you address those risks and negative consequences; and remediating or helping to provide easy access to redress if you have caused human rights violations or have contributed to that]*, MMG acknowledges the guidance provided by key international instruments including the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Corporations and the 2030 Global Agenda for Sustainable Development as underpinned by the UN SDGs.

In this context, the Peruvian national government has developed the National Human Rights Plan 2018 – 2021, a guiding document on human rights public policy, that seeks to ensure that public and private



companies respect human rights within the scope of their activities. Further, the government of President Martín Vizcarra Cornejo, through the Ministry of Justice and Human Rights, is currently finalising the Business and Human Rights Action Plan, a guiding document that will contain the general guidelines for the alignment of the government's agenda on human rights with the work of the private sector.

In parallel to this, since the beginning of this year, Las Bambas has engaged with experts to inform the development of a policy on human rights. The draft policy is currently undergoing formal review and implementation is scheduled for Q4 2019. The objective will be to implement the Las Bambas Human Rights Policy as a cross-functional approach to all the areas of the organisation. Through it, we hope to advance a business culture that recognises and respects human rights in partnership with our communities, the environment and our people.

The Las Bambas Human Rights Policy will align with Guiding Principle 16 (UN Guiding Principles on Business and Human Rights) and accordingly will:

- be informed by relevant internal and external expertise;
- be approved by the Las Bambas Joint Venture;
- stipulate the company's human rights expectations with respect to the employees, business partners and other parties directly related to its operations products or services;
- be publicly available and communicated to all employees, business partners and other relevant parties; and
- be integrated within relevant policies and procedures across the business.

To support the effectiveness of the Human Rights Policy, Las Bambas will also design an Action Plan and revise our Human Rights due diligence process, to ensure the effective identification, mitigation, reporting and management of potential and actual human rights impacts.

The action plan will align with key international instruments, including the UN SDGs, the jurisprudence of the Inter-American Human Rights System, the recommendations of the OECD, the Extractive Industries Transparency Initiative (EITI) and the Report on Poverty and Human Rights approved by the Inter-American Commission on Human Rights (IACHR), among others. We will also evaluate the potential establishment of a Human Rights Compliance Officer at Las Bambas, whose main functions would include:

- building awareness and understanding of the Human Rights Policy;
- supporting functions to apply relevant aspects of the Policy and to implement the Action Plan;
- managing human rights related grievances, reports and complaints;
- determining appropriate escalation processes for unresolved issues or material disagreements; and
- assessing compliance with the Policy and Action Plan and identifying any measures for redress or remedy.

With respect to the recommendation made by the Working Group ["f) *To refrain from adopting measures against individuals who exercise their legitimate right to report the negative, potential or actual consequences of the business operations and, instead, acknowledge the importance of collaborating in a constructive manner with the human rights defenders and the stakeholders they represent*"], MMG reinforces our position, as a member of the ICMM, that while we may not always agree with positions taken by human rights defenders, we recognise freedom of expression and assembly as fundamental human rights.

As a responsible mining company, we reject harassment, threats and attacks against those who promote and protect human rights. We also recognise that restricting the legitimate right of defenders to express their concerns runs counter to creating long term value, enabling ethical conduct, fostering inclusive economic growth and supporting the rule of law.

At Las Bambas we reinforce our position and willingness to acknowledge the role of the social leaders and human rights defenders in representing community views where these are considered by the community as a legitimate representation of their rights and interests. We consider that the important work of defending human rights will be found to be valuable, useful and effective by both companies and communities when it is exercised in a transparent manner and is focused on productive dialogue with a view to reaching peaceful and successful resolution of the relevant matters as determined by all relevant stakeholders.

#### 4. Information on our company's approach to effective remedy

MMG's Social Performance Standard requires all sites to have a grievance mechanism that is consistent with the 'remedy' provisions of the UN Guiding Principles on Business and Human Rights, specifically our obligation to provide means for those who believe they have been harmed to bring this to the attention of the company and seek remediation, without prejudice to legal channels available.

In line with the recommendation made during the visit of the Working Group on Business and Human Rights of 2017 regarding the establishment and/or reinforcement of grievance methods at operational level, pursuant to Guiding Principle 31, Las Bambas has developed a site-specific grievance procedure aligned with MMG's Common Grievance Procedure, to facilitate the timely and culturally appropriate investigation and response to community grievances. This non-judicial process, supplements the existing options for legal recourse and demonstrates Las Bambas' commitment to access to remedy.

The focus of grievances handled by this mechanism include:

- Environmental: impacts to land, water, biosphere, atmosphere (dust, noise), and landscape.
- Cultural Heritage: impacts on any cultural heritage artefact, place, custom.
- Properties and infrastructure: impacts on animals, houses, public infrastructure, crops.
- Contracts: conflicts due to the hiring of goods and services with Las Bambas.
- Employment: grievances related to employment with Las Bambas or its contractors.
- Health: impacts or perception of impacts to the health of people living in the project's influence area.
- Security: impacts on the physical security of the population.
- Human Rights: company or contractor's infringement of people's human rights.
- Physical or economic displacement: population displacement not complying with international best practices and MMG's Community standard.
- Non-compliance of commitments, agreements, payments: grievances due to non-compliance of commitments.

Where a human rights grievance is presented through different means including in person, in a conversation or a public meeting; through a phone call; via email or a formal letter or memos; or via a Grievance Report Form, the grievances must also be managed in accordance with the Las Bambas Human Rights' Management Plan and the Grievance Officer must immediately notify the site's Vice President Operations and Vice President Community Relations who will work with other business functions as required to define an appropriate course of action.

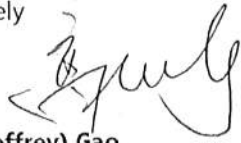
To complement the Las Bambas Grievance Procedure, the MMG Code of Conduct sets out the standards of behaviour expected from all MMG employees, contractors and suppliers. We expect MMG people to integrate these standards of behaviour into their working practices. The Code of Conduct covers areas such as conflict of interest, fraud, anti-corruption and legal compliance. Matters relating to the Code are overseen by the Code of Conduct Committee. We also engage an independent confidential whistle-blower service provider which is available to all employees globally in their local language to enable access to remedy in the instance of human rights issues within our operations.

In line with our commitment to continuous improvement, we are also working with the Centre for Social Responsibility in Mining (CSRMin) at the University of Queensland to enhance our process of grievance management and social incident investigation.

We trust that this response may be of use to you all, as distinguished officials of the United Nations OHCHR and specifically in line with your individual and collective mandates as Special Rapporteurs. We would of course be willing to provide further information on these matters as required and would welcome the opportunity to meet with representatives of the OHCHR, including hosting you at our Las Bambas operation, Lima or Melbourne offices at a time of mutual convenience.

Should you require clarification of any of the matters listed above, please do not hesitate to contact me directly or Troy Hey, Executive General Manager Stakeholder Relations at MMG, on [troy.hey@mmg.com](mailto:troy.hey@mmg.com)

Yours sincerely

A handwritten signature in black ink, appearing to read 'Xiaoyu' or 'Geoffrey', with a stylized flourish at the end.

**Xiaoyu (Geoffrey) Gao**

**Chief Executive Officer**

