

MODERN MINING COMPANY

Social Performance Standards

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Introduction

The Performance Standards are an integral part of the OZ Minerals business. Their implementation and maintenance provides the means to:

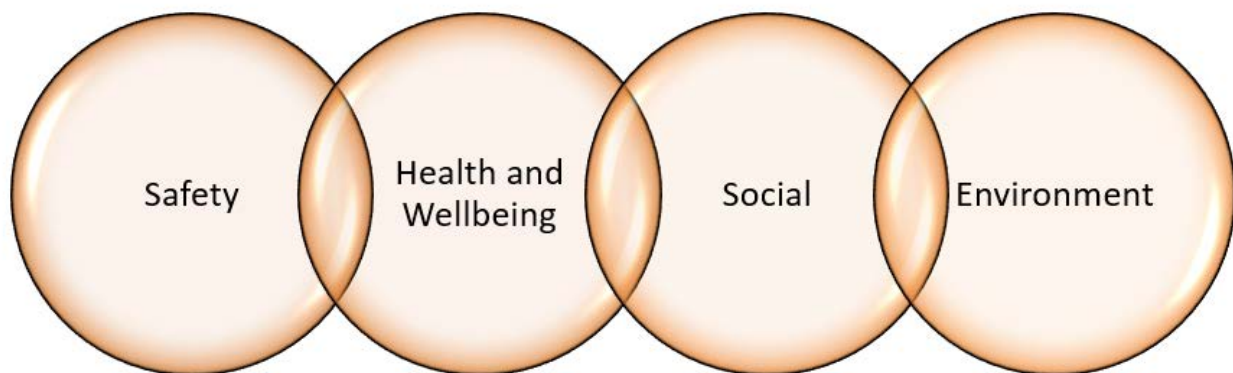
- Manage and minimise threats;
- Identify and realise opportunities;
- Comply with statutory obligations;
- Deliver a framework for continuous improvement;
- Provide a measurement for value-creating business performance.

The Performance Standards apply to all Company-managed Assets, their employees, directors, officers, contractors, consultants, and its subsidiaries and any other party undertaking work at the Asset (**Employees and Contractors**). They also specify the level of performance expected at non-managed Assets. All Company-managed Assets are required to have capability based on the Standards.

New or acquired Assets will undertake a Risk Assessment to determine when the Standards must be fully implemented. This Risk Assessment must be approved by the OZ Minerals CEO.

Social Performance Standards

The Social Performance Standards are one of four performance areas that together provide the governance and integration to unlock value across our business.



The Social Performance Standards describe the minimum requirements of Assets to manage threats associated with specific activities or tasks, and to identify opportunities that have the potential to drive value creation for both OZ Minerals and the communities in which we operate and wish to be welcome.

Building and maintaining strong supportive relationships and partnerships with local people in the areas where we operate drives value creation for both the business and communities and is within our core strategy. We seek to deliver long-term benefits to local communities and other stakeholders by engaging and collaborating with local communities, understanding the social (and other) impacts of our activities, and reducing the negative effects of our activities.

OZ Minerals is committed to high standards of community engagement and social performance by its Employees and Contractors. The Social Performance Standards support OZ Minerals policies by articulating the minimum requirements to which Employees and Contractors must adhere.

Definitions

All commonly-used terms and acronyms used in the Social Performance Standards are defined in the OZ Minerals Glossary.

Roles and Responsibilities

The OZ Minerals CEO is responsible for approving Standards and subsequent updates.

Assigned ExCo members are responsible for maintaining the Standards and authorising supporting documentation. They are also responsible for:

- Assisting management teams and practitioners at OZ Minerals Assets to understand the implementation requirements of the Standards;
- Reviewing the Standards every three years (as a minimum) and updating against relevant external standards, legislation and OZ Minerals public commitments;
- Reviewing any supporting Definitions and Guidelines and updating as required;
- Ensuring assessments of compliance to the Standards are undertaken at each Asset every three years; and
- Reporting assurance findings to the OZ Minerals board every three years.

Asset leaders are accountable for:

- Implementing the requirements of the Standards at the relevant Asset;
- Training Employees and Contractors on the requirements of the Standards;
- Ensuring consistency between the Standards and Asset management; and
- Demonstrating compliance with the Standards through OZ Minerals assurance processes as appropriate to context, individual Standards and reporting requirements.

All Employees and Contractors must be aware of and apply these Performance Standards in their respective work areas consistent with Asset requirements.

Assets must at all times comply with the content of the Standards. Any exemption to compliance with these Standards must be approved by the OZ Minerals CEO.

Risk Assessment

As a part of regular risk management assessments during due diligence and at gate reviews, all Assets, in the context of their Asset, must evaluate risks relevant to these Performance Standards. Asset management must then apply these Standards as appropriate to their Asset and activities.

The risk management cycle must be managed in accordance with the relevant Standards relating to risk management.

Assets must identify the critical controls used to manage Material risks, assess their adequacy, assign Accountability and Responsibilities for their implementation and verify their effectiveness as part of their critical control management.

Legal Requirements

All Assets must track regulatory requirements and legally binding commitments and ensure that required actions are scheduled, actioned, monitored and closed out. Records required to be retained under legislation must be stored in a central location.

At a minimum, all Assets must meet legislative requirements. However, if OZ Minerals' Standards impose additional requirements, then Employees and Contractors must meet both the legislative requirements and the additional requirements of OZ Minerals' Standards.

Training and Competency

All Employees and Contractors must be inducted and trained in the relevant hazards and controls prior to undertaking any work.

Appropriate training and competency assessments must be undertaken. Records relating to training and competency assessments must be documented and maintained. Additional requirements, if applicable, are detailed in the specific Standards.

All Assets must provide their Employees and Contractors with a fit-for-purpose induction appropriate to the local sensitivities, risks and expected behaviours.

Induction training in the hazards associated with a particular Asset shall be included for new personnel where there is a potential for exposure to this hazard.

Documentation

Relevant documentation verifying compliance with the Standards must be kept in accordance with the relevant Document Controls Standards and relevant legal requirements.

Performance

All Assets must periodically, as determined by a Risk Assessment, conduct an audit of their compliance to the OZ Minerals Standards to ensure elements are understood and applied at a local level.

The performance of Company-owned Assets will be assessed against the requirements of the OZ Minerals Standards by the Company at a minimum of every three years according to the Assurance Process. Actual performance measures against each element of the Standard will vary according to local context, and guided by supporting guidelines and procedures.

Purpose

The purpose of this Standard is to define the OZ Minerals requirements in relation to stakeholder engagement and community consultation.

Performance

Assets must:

Stakeholder Engagement and Community Consultation

- Engage with key community groups and stakeholders who may potentially be affected by the activities of the Asset to determine:
 - The risks and social impacts of those activities;
 - Engagement accountabilities and responsibilities for each community/stakeholder group.
- Conduct community and stakeholder consultation and engagement activities and make records of such activities;
- Consult and engage in good faith with each key community group and stakeholders in a transparent manner.

Cultural and Social Knowledge of Stakeholders

- Ensure that suitably competent personnel undertake a comprehensive study to understand the cultural and social structure(s) of communities impacted by the activities of the Asset to ensure respectful, inclusive and effective engagement with the community.

Proactive Engagement with Stakeholders

- Ensure that engagement with the community and stakeholders is culturally fit for purpose and in accordance with the relevant social norms of the community;
- Where requested by community groups and stakeholders, provide accurate and relevant information in relation to the Asset's activities in a timely manner;
- Engage with communities and stakeholders in a culturally sensitive and appropriate manner, which is inclusive of minorities and marginalised groups;
- Anticipate and proactively address community and stakeholder issues and concerns;
- Involve relevant community groups and stakeholders in decision-making processes on issues that may impact them;
- Develop a complaints and grievance system that assists with documenting, investigating and responding to complaints made by community groups and stakeholders.

Community Investment

- Align community investment decisions with the Asset's strategic "**socioeconomic development plan**" approved by the annual budgeting process;
- Formalise all community investment decisions through a "Local Level Agreement" based on delivering a sustained benefit to the community during and post OZ Minerals presence.

Reporting

- On an annual basis, report to the Corporation and local community stakeholders on trends and progress of the Assets annual plan;
- When specific activities arise which the Asset believes local communities and stakeholders should be aware of, this must be communicated to the communities and stakeholders in a timely manner.

Purpose

The purpose of this Standard is to define the OZ Minerals requirements regarding engagement with Land-connected Indigenous groups in close proximity to, or affected by, the Assets.

Performance

Assets must:

- Recognise that every Indigenous community is unique;
- Operate in accordance with the principles of the *UN Declaration of the Rights of Indigenous Peoples (UNDRIP)*;
- Ensure that expert advice is sought, where the context requires, to ensure the correct Indigenous community groups are consulted and considered in relation to the activities of the Asset.

Land-Connected Indigenous Peoples

- Ensure that preliminary knowledge-base studies are undertaken to determine the ethnographic and legal identification and rights of land-connected Indigenous groups, including the potential rights and interests in surface, ground and navigable waters;
- Where Indigenous groups have ethnographically confirmed customary rights and interests coincident with the Asset's areas of interest, collaboratively work with these groups in the spirit of reciprocity, transparency and mutual future interest;
- Where Indigenous groups have legally recognised rights and interests coincident with an Asset's interests, enter into specific agreements that recognise the Indigenous group's connections to lands and waters and ensure that such agreements are consistent with and satisfy the tenets of 'Free Prior Informed Consent' (FPIC).

Local Level Agreements

- Set out in local-level agreements the details of OZ Minerals' interactions with land-connected Indigenous groups using the name such groups prefer for themselves, in their own language; and
- Maintain documentary evidence of the status of actions, implementation and achievement by the Asset against agreed commitments.

Purpose

The purpose of this Standard is to define the OZ Minerals requirements for the respect and protection of, local culture, heritage, areas of religious or cultural significance or other potential areas of significance within the Asset's influence.

Performance

Assets must:

- Proactively collaborate with relevant communities under National and Local laws to protect and manage cultural heritage in the areas of their activities. Cultural heritage includes: tangible places and objects, such as archaeological assets, ceremonial assets, burials, art and historical infrastructure; and intangible heritage such as story assets, song lines, language and dance.

Cultural Heritage Management System

Assets must:

- Implement a heritage management system designed by a suitably experienced professional;
- Work with relevant community groups according to local cultural norms to maintain a register of tangible cultural heritage features and intangible cultural heritage features and values;
- Document all industrial and historical heritage features, stories and values of the Asset itself;
- Observe and record as part of community consultation, any changes that are occurring in local cultural norms, whether organically or from external interactions;
- Wherever possible, design and locate activities to avoid disturbance of cultural heritage;
- Mitigate unavoidable disturbance or destruction in active collaboration with heritage custodians;
- Report as soon as possible any significant incident involving disturbance of cultural heritage to senior management, local custodians and authorities;
- Demonstrate use of, and regularly update, cultural heritage management planning that results in no damage to assets without the prior agreement of custodians.

Training, Communication and Cultural Awareness

- Implement appropriate protocols for the dissemination of information, acknowledging cultural and intellectual property rights that are appropriate to jurisdiction;
- Provide cross-cultural awareness training for all relevant Employees and Contractors;
- Work actively with local communities to maintain and celebrate local cultural activities;
- Provide awareness training on heritage features and how to respond to 'chance finds';
- Maintain records of access and make available to heritage bodies and groups who place significance on the heritage asset(s); and maintain an inventory of all assets, exclusion zones and their locations according to cultural norms and laws pertaining to heritage, except where cultural norms require confidentiality; and
- Record and investigate all allegations of unauthorised disturbances and incidents relating to cultural heritage, and have remedy processes in place for incidents of cultural disrespect.

Purpose

The purpose of this Standard is to define the OZ Minerals requirements to respect human rights and articulate how to identify potential threats to human rights.

Performance

Assets must:

- Engage with Employees and Contractors, community groups and other stakeholders in a manner that is consistent with the Universal Declaration of Human Rights and the obligations of corporations set out in the UN Guiding Principles on Business and Human Rights and the UN Voluntary Principles on Security and Human Rights;
- Ensure that, where necessary, due diligence is performed:
 - To consider and reference human rights exposures and mitigation in social risk assessments; and
 - To ensure that specific human rights threat assessments are commissioned in high threat areas.

Management System

- Identify all actual and potential human rights threats, including child, forced or compulsory labour, through a human rights threat assessment. In low threat situations this can be part of a normal social risk assessment;
- Respond to significant human rights threats identified in the human rights/social risk assessment;
- Report, investigate, and respond to complaints and grievances with a process that is trusted, transparent, and based on engagement through dialogue. The outcome is required to be fair and unbiased to supply a source for continuous learning;
- Develop processes to screen and monitor contractors and other parties engaged by OZ Minerals in relation to human rights exposures;
- Demonstrate awareness of human rights exposures by senior management, Employees and Contractors (in particularly security forces) and other stakeholders in the Asset's sphere of influence where human rights are considered to be a threat.

Training

- Include in Asset induction training, guidance that raises awareness of human rights responsibilities with senior management, Employees and Contractors (particularly security forces and human resources), and other stakeholders in the Asset's sphere of influence.

Purpose

The purpose of this Standard is to define the OZ Minerals requirements to ensure social and legislative permits and permissions are gained with appropriate legally-acquired land titles, prior to exploration or mining activities commencing.

Performance

Assets must:

Land Access

- Where possible, avoid resettlement and economic displacement of Asset-affected people, and where this has been unavoidable, conduct such activities in accordance with applicable laws and regulations;
- Collaboratively consult with local landholders and other impacted stakeholders to determine appropriate entities with whom land access should be sought, and who is entitled to compensation;
- Monitor and evaluate the processes for land access and acquisition, compensation agreements and resettlement plans;
- Maintain land ownership and compensation records that are accessible to relevant stakeholders;
- Ensure that any required resettlement decision is made in consultation with affected community groups, with a view to minimising involuntary resettlement;
- Where necessary, develop detailed resettlement plans that are informed by a socio-economic baseline study and extensive consultation, in particular with those community groups that will be resettled and those that will host the re-settlers.

Compensation

- Develop a compensation protocol that addresses the following two different forms of loss and damage:
 - Temporary surface disturbance and the voluntary or involuntary loss of land and access to water, natural resources and other values, due to the appropriation of land for use by the Asset; and
 - Accidental damage to property.
- Ensure that:
 - Land is appropriated on the basis of 'willing seller, willing buyer' in a commercial land market;
 - Redress is consistent with acceptable local practice;
 - Compensation is paid with reference to any Government schedules and/or precedents;
 - Compensation payments are consistent with those made by others in the region;
 - All details of compensation payments and recipients are recorded in a publicly-accessible register, except for any information deemed commercial in confidence;
 - Compensation agreements are signed off pursuant to OZ Minerals' Delegation of Authority after receiving legal advice.

Local-Level Agreements

- Enter into 'local-level agreements' wherever required by legislation and in other situations authorised by OZ Minerals' Delegation of Authority. Such agreements must be fit-for-purpose, requiring OZ Minerals legal advice throughout the agreement-making process.

Purpose

The purpose of this Standard is to define the OZ Minerals requirements for local employment and enterprise opportunities to be proactively provided to local communities, and in particular, to relevant land-connected Indigenous groups.

Performance

Assets must:

- Where all else is equal, preference will be given to local and Indigenous businesses;
- Recruit employees and award contracts in a manner that is fair and transparent;
- Encourage local and Indigenous peoples to apply for suitable positions and support them appropriately to secure employment;
- Monitor and keep accurate records of local and Indigenous employment rates both within OZ Minerals' workforce and its contracting workforce;
- Monitor and record the level of local employment, participation in training programs, and any other initiatives relating to local and Indigenous employment in which the Asset is involved;
- Require contractors to maximise local and Indigenous employment and procurement opportunities;
- Implement a transparent pre-selection process that provides local vendors with employment opportunities as a result of the Asset's presence, that is in accordance with local employment laws;
- Monitor and record the percentage of the Asset's goods and services that are supplied by local and Indigenous businesses, and any other initiatives relating to local business that the operation is involved in;
- Partner with government and other organisations, where appropriate, to improve the design and effectiveness of local and Indigenous employment and procurement capability programs.

Purpose

The purpose of this Standard is to define the OZ Minerals requirements for formally identifying the security needs of OZ Minerals Assets.

Performance

Assets must:

General

- Ensure that effective responses to significant threats which are identified through a threat assessment are developed and monitored to assess the effectiveness of these controls;
- Where relevant to the Asset, review the following as part of a risk assessment:
 - Site security;
 - Legal and licencing requirements of security personnel;
 - Explosives security (SSAN compliance);
 - Radioactive materials security; and
 - Product security.

Security Personnel

- Train security personnel on the UN Voluntary Principles on Security and Human Rights;
- Screen security contracting companies' personnel to identify prior records of human rights abuses;
- Implement a system for recording, reporting and investigating contraventions of the UN Voluntary Principles on Security and Human Rights;
- Monitor security services to ensure adherence to the UN Voluntary Principles on Security and Human Rights.

Technology Equipment and Systems Security

- Maintain a secure environment for physical access to OZ Minerals' systems;
- Restrict access to all electronic devices that connect to, or contain, OZ Minerals' systems or information;
- Ensure that all OZ Minerals systems are protected by one or more passwords;
- Run a standard operating system configuration;
- Maintain an appropriate change management procedure for the removal or modification of equipment;
- Ensure all devices connected to OZ Minerals' domain are managed by Corporate anti-virus, spam, patch management and the standard operating environment for both servers and end-user computing;
- Ensure internet-bound traffic on the OZ Minerals Corporate network traverses the Corporate ICT-provided gateway infrastructure.