



Sustainable mining

Annual Report 2021
Minerals Council of Australia

About the MINERALS COUNCIL OF AUSTRALIA

The MCA is the leading advocate for Australia's world class minerals industry, promoting and enhancing sustainability, profitability and competitiveness. The MCA represents a sector that is dynamic, diverse, sustainable and valued by all Australians.

PURPOSE



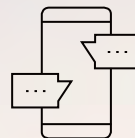
ADVOCACY

Advocate for social, economic and environmental public policy that supports a stronger, more sustainable minerals industry.



INDUSTRY

Work with industry to promote leading practice in safety, skills and training to develop the minerals workforce of the future.



ENGAGEMENT

Partner with communities, business and government to maximise mining's contribution to Australia.

POLICY OBJECTIVES

COMMUNITIES



- Enduring First Nations and community relationships based on respect and shared value
- Improved environmental performance throughout and beyond life of mine
- Committed to an ambition of net zero emissions by 2050.

ECONOMICS



- A macroeconomic framework conducive to global competitiveness and growth
- Access to resources, land, water, energy, and export infrastructure
- Access to competitive markets for capital, production inputs and human resources.

WORKFORCE



- A minerals industry free of fatalities, injuries and diseases, with a focus on respectful workplaces
- A skilled, diverse, productive and agile workforce
- Flexible and responsive training to support the workforce of the future.



Cover image: Natural landform restoration at Glencore's Mangoola coal operation in the Upper Hunter.

This page: Grazier Michael Kucks and Anglo American's Larry Hantler at Dawson metallurgical coal mine in Central Queensland.





minerals.org.au



MEMBERSHIP

MCA member companies are significant contributors to national income, investment, jobs, exports and tax revenues in Australia.

75%

PRODUCTION

Minerals production by MCA members.

80%

EXPORTS

Export earnings by MCA members.

SUSTAINABLE MINING



TOWARDS SUSTAINABLE MINING

Performance system tracking ESG outcomes.



WATER ACCOUNTING FRAMEWORK

World-leading site level water reporting system.



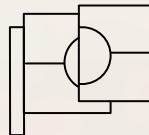
CLIMATE ACTION PLAN

A commitment to the Paris Agreement and its net zero emissions goal.



ENDURING VALUE

Industry commitment to sustainable mining and guide to implementation.



ACKNOWLEDGEMENT OF COUNTRY

The MCA acknowledges and pays its respects to past, present and future Traditional Custodians and Elders and the continuation of cultural, spiritual and educational practices of Aboriginal and Torres Strait Islander peoples.

There's more to
**Australian
Mining**

Sustainable mining

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Minerals Council of Australia

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Mining *responds* to global and domestic challenges

Addressing global and domestic challenges head on, the mining industry navigated through the COVID-19 pandemic in 2021 to deliver when it mattered most for the nation.

Forging ahead through a period of adversity requires vision, application and creativity. It would be easy to sit back, or try to go back to some version of normal in the hope that it is a secure path.

This is an illusion, of course, as navigating the second consecutive year of the pandemic readily demonstrated. The modern mining industry has never seen complacency as the recipe for better economic, social, environmental and governance performance.

Indeed, 2021 has underscored why mining's steadfast goal of improvement is right. The challenges were manifest: the need to instill greater respect in our workplaces; to keep workers and communities safe and healthy; to build the skills and capability of the workforce; to relentlessly tackle the industry's emissions profile and demonstrate greater accountability; and transparency to the communities in which we operate.

Mining kept its workforce safe, kept operations running to meet the world's demand for minerals, and contributed to the Australian economy, regionally and nationally. Mining delivered significant government revenues to help fund services for the community, including

mental health, aged care and women's programs, schools and hospitals.

The industry in Australia continued to pay the highest wages on average, the most company tax, delivered the most export revenue and was critical to supporting regions and communities – providing 1.1 million jobs in the mining, mining equipment, technology and services sectors.

Vision

At the end of 2020, the mining industry under the leadership of the MCA Board of Directors took stock of the challenges ahead to map out the strategic direction for the sector. This strategy for mining to continue to be a growing, profitable sector is built on two equal pillars.

The first is to be trusted by the community, earning support through recognition as a safe and healthy sector, a global leader in environmental management and Indigenous engagement, and a provider of inclusive and respectful workplaces.

The second is to contribute to the economy through performance and advocating sound policy: a competitive taxation and regulatory environment, strong trading relationships with greater

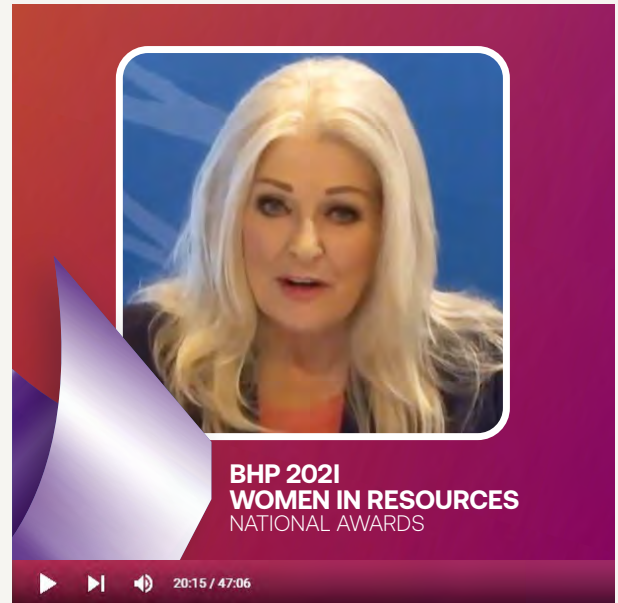
market access and an education and training system that delivers a future-orientated workforce. Through 2021 the MCA has continued to lead the industry on the path to these goals.

Backbone of the Australian economy

This annual report highlights the extraordinary economic contribution mining made in 2021:

- Export revenue reached a new record high of \$351 billion in 2021, representing 68 per cent of total Australian export revenue
- Exploration expenditure totalled \$3.6 billion, up 28 per cent from the previous year
- Wages remained the highest (an average of \$144,000 a year compared to \$94,000 across all industries) with the vast majority of mining workers full-time (96 per cent) and permanent (88 per cent)
- Direct employment surged to more than 274,000, an increase of 25,000 from 2020
- Taxes and royalties in 2019–20 provided \$39.3 billion in revenue to federal, state and territory governments.

Sexual harassment is unacceptable, against the law and must be eliminated from the mining industry's culture and workplaces.



The decadal contribution to the economy is stellar – \$2.1 trillion in resources export revenue, \$246 billion in mining wages, 21 per cent of Australia's GDP growth, \$132 billion in company taxes and \$106 billion in royalties.

Partnerships

Mining has long strived for mutually-beneficial partnerships with First Nations communities. Through the board, the MCA has reached out to Indigenous leaders and communities to understand and act – strengthening ties, repairing relationships, and resetting for the future. The *Minerals Industry Statement on First Nations Partnerships* is part of a program driving cultural change across the sector, and elevating First Nation's experiences and priorities as a part of the MCA agenda.

The MCA helped secure support for amendments to improve the native title regime, advocated for increased and stable government funding for Traditional Owner organisations and supported the modernisation of national heritage safeguards to improve protections, as well as stability and predictability for land users.

Responding to Respect@Work

Every person deserves to be treated with respect and dignity. An inclusive and diverse workforce is underpinned by a respectful workplace. Industry is committed to improving the inclusiveness and attractiveness of mining as a place of employment. Female participation, for example, has increased from 13 per cent a decade ago to 21 per cent in the most recent figures.

When Sex Discrimination Commissioner Kate Jenkins informed the MCA Board of the findings of the Commission's *Respect@Work* report, the MCA knew it had to act. Sexual harassment is unacceptable, against the law and must be eliminated from the industry's culture and workplaces.

The MCA has made this issue a key priority. In 2021, it released the *Respect@Work* industry toolkit which builds on the industry's commitment to eliminating sexual harassment, as well as the *MCA Industry Code on Eliminating Sexual Harassment* announced earlier in the year.

The toolkit provides general guidance on the systems that can be developed in the workplace to prevent and respond to risks of sexual harassment, and comprises a suite of fact sheets, guidance and templates.

Ambition to achieve net zero emissions by 2050

Ongoing progress, innovation and determination is at the heart of the industry's action on climate change. Mining stands at the intersection of the important tasks of continuing to deliver growth and prosperity while driving emissions to net zero.

In October 2021, the MCA committed to an industry ambition of net zero emissions by 2050.

The announcement reflected increasing confidence within the sector of its ability to develop the technologies and processes necessary to decarbonise Australian mining. To this end, the MCA and member companies have continued to invest in research to better understand the technologies and practices necessary to achieve decarbonisation across the sector.

The commitment to an ambition of net zero by 2050 built on the *MCA Climate Action Plan* (CAP), released in 2020, which outlined a clear commitment to do the work needed to achieve net zero emissions, to share knowledge and experience across the minerals industry and to build on the momentum already underway.



➔ Chair Helen Coonan at various MCA events and conferences since 2020.



The first CAP progress report detailed activities being undertaken by MCA members. The report highlighted 39 abatement activities under development that could reduce surveyed emissions by 30 per cent by 2030. There is now confidence across all sectors of the industry to develop the technologies and processes to decarbonise by 2050.

Taking ESG to a new level

In last year's Chair's review, I discussed the move by MCA members to adopt the Towards Sustainable Mining initiative, a sustainability system that will allow the mining sector to demonstrate its environmental and social performance to enhance community, investor and customer trust and confidence in the industry.

Like the ongoing agenda on respectful workplaces and climate action, the TSM project is not a static exercise. Rather, it uses data and engagement to drive better policy and practices at the worksite and ultimately across the industry as a whole.

By adopting TSM, companies are demonstrating site level safety, environmental, social and governance performance through better measurement and greater accountability.

TSM will require companies to report on how their operations engage with Traditional Owners while supporting social and economic aspirations, as well as heritage protection.

Like all partnerships, they are never complete and always a work in progress, requiring a shared commitment to ongoing adaption and performance.

Setting up for the future

The mining industry is now focussed on the next decade and beyond. Success will heavily depend on a comprehensive policy environment that supports all businesses.

Put simply, more must be done to attract the national and international investment needed for new projects - to meet growing world demand for minerals for everyday living and to drive the energy transition to net zero emissions.

Globally competitive tax rates, workplace flexibility and increased government funding for pre-competitive exploration programs are all essential to mining's long-term future and Australia's economic prosperity.

A strong mining sector is paramount to help the government successfully embark on fiscal repair and reduce the debt burden on future generations.

Conclusion

As I draw to the end of the my three year term as Chair, I am pleased to reflect on the way the mining sector has responded to both immediate and long term challenges. I wish to thank the Board of Directors for their insight and collegiality as we grappled with these issues. I also thank Tania Constable and the secretariat for the dedicated way in which she and her team have worked to deliver a new agenda.

Central to this new agenda is placing ESG consideration at the centre of decision-making and policy development. No longer an 'and' or 'a nice to have', industry is embedding environmental, social and governance performance, inseparable from the business of mining.

The path ahead and the significant opportunities that abound in providing minerals and metals to the world will ensure a bright future for all Australians.

The Hon Helen Coonan
Chair, Minerals Council of Australia

Tania Constable
Chief Executive Officer
Minerals Council of Australia



Industry continues to lead while *navigating* challenges

The MCA led Australia's minerals industry from the onset of the pandemic, helping keep workers, families and local communities safe, and operations continuing.

The MCA co-ordinated access to vaccines for workforce and mining personnel travelling overseas in 2021, and facilitated co-ordination between miners and governments for regional and remote community vaccine rollouts, including the provision of logistics, messaging and vaccinators.

The MCA's work to manage the impact of domestic and international exit and entry decisions taken by government enabled members to reduce disruptions to operations, while minimising the risk of COVID-19 transmission in Australia.

In partnership with the states, this co-ordination enabled members to establish vaccination and information clinics onsite and in regional and remote communities in the mid-West and Hunter Valley, NSW; Goldfields, Pilbara, Port Headland and other parts of WA; the Bowen Basin, Weipa, Gladstone and other parts of central and far north Queensland; and across the NT.

While communities were rightfully focused on their own needs during the pandemic, the MCA continued its industry positioning campaign to improve perception of mining and demonstrate community support, its commitment to the regions and strong contribution to the future.

A stronger Australia

The MCA remained steadfast in 2021 advocating for policies to support jobs, investment and communities with an emphasis on globally competitive tax rates, greater regulatory certainty around environmental planning, assessments and approvals, workplace flexibility, and increased government funding for pre-competitive exploration programs.

Mining was again Australia's most productive sector and had the highest gross value added of any industry. Mining was Australia's biggest investor with capital expenditure of \$37.7 billion, accounting for 28 per cent of all business investment in Australia.

Although not immune to the skills shortages facing the economy, mining still managed to provide highly skilled, highly paid and secure jobs and, together with suppliers, supported approximately one in 10 Australian jobs and over 6700 new apprenticeships.

The next phase of investment is already underway with expansions of current projects and new investment in mid-sized gold, base metal, battery mineral, potash and rare earth element projects.

Addressing the skills shortage

I was honoured to be the interim Chair of the Mining Skills Organisation Pilot and oversee the establishment of the standalone Australian Minerals and Energy Skills Alliance (AUSMESA). An independent evaluation pleasingly credited the incubation and co-contribution of the MCA with better stakeholder engagement and rapid mobilisation. The MCA will continue to work closely with AUSMESA to improve vocation education and training pathways for careers in mining.

Mining engineering enrolments strengthened during the second year of the MCA curriculum pilot with Curtin University. Overall enrolments have increased by 50 per cent despite fewer international students. Increasing enrolments in mining engineering remains a key priority and we will look to replicate the pilot's success with other universities.

The growing appetite for on-demand microcredential courses was met by the MCA's Foundations of Modern Mining program with Curtin University and the University of Queensland. Material was accessed by more than 3000 learners during the pilot phase. The pilot will be used as a proof of concept for other

MCA microcredential partnerships as this emerging education pathway becomes more important to attract and retain talent in the mining industry.

In other efforts to attract and retain talent, the MCA launched mining's first Industry of Choice Framework in December 2021. Major progress has been achieved improving women's participation in mining and the Framework will help supercharge industry efforts to create inclusive workplaces that support diversity. The Workplace Gender Equality Agency acknowledged that the mining industry is leading the way and driving change in terms of gender equality best practice.

Growth opportunities

At a global level, rising incomes and increasing urbanisation across Asia, as well as technological innovation and a commitment to net zero emissions by 2050 have driven growth in mineral and energy demand, delivering significant opportunities for Australian mining.

Leaning into these trends and geopolitical challenges the MCA's trade diversification strategy is now embedded in the government's trade agenda, driving a much stronger focus on strategic partnerships between like-minded countries including Japan, USA, UK, Vietnam and India, and supporting deeper bilateral and multilateral agreements on trade and investment.

Significantly, the industry can be proud of the vast ground we are making globally in proving ourselves leaders in sustainability. Over time this will become a major competitive advantage for Australian mining.

Transparency in reporting

The mining industry continued on its path of emissions reduction and reiterated support for the Paris Agreement and transparency through the Taskforce on Climate-Related Financial Disclosure. The MCA issued its *Climate Action Plan Year 1 Progress Report* and committed to an ambition of net zero emissions by 2050.

Importantly, companies are making huge commitments and forging new partnerships, making bold moves to decarbonise and future proof whole regions of Australia, including the Pilbara in WA.

Abatement activities identified by members include energy efficiency initiatives, renewable energy to replace current emitting energy sources, gas capture, flaring of underground emissions, and ventilated air methane.

Embedding ESG

The mining industry is not only a leader in innovative mining technology but also in environmental, social and governance (ESG) performance. The industry is deeply committed to operating in a way that is safe, ethical, responsible and aligned with community values.

The MCA's new flagship ESG program, Towards Sustainable Mining (TSM) will support companies to consistently measure and manage site level ESG risk and maximise opportunities, enhance trust with communities and ensure Australian mining remains a responsible ESG investment and supplier of choice.

In 2021, the MCA worked with members to prepare the groundwork for implementation, including the establishment of a governance framework and eight protocols to be used in the Australian context. We expect the first companies to begin TSM implementation in 2022 with reporting to commence in early 2023.

The MCA also championed the economic development of First Nations peoples and continued to take considered actions to ensure First Nations partnerships have the same profile as safety issues across the sector. These efforts were recognised by the Joint Standing Committee on Northern Australia in its 2020 report,

and ensured a collective approach by industry to improve capability and systems.

The MCA also diligently supported Australia's modern slavery reporting regime and the not-for-profit Bribery Prevention Network.

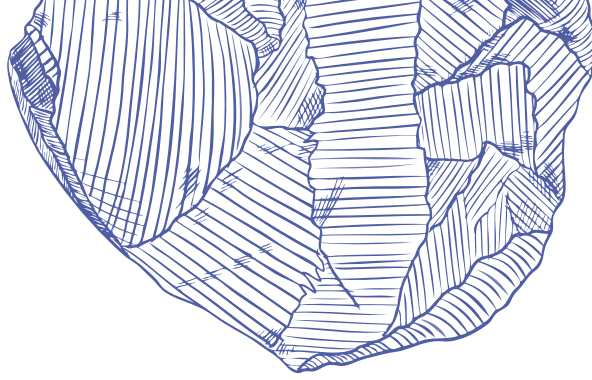
Embracing cultural change

Australia's mining industry is committed to eliminating sexual harassment.

After the devastating findings of the Australian Human Rights Commission's *Respect@Work* report, the MCA through the outstanding leadership of Thiess CEO and MCA board member, Michael Wright, coordinated an industry response to eliminate sexual harassment in the mining workforce. Mining has exceptional safety systems, and companies are now applying those systems and approaches to eliminate sexual harassment.

Everyone in the industry has a personal responsibility for the safety, health and wellbeing of themselves and their workmates, as well as contributing to positive and respectful workplaces. The MCA released an industry code and toolkit, which is now being used by companies to guide their people through a period of significant cultural change.

Tania Constable
Chief Executive Officer
Minerals Council of Australia



The world is *changing* and so is Australian mining

Today's mining industry bears little resemblance to what it looked like a generation ago.

As society changed, environmental understanding deepened and global connections strengthened, Australia's mining industry transformed culturally, technologically, economically and structurally.

It was a transformation built on the industry's strengths - mateship, a sense of community, ingenuity and vision. This culture has helped embed safety and health as the industry's first value and enhanced its commitment to communities.

Decades later, another significant transformation is underway.

The world is facing complex environmental and economic challenges as well as major social and demographic shifts. Technology is a key part of this.

Australian mining has an important role in meeting these challenges and how industry does this matters just as much as its economic contribution.

Workforce

The workforce is - and has always been - mining's strength. This is why industry is doing more than ever to support, engage and respect its people.

While mining already provides a diverse range of highly paid, highly skilled jobs, the sector is redoubling its efforts to provide a working environment that enables people to thrive - at work and at home.

Flexible work and remote arrangements, improved parental leave options and new approaches to skills and training are just some examples. Underpinning this is the sector's unwavering commitment to safety and health.

In 2021, the MCA expanded its safety and health policy to incorporate psychological harm and respectful behaviours.

The MCA Safety, Health and Respectful Workplaces Policy is part of Australian mining's collective action to address the devastating findings in the landmark *Respect@Work* report.

Industry leaders, aided by sectoral champions, are working through the MCA to drive the cultural and systems changes needed to eliminate sexual harassment.

Respect is essential for creating an industry that people want to work in.

Industry of choice

Helping to accelerate learning and improvement is the MCA's Industry of Choice Framework, a leading practice approach to support diversity, expand the talent pool and embed inclusive leadership. This includes making mining a first choice for Indigenous Australians, for people with disabilities, caring responsibilities, different cultural or social backgrounds, sexual orientation or gender identity.

Diversity across organisations brings a broader range of insights, perspectives and experiences to day-to-day, operational and strategic decisions. An important part of this is supporting and growing future mining leaders.



“We direct our efforts not only to minimise impact, we also seek to deliver positive and lasting environmental outcomes.”

TYLER MITCHELSON
CEO Metallurgical Coal | Anglo American

Indigenous Australians

This commitment to leadership is why the MCA is driving work to identify and support Indigenous Australian mining leaders to take on leadership, executive and board roles. It is also the next step in the sector’s decades-long partnership with Indigenous Australia.

Guided by visionary First Nations and industry leaders, mining’s relationship with Traditional Owners transformed from one of hostility to cooperation and mutual benefit from the 1990s.

Industry is proud to support Traditional Owners to achieve their aspirations. This can mean local employment and training so people can work on country, stay or return to community, or to empower young people or entrepreneurs in business. Mining is not only a significant employer, it is also the leading private sector customer of the Indigenous business sector.

Like all relationships, this partnership is being reshaped. Many Traditional Owners are seeking to become equal partners on common priorities as well as mining proponents.

Endorsed by the MCA Board in 2021, the *Minerals Industry Statement on First Nations Partnerships* reflects industry’s commitment to new ways of working.

Stronger communities

Similarly, mining is reinforcing its commitment to support the people, families and communities of regional Australia to achieve what is important to them.

While each community is different, many share common priorities for well-paid employment, to be the first choice for procurement, skills pathways and for quality housing, infrastructure and services. Mining is delivering on its commitments to support these goals.

Since the end of 2020, more than 6700 people have joined the sector as apprentices and trainees – putting them on track to gain a qualification for life. Women make up 21 per cent of the workforce, up from 13 per cent a decade ago.

In 2021, many companies announced new or ongoing major investments to help provide local childcare, ensure medical services are available and improve infrastructure.

For communities, this investment can provide a ladder to economic prosperity for young people and families.

Social networks and connections are fostered. Community health and wellbeing is supported. And, importantly, children develop the building blocks for lifelong learning.

The MCA has been on this journey since the development of *Enduring Value: The Australian minerals industry framework for sustainable development* in 2005.

The next step is not only more action, but greater accountability and transparency. The adoption by the MCA of the Towards Sustainable Mining reporting framework will lead this transformation over the next generation.



Towards Sustainable Mining ushers *new era* for industry

MCA members are adopting the globally recognised Towards Sustainable Mining (TSM) system to better assess and communicate site level management of ESG matters.

The Australian minerals industry is leading the way in embedding ESG performance into business. Through positive leadership, innovation, improved systems and accountability, and an enabling company culture, ESG is becoming part of the industry's DNA.

The industry's success, both now and in the future, depends upon its ability to operate in line with community expectations on ESG. Strong ESG performance creates shared value for workers, communities, investors and the broader Australian society.

How the industry operates is as important as what it produces. It is central to community acceptance, access to land, future finance and markets.

Responsible operation means sound environmental and social performance, supporting community aspirations and contributing to achieving societal ambitions, such as the United Nations Sustainable Development Goals and the Paris Agreement on climate change.

While Australian companies have led the way in ESG practice, societal expectations and the world in which the industry operates are rapidly evolving.

This presents both new challenges and opportunities for Australian mining.

The ability to come together as a community of MCA member companies has been central to driving change across the sector - helping to address common challenges while shifting the dial on ESG performance.

Towards Sustainable Mining

MCA members are adopting the globally recognised Towards Sustainable Mining (TSM) sustainability system. Established by the Mining Association of Canada, TSM enables companies to assess and communicate site level management of ESG matters.

By evaluating systems against TSM indicators, companies will be able to consistently assess how environmental and social performance is managed across their operations, benchmarked against good practice. Independent verification and public reporting will provide an unprecedented level of transparency, enhancing industry accountability, community confidence and trust.

TSM will be phased in from 2023 and by 2025 operating members will be expected to assess and publicly report on performance against TSM indicators.

The public launch of TSM created significant positive reputational impact for the sector.





“TSM will enable an unprecedented level of visibility of ESG related activities with independent verification right down to the individual mine site level.”

ALEX BATES

Regional Senior Vice President | Newmont Australia

TOWARDS SUSTAINABLE MINING

Australian industry leadership was recognised by governments, investor groups, non-government organisations and First Nations groups.

Phase one of TSM implementation is nearing completion with Australian adaption of TSM protocols and guidance well progressed.

TSM will enable Australian companies to assert their credentials as responsible suppliers of mineral products, supporting future market access, including critical minerals.

TSM has been recognised as meeting International Council on Mining and Metals (ICMM), World Gold Council, Responsible Steel, Copper Mark and London Metal Exchange ESG standards.

TSM will be operational in 2023, supported by a TSM training program for members. A Community of Interest stakeholder advisory panel that guides TSM will also be established.

Climate action

The industry is working together to achieve the industry ambition of net zero emissions by 2050. Guided by the *MCA Climate Action Plan* the Australian minerals industry is making progress on the road to decarbonisation.

Respectful partnerships

First Nations are fundamental partners in mining. The MCA has released a *Minerals Industry Statement on First Nations Partnerships*, setting a new benchmark for industry engagement. The statement is supported by an action plan covering heritage protection, Indigenous leadership pathways in mining, community-led wealth creation and elevating First Nations voices and perspectives.

Human rights

The MCA has continued to support members in responding to modern slavery risks and reporting, with industry leadership recognised by government, investors and human right groups.

Water stewardship

An updated user guide for the MCA's sector-leading Minerals Industry Water Accounting Framework was progressed in 2021, and launched in early 2022. This innovative framework provides a consistent approach to understanding, benchmarking and communicating operational, regional and corporate level water use.

The framework has been adopted globally, forming the basis of the new ICMM Water Reporting - Good Practice Guide and reflected in corporate reporting requirements of the Global Reporting Initiative.

Supporting continual improvement

Bringing the industry together to share leading practice is key to supporting continual improvement across the sector. The MCA hosted the inaugural ESG Conference online on 16-18 November. The conference attracted more than 200 senior delegates from more than 27 mining companies.

Delegates heard from high-level speakers on key issues of leadership, biodiversity, climate change, cultural heritage and creating a mentally healthy workforce.

Showcasing industry

The MCA released a new report, *ESG: Change for the better* in November, which showcases the Australian industry's sustainability performance.

Containing more than 30 case studies from MCA member companies, the comprehensive report re-affirms the sector's strong ESG credentials. The report was distributed to a broad range of industry stakeholders including investors and parliamentarians, both in Australia and overseas.

National code to *eliminate* workplace sexual harassment

It has been two years since the Australian Human Rights Commission *Respect@Work* report. Data on the mining industry was appalling, confronting and unacceptable.

The report found that in the five-year period to 2018:

- Workplace sexual harassment in the mining industry was notably higher (40 per cent overall) than the national prevalence rate (33 per cent)
 - 74 per cent of women and 32 per cent of men had experienced sexual harassment
- The proportion of male perpetrators (83 per cent) was higher than the national rate (79 per cent)
- 48 per cent of those who experienced sexual harassment reported that the perpetrator was a co-worker at the same level as them, compared with 30 per cent of people who were sexually harassed in all workplaces
- 48 per cent of all sexual harassment occurred in a social area for employees such as a break or lunch room, compared to 26 per cent for all workplaces.

Managing both physical and psychological risks in the work place is a vital part of the overall industry's commitment to its workforce.

Workers must be valued, respected and protected

Safety and health in the workplace was historically focused predominately on physical risks. Recognising the role of psychological risk, the MCA Board determined in early 2020 that the industry would make significant updates to the industry's health and safety policy to specifically incorporate psychological harm and respectful behaviours.

The expanded safety and health policy *Safe, healthy and respectful workplaces* released on 20 January 2021 provided the platform for a range of initiatives focused on the whole person.

The policy emphasises that everyone has a personal responsibility for the safety, health and wellbeing of themselves and their work mates and to contribute to positive and respectful workplaces. This includes speaking up when unsafe work practices and unacceptable behaviours occur, and employers providing training, communications, emergency response and investigation processes to facilitate speaking out.

The industry has long acknowledged that all fatalities, injuries and occupational illnesses in the workplace are preventable.

The policy now makes it clear that psychological harm and disrespectful behaviours in the workplace are also preventable.

To specifically acknowledge and commit to address the alarming, unacceptable and profoundly disappointing prevalence of sexual harassment in the minerals industry, an explicit statement on the minerals industry's commitment to eliminating sexual harassment was also released on 20 January 2021.

The commitment acknowledges the scale of the problem in mining workplaces, recognises the profound physical, emotional and psychological impacts that arise and describes what industry, through a safety and health perspective and committed leadership, intends to do to prevent this behaviour.

National industry code

It was critical that this commitment was backed by tangible actions to support industry, therefore a national industry code on eliminating sexual harassment was released on 7 July 2021 following extensive member engagement.

The national industry code provides clear expectations on members to establish both preventative and response measures to address sexual harassment.

The main goal is a compassionate risk-based culture, where raising concerns and reporting incidents is welcomed and encouraged.



RESPECT @WORK



- The MCA released a Respect@Work toolkit to support companies taking action to eliminate workplace sexual harassment.

This enables organisations to provide appropriate support and protection to affected persons, undertake an investigation into an incident and start a review of how and why the measures in place to prevent sexual harassment were not effective and how they may be strengthened.

Industry toolkit

Companies are at various stages on their journey to address and eliminate sexual harassment in the workplace. To support industry to establish prevention and response measures outlined in the code, the MCA produced an industry toolkit released in late 2021.

The Australian mining industry has much more work to do – significant and ongoing action is needed to achieve workplace and societal change.

The MCA will continue a program of work that brings together member companies to share experiences, discuss challenges and opportunities and support each other. A series of webinars will also be developed to raise awareness and build capability across the industry.

Going forward

Sexual harassment is not the only significant psychological health and safety risk facing workplaces. Mental health, racism, discrimination and bullying continue to impact on the wellbeing of our workforce.

Six years ago, the MCA released a *Blueprint for Mental Health and Wellbeing – a framework to promote wellbeing*, as well as reduce the risks and impacts of mental illness with evidence-based strategies which can be applied at company and site level. Further initiatives to support members are underway.

The MCA has also commenced engagement with the Australian Human Rights Commission on their development of a National Anti-Racism Framework and is in discussions on partnerships to prevent and respond to workplace bullying.

“**The *Respect@Work* report of March 2020, was truly groundbreaking and represented a turning point, in particular, for the minerals industry.**”

MICHAEL WRIGHT

Executive Chairman and CEO | Thiess
Co-Chair of the Safety and Sustainability Committee





Focus on mining pathways for a strong, *diverse* workforce

Despite challenges in 2021, the mining sector continued to drive momentum and deliver on its commitments for a more diverse and highly skilled workforce.

The disruption of the pandemic continued through 2021 with the unusual combination of persistent border closures, strong employment growth in mining and a tightening of the labour market. This posed significant individual and collective challenges for the minerals industry workforce.

Domestic border restrictions, applied unexpectedly and inconsistently, hampered labour mobility. This not only exacerbated existing skilled labour shortages, but also created new ones, with shortages most pronounced in Western Australia and Queensland. Similarly, prolonged international border closures (until 1 November) locked thousands of skilled migrants out of the Australian labour force.

MCA's advocacy ensured that key occupations such as Mining Engineer, Electrical Engineer and Geotechnical Engineer were added to the Commonwealth's Priority Migration Skilled Occupation List in June. This mitigated some of the immediate effects in areas of critical skills shortage.

The MCA's submission to the Parliamentary Joint Standing Committee Inquiry into Skilled Migration complemented direct advocacy efforts. Significantly, the MCA recommended improved skilled migration pathways and highlighted the importance of Australia's skilled migration program in accessing specialist and technical skills for the COVID-19 recovery.

Jobs growth

Employment figures went from strength to strength, with more than 21,000 jobs added to the direct mining workforce, resulting in total direct employment exceeding 268,000 people. Importantly, women's representation in the workforce increased from an annual average of 17 per cent in 2020 and reached 21 per cent in early 2022.

Industry also delivered on its commitment to create 5000 new apprenticeships as part of COVID-19 economic recovery efforts, tracking to 6700 apprentices and trainees since the end of 2020, and ensuring that more workers were able to gain a skill for life.

A highlight of this commitment is that year-on-year the average number of women in training has grown more than 13 per cent to comprise over 20 per cent of apprentices and trainees in training. Indigenous Australians continue to make up about 10 per cent of apprentices.

The tightening of the labour market was reflected in the national unemployment rate decreasing from 6.6 per cent in January 2021 to 4.2 per cent in December. This increased priority and importance of improving participation in the mining industry.

Industry of Choice Framework

The MCA launched the industry first Industry of Choice Framework.

With a focus on leadership, vision and structure, the Framework aims to position and promote the mining industry for investors, employers, job seekers, partners and others as an industry of choice. This will ensure that the industry is in poll position to attract and retain the broadest possible pool of talent.

Career pathways

The *Make your Career in Mining* careers guide produced by the MCA promotes Australian mining and the vast array of careers on offer.

In addition to distributing more than 30,000 copies to high schools and training providers, the MCA also promoted the careers guide through MTEC partners, international networks, state chambers, state governments, and across digital channels.

To improve pathways into the mining industry, the MCA also contributed to the Australian Curriculum, Assessment and Reporting Authority review of the national curriculum. In line with the MCA submission and advocacy, the government ruled out changes that would have diminished science, technology, engineering and mathematics pathways.

The MCA also supported a successful pilot of two educational games linked to the Year 6 and Year 8 curriculum to encourage an interest and passion in earth sciences.

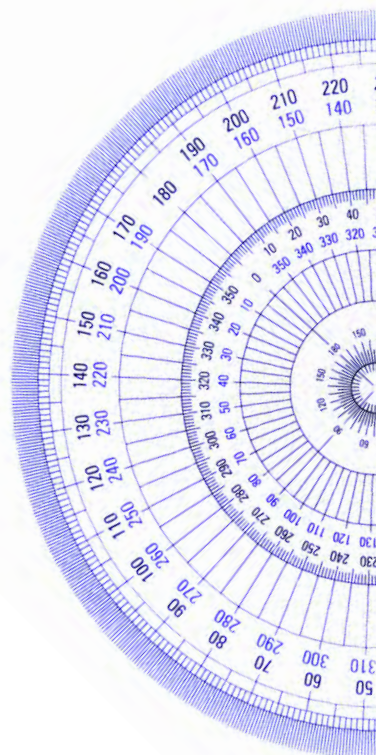
Metallurgical Education Partnership

Perth WA · 🌐



NExUS

National Exploration Undercover School · 🌐



Microcredential course

The MCA's Foundations of Modern Mining microcredential course developed and delivered by Curtin University and University of Queensland was launched in 2021. The online course is designed to upskill existing workers and transition professionals from adjacent industries. Demand for the course was strong with more than 3000 learners accessing the materials during the pilot phase.

Foundations of Modern Mining participant Maggie Sikora, a data scientist at Newcrest, said "the microcredential course is like a mini mining MBA and it helped me take the next steps in my career."

MTEC

The skills pipeline was not immune to the challenges of 2021, with COVID-19 restrictions and snap closures affecting the MCA's Minerals Tertiary Education Council (MTEC). Many MTEC programs were altered or delivered via hybrid formats.

The residential component of the Metallurgical Education Partnership was delivered virtually, with students from UQ, Curtin and Murdoch participating

in the intensive plant design course and group project presentations to industry professionals online. Despite changes to the model, participants recorded a very high satisfaction rating.

To ensure national access to the National Exploration Undercover School - a geology summer school - a separate summer school was held in Western Australia. Now in its sixth year, more than 200 geologists have completed the program and 47 per cent of participants have been women.

Enrolments in mining engineering have also continued to improve at Curtin University following the 2020 curriculum pilot supported by the MCA. Despite reduced numbers of international students, enrolments have increased by 50 per cent.

The refreshed mining engineering course incorporates the latest advancements in digital technologies to equip graduates with the knowledge and skills needed to support the digital transformation of mining.

"A highly skilled workforce is a key enabler of the digital transformation of mining."

MARK DAVIES

Chief Technical Officer | Rio Tinto
Chair of the Workforce and Innovation Committee



➔ The MCA launched *Make your Career in Mining* in 2021.

Tech-led change underpins climate *action* progress

In October 2021, the MCA committed to an industry ambition of net zero emissions by 2050.

The announcement reflected increased sector confidence to develop the technologies and processes necessary to decarbonise Australian mining. It will be a three-decade journey requiring capital and senior management leadership and support. But like all journeys, it starts with a plan.

Climate Action Plan progress

In June 2021, the MCA released the *Climate Action Plan Year 1 Progress Report* showing in detail the industry's actions and activities underway against the MCA Climate Action Plan (CAP) released the previous year.

The CAP outlined actions by the MCA for industry to:

1. Support developing technology pathways to achieve significant reductions in Australia's greenhouse emissions
2. Increase transparency on climate change related reporting and informed advocacy
3. Share knowledge of the sector's responses to addressing climate change.

Supporting those three themes were ten actions and 30 measures to be delivered over three years.

The first progress report outlined the work of the first 12 months. It also included an analysis of the scope one and two emissions that MCA members were reporting into federal compliance schemes, and highlighted a host of on the ground activities underway by members.

In the first year of the CAP, the MCA surveyed members reporting into federal compliance schemes and found that:

- All members supported the Paris Agreement and the need to transition to net zero
- Abatement activities identified by members could reduce surveyed emissions by 30 per cent
- Members identified 39 abatement activities which were driving emissions reductions, including autonomous operations, renewable energy deployment, fuel switching, battery storage, electrification,

artificial intelligence, fugitive emissions reduction, water management, energy efficiency measures and hydrogen fuel cells.

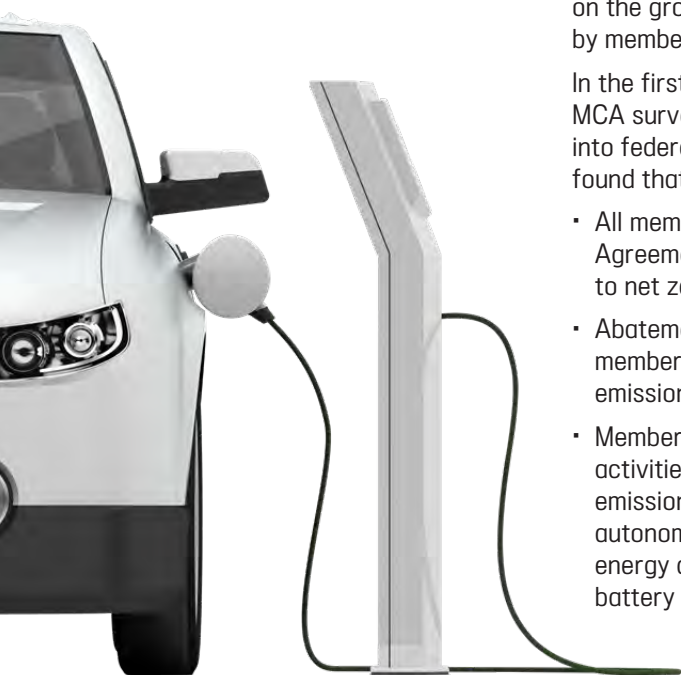
Industry action continues

Despite the disruption of the global pandemic, members have continued to act on the climate challenge and prepare for future carbon related risks and opportunities.

The sector has embarked on a technology led transformation which in turn will need many more minerals and metals for the manufacture of cleaner energy and low emissions technologies. This increases the reliance on Australia's key metals and minerals such as lithium and copper.

Significant opportunities are seen in new energy sources (transition to renewables, nuclear, biofuels, and carbon capture and storage), greater resilience (new production processes, and developing new products) and resource efficiency (technological innovation to assist transitioning to more efficient production and distribution processes).

A more sustainable minerals sector is not only important for Australia's post-COVID recovery, it is also helping to sustain and improve the lives of millions around the world, providing the critical raw materials necessary for modern and emerging economies to flourish in a decarbonised future.



Industry campaign drives *positive* sentiment for mining

One of Australia's biggest ongoing industry campaigns - There's more to Australian Mining - continues to achieve great value for MCA members.

During 2021, the MCA campaign Beyond the Curve highlighted MCA member companies support for small businesses and communities during and after the COVID-19 pandemic.

The ads featured businesses that had been supported by Newcrest's Business Beyond the Curve program. Businesses were chosen on the basis of their potential to drive stronger awareness and appreciation of the support mining companies give local communities.

Using the tagline 'There's more to Australian mining - Still backing small business' the ads featured a wedding reception venue, cafe, smallgoods manufacturer and family owned start-up manufacturer.

The campaign launched successfully with a strong April-May launch, however as COVID numbers increased and lockdowns occurred subsequent bursts were delayed several times. The most significant movement was the delay of the final burst which eventually launched in November-December.

The April-May burst utilised delivery formats including television, print, radio, cinema and outdoor display, and for the first time in 2021 the MCA introduced advertising in sporting venues and also racing.

Despite the disrupted campaign schedule, the campaign built on the success of our earlier campaigns and ensured that the industry's net positive sentiment was sustained.

Research confirmed that positivity towards the industry has remained stable after a drop in 2019. Campaign recall correlated with agreement with intended messaging that the mining industry supports small businesses in the areas they operate.

In 2022, the industry positioning campaign will establish a new platform to tell the next chapter of Australian mining's story.

The new campaign highlights Australian mining's role into the future by focusing on modern life's reliance on Australian mining and mineral resources and the industry's commitment to a sustainable and clean future.

The first iteration of the campaign was released in April 2022 and highlighted the industry's role as a major employer offering diverse and rewarding career opportunities for both our current and future workforces. Subsequent iterations and additional ads will be developed during the remainder of 2022 and into 2023.

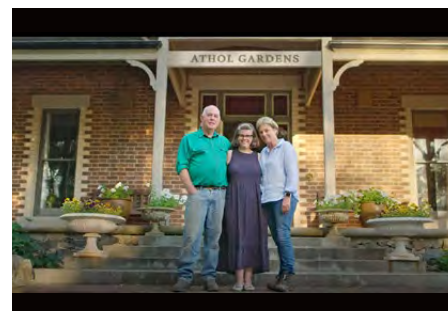
MCA sponsorships

The MCA continues to partner with organisations that meet our strategic objectives, including support for regional communities in which the industry operates, the minerals workforce, indigenous economic empowerment and better health and education outcomes.

During 2021, the MCA continued to support Mates in Mining, the National Aboriginal Press Club, the Clontarf Foundation, the Stars Foundation, the WA Mining Club, Prostate Cancer Foundation of Australia and the National Rock Garden.



➤ The 'Still backing small business' campaign featured businesses supported by Newcrest's Business Beyond the Curve program.



INDUSTRY Snapshot

Communities



\$302b

TAXES & ROYALTIES

Paid over 15 years. That's enough to build 11,000 schools or 400 hospitals.

Source: Deloitte Access Economics

\$114.4b

DIRECT SPENDING

Resources industry payments in WA, QLD and NSW in 2020-21.

Source: CMEWA, QRC, NSWMC

<0.1%

LAND DISTURBED

Australian land mass temporarily disturbed by mining activities.

Source: Dept of Agriculture, Water and the Environment

48%

MINING SHARE

Supply Nation corporate members' spend with First Nation's businesses.

Source: Supply Nation 2020

\$186m

VALUE ADDED PER GL

Value added by the sector per gigalitre of water consumed.

Source: ABS

3.9%

WATER USE

Net water consumption by the mining industry in 2019-20.

Source: ABS



Workforce

265k

EMPLOYMENT

Direct employment in the resources industry in 2021.

Source: ABS

88%

PERMANENT JOBS

In 2021, the vast majority of mining workers were permanently employed.

Source: ABS

99%

ABOVE AWARD

Almost all mining workers earn above award wages and conditions.

Source: ABS

6700

APPRENTICESHIPS

and traineeships created since the end of 2020.

Source: MCA



Image courtesy of Yancoal



Investment

10%

GDP CONTRIBUTION

The resources sector's direct contribution to GDP in 2020-21.

Source: ABS

\$257b

MINING INVESTMENT

Capital expenditure across the mining sector over the past 10 years.

Source: ABS

\$26.7b

TOTAL WAGES

Paid to workers in the Australian resources industry in 2020-21.

Source: ABS

\$928b

NET CAPITAL STOCK

Value of equipment and plant used by the mining industry in 2020-21.

Source: ABS

66%

EXPORT SHARE

Resources sector's share of export revenue in 2020-21.

Source: ABS

\$301b

EXPORT EARNINGS

Resources export earnings in 2020-21 - doubled since 2009-10.

Source: ABS

3.7%

INDIGENOUS JOBS

One of the highest shares of participation in any sector.

Source: Closing the Gap, 2018

21%

WOMEN IN MINING

Record high percentage of female workers in February 2022.

Source: ABS

\$144k

AVERAGE WAGES

Average annual wages paid to mine workers in 2020-21.

Source: ABS

There's more to
**Australian
Mining**

minerals.org.au

MW21 Minerals Week

1-3 June 2021

Welcome reception

National Gallery of Australia



MW21

Minerals Week Seminar

Hyatt Hotel Canberra



Mining Technology and Careers Showcase

Great Hall, Parliament House



Minerals Week 2021

Parliament House



MW21

Australian Minerals Industry Parliamentary Dinner

Great Hall, Parliament House



Australia-Asia Mining Investment Outlook

Hyatt Hotel Canberra



Skills & Education Summit

Hyatt Hotel Canberra



Clean Energy Forum

Hyatt Hotel Canberra



A year of *achievements* but much more to do

Diligence against COVID-19

- **Promoting safety and health:** Co-ordinated and connected mining operations to the Operation COVID Shield taskforce, government health departments and Indigenous community organisations to support the urgent national rollout of vaccinations to workforces and communities in metropolitan, regional and remote locations.
- **Facilitating vaccine rollout:** Negotiated access to vaccines and linked key people across government agencies and mining companies to facilitate priority access. These linkages supported workforce and community vaccination and reduced operational and reputational risk for the mining industry in remote and regional areas.
- **Working in the community:** Supported co-operation between mining companies and authorities on vaccination rollout, including community outreach and vaccination clinics in the New South Wales mid-west and Hunter Valley; Goldfields, Pilbara, Port Hedland and other parts of regional Western Australia; the Bowen Basin, Weipa, Gladstone and other parts of central and far north Queensland; McArthur River Mine, East Arnhem Land and other parts of the Northern Territory.
- **Improved quarantine:** Influenced the design and implementation of home quarantine trials in New South Wales, South Australia and Queensland. Travelling mining personnel benefited from home quarantine arrangements in South Australia, Queensland and New South Wales.
- **International travel:** Resolved more than 50 adverse international exit and entry travel approval decisions, ensuring continued PNG and broader international and domestic cross-border movements for key mining personnel and international specialists.

Policy to enhance competitiveness

- **No new fuel tax:** Secured confirmation from both the federal government and opposition to not alter the fuel tax credit scheme.
- **Practical international tax rules:** Successfully advocated for extractive industries to be exempt from the OECD rules intended to reallocate taxing rights from mining countries to customer countries.
- **Flexible labour markets:** Ensured that the Fair Work Amendment (Supporting Australia's Jobs and Economic Recovery) Act did not contain any adverse provisions and defended the industry's use of tailored and flexible employment arrangements, including labour hire and service contracting.
- **Policy reform:** Promoted the importance of a consistent productivity agenda, including at Minerals Week; publicised credible estimates of the industry's contribution to household income and the benefits of economic reform.
- **Diversifying trade:** Embedded the MCA's trade diversification strategy into the government's agenda, with a stronger focus on strategic partnerships between like-minded countries, including provision of \$198 million in the Budget to enhance engagement with India, Vietnam, South Korea, Japan, the US and the UK.



- A Memorandum of Understanding on Cooperation in Critical Mineral Supply Chains was announced in December between the MCA and the Republic of Korea.

“We’re fortunate to have a highly skilled mining workforce, world-class service providers and knowledgeable regulators who understand our industry.”

MIKE ERICKSON

Senior Vice President – Australia | AngloGold Ashanti

- **Border policy:** Contributed to national biosecurity strategy by emphasising the need for a streamlined approach that targets material risks, not taxing industry.
- **Critical minerals:** Pursued new opportunities by bringing together members, the federal government’s Critical Minerals Facilitation Office, foreign embassies (UK, US, Germany, Japan, South Korea, India) and industrial representatives in a series of discussions on investment, strategic alignments and supply chain security.
- **Liberalising trade:** Active promotion of potential free trade agreements (UK, EU, India), expansion of existing agreements (Japan) and greater participation of multilateral pacts (Comprehensive and Progressive Trans-Pacific Partnership).
- **Inclusive mining:** Launched the first Industry of Choice Framework for Australian mining to help the industry attract the broadest possible pool of talent and ensure people feel safe and respected to bring their whole and best self to work.
- **Diverse mining:** Promoted increased female participation and celebrated success stories through the Women in Resources National Awards. Women’s participation in mining has increased from 17 per cent in 2020 to reach 21 per cent in February 2022.
- **Career pipelines:** Forged new links with the Career Development Association of Australia, the conduit to careers advisors in high schools, colleges, TAFEs and universities. Industry saw the establishment of 6700 new apprenticeships and traineeships, exceeding the industry commitment of 5000 new apprenticeships.
- **Remote learning:** Supported the Metallurgical Education Partnership between Curtin University, University of Queensland and Murdoch University to deliver a unique hybrid format due to COVID-19 lock-down in Brisbane.
- **Policy trends:** Held the Minerals Industry Skills and Education Summit to reinforce the industry priorities for training and education reform. Developed the preferred model for the Mining Skills Organisation Pilot and activated all four project hubs, apprenticeships, attraction and retention, digital transformation and qualifications reform and delivered the first report for critical occupations on workforce planning, pathways and transferable skills.
- **Skills shortages:** Successfully advocated for the inclusion of Mining Engineers and Electrical Engineers as occupations on the Priority Migration Skilled Occupation List increasing employment pathways for the industry.

Developing the future workforce

- **More engineering students:** Delivered a refreshed mining engineering curriculum pilot with Curtin University that saw a 50 per cent increase in enrolments (to 171) despite a reduction in international students.
- **Future mining degrees:** Worked with universities to encourage 3000 learners to access material in the pilot Foundations of Modern Mining microcredential program leading to 300 enrolments. Refreshed associate engineering degrees with University of South Queensland and Central Queensland University have seen enrolments increase by 68 per cent (to 43) in the last year.
- **Future miners:** Launched the interactive mining game pilot through the Year 6 Minecraft game ‘Resource, Respond, Rescue!’ and the Year 8 Game ‘Old as Dirt!’ Obtained a commitment through the Australian Curriculum, Assessment and Reporting Authority Australian Curriculum Foundation’s Year 10 review to preserve mining dimensions in STEM pathways, and provided ongoing support for the National Undercover Exploration School. With Queensland Resources Council, re-launched the Oresome Resources teacher-support materials and continued to sponsor the Teacher Earth Science Education Program in Victoria.

PRINCIPAL ACHIEVEMENTS //



“I’ve learned that our sector needs the awkward pauses and conversations that force people to think differently about challenges or opportunities.”

MARYANN WIPAKI
Glencore Queensland Metals

➔ Full list of WIRNA 2021 category winners at minerals.org.au

Safe, healthy and respectful workplaces

- ➔ **Respect@Work:** Updated the industry’s health and safety policy to specifically incorporate psychological harm and respectful behaviours.
- ➔ **Showing leadership:** Released a strong statement on the minerals industry’s commitment to eliminating sexual harassment which acknowledges and commits to addressing the alarming, unacceptable and profoundly disappointing prevalence of sexual harassment in the minerals industry.
- ➔ **Promoting good practice:** Published a national industry code on eliminating sexual harassment that provides clear expectations on members to establish both preventative and response measures to address sexual harassment. Developed an industry toolkit of fact sheets, guidance and templates to support members’ implementation of the industry code.
- ➔ **Understanding the problem:** Completed phase 1 of the fatality prevention project examining the overall pattern of fatalities and potential fatalities and an initial deeper analysis into vehicular energy exposures. Phase 2 analysis on gravitational energy and machine energy is underway.
- ➔ **Tools to help:** Developed and released the MineWell mobile preventative mental health and wellbeing app. Over 1000 people are now using the app.
- ➔ **Driving good policy:** Co-ordinated a comprehensive submission on Safe Work Australia’s review of Workplace Exposure Standards highlighting concerns about the practicality and implementation costs for some of the proposed standards.

Environmental and social performance

- ➔ **Enhancing sustainability performance:** Launched Towards Sustainable Mining to support and demonstrate industry management performance, with strong recognition from industry, ministers and parliamentarians, bureaucracy, investors, civil society and First Nations groups.
- ➔ **Building capability:** Held a successful online ESG Conference attended by more than 200 delegates from 27 companies along with government, researchers, mining services and NGOs. This conference reinforces industry’s commitment and understanding of ESG.
- ➔ **Sharing leading practice:** Released a new industry publication, *ESG: Change for the better*, which highlights Australian industry leadership on ESG across the mine life-cycle.
- ➔ **Driving legislative reform:** Advocated and secured recognition of industry reform priorities in the independent review of *Environment Protection and Biodiversity Conservation Act 1999* and through government reform pathways.
- ➔ **Ensuring legal certainty:** Secured support to exempt coal from elements of the dangerous goods code for bulk transport by road and rail.
- ➔ **Practical water policy:** Engaged in the Productivity Commission inquiry into water reform to reinforce the need for flexible water access arrangements to address the unique circumstances of the sector and secured changes to Australian Tax Office foreign water entitlements register for improved understanding of industry water use.
- ➔ **Leading on global stewardship:** Completed a report mapping the Global Industry Standard on Tailings Management with Australian codes and practice. Progressed an update of the MCA Water Accounting Framework user guide to integrate closely the International Council on Mining and Metals water reporting guide. Informed sensible development of the international standard for mine reclamation management.

➤ **Modern slavery:** Supported members to strengthen anti-slavery plans and reporting through a webinar series featuring industry, Commonwealth, civil society, human rights and investor group presentations. Recognised by advocates for this work.

➤ **Outreach:** Supported Bribery Prevention Network programs including Western Australian industry seminar.

First Nations partnerships

➤ **Acting together:** Ensured a collective industry approach to improve Commonwealth laws and systems as well as industry capability, systems and engagement through a national plan and framework. Integrated the Joint Standing Committee on Northern Australia inquiry into matters relating to Juukan Gorge findings into ongoing work program.

➤ **Leadership:** Released the *Minerals Industry Statement on First Nations Partnerships* and hosted board dialogue with diverse First Nations leaders; promoted Indigenous Australian career pathways in mining.

➤ **Heritage protection:** Provided practical recommendations to improve Commonwealth heritage safeguard operation and transparency, called for improved national recognition of significant sites and supported co-design process to modernise national safeguards, noting importance of industry engagement to achievable outcomes.

➤ **Capability and understanding:** Hosted webinars on Indigenous rights, native title organisation priorities, promoted leading practice, completed first phase of review of industry application of free, prior and informed consent and supported integration of Indigenous perspectives into mining education.

➤ **Economic opportunity:** MCA CEO appointed Industry Champion for National Roadmap on Indigenous Jobs, Skills and Wealth Creation, supported new Indigenous business sector snapshot study, partnered in successful grant application to improve preferential procurement programs and advocated for improved asset management structures and guidance.

➤ **Native title:** Secured regime improvements to improve agreement making and provide stability, continued advocacy for increased government funding for Traditional Owner organisations and reinforced the importance of strong Indigenous corporation regulatory frameworks to industry partnerships.

Climate and energy

➤ **Action on climate change:** Announced an industry ambition to achieve next zero emissions by 2050.

➤ **Practical action:** Released the *MCA Climate Action Plan Year 1 Progress Report* highlighting the work initiated and expected aggregate annual abatement potential of 30 per cent from major member emissions reduction projects already planned or underway.

➤ **Reducing carbon emissions:** Advocated for greater government focus and public investment for carbon capture, use and storage (CCUS).

Uranium

➤ **Technology and innovation:** Released *Small Modular Reactors in the Australian Context* report, contributing to the discussion about nuclear energy potential in Australia and the need to remove the prohibitions on nuclear power and legislative duplication on uranium mining and milling.

Coal

➤ **New uses for coal:** Advocated to ensure government's proposed hydrogen guarantee of origin scheme allowed for clean, coal-derived hydrogen.

➤ **New technology:** Advocated on the establishment of a CCS methodology and extension of the Coal Mine Waste Gas methodology under the Clean Energy Regulator.

Alliance with the Mining Equipment Technology and Services (METS) sector

➤ **The mining and METS ecosystem:** Showcased METS companies and their role in contributing to Australian mining and export opportunities for manufacturing and services.

➤ **Building resilience:** Secured government support for renewal of manufacturing capability in the post-pandemic environment through the Advanced Manufacturing Strategy; \$50 million commitment to critical minerals and resources technology.

➤ **Critical minerals:** Gained support for more flexible operation of government-backed loan facilities around critical minerals development generally and in Northern Australia specifically.



➤ The MCA's *ESG: Change for the better* report released in 2021.

Industry positioning and engagement

- **Campaign success:** Delivered the industry positioning and engagement campaign for 2021. Building off the industry positioning base of the 'There's more to Australian Mining' campaign, developed the new multi-media campaign (including national free-to-air television) on industry support for local businesses during the pandemic.
- **Reaching more people:** Developed social media related channels to expand reach, focusing on mine site rehabilitation.
- **Influential publications:** Published the comprehensive policy document *Advantage Australia*; expanded the 'Best in Class' series with two commodity reports - *Iron Ore: When Quality Meets Opportunity* and *Australian Metallurgical Coal: Quality Sought Around the World*. Supported long term strategic goals with the *Commodity Outlook 2030*, launched during Minerals Week 2021.
- **2021 Minerals Week:** The MCA welcomed senior mining executives back to Canberra for Minerals Week 2021. Delegates were joined by experts from across the mining, finance, energy and government sectors to consider how Australian mining can be an even more valuable and responsible partner here and overseas. Parliament's Great Hall hosted the Mining Technology and Careers Showcase which gave visitors the opportunity to see the latest technologies that are shaping modern mining and to learn about new and emerging career opportunities.
- **Parliamentary Dinner:** The Australian Minerals Industry Parliamentary Dinner hosted 500 guests at Parliament House and was addressed by Prime Minister Scott Morrison.
- **2021 Women in Resources National Awards:** Hosted and presented the awards in partnership with the state resources chambers to celebrate the diverse career opportunities in the sector and to identify and promote a wide array of ambassadors, mentors and role models for women and girls considering resource sector careers. Promoted increased female participation in the industry and celebrated success stories across social media channels.



➤ Minister for Resources Keith Pitt and Anglo American Metallurgical Coal CEO Tyler Mitchelson at the Mining Technology and Careers Showcase in June 2021 at Parliament House.

- **MCA Policy Roundtable:** Member company executives met in Canberra with key policy makers, including the ministers and shadow ministers for resources and the environment.
- **Focus on careers:** Released a new *Make your Career in Mining* skills and careers guide targeted at school leavers.
- **MCA Webinar series:** Greater use of online technology delivered member briefings on a range of topics, including: the mining industry's ambition for net zero emissions by 2050; climate-related financial disclosures; Towards Sustainable Mining; eliminating sexual harassment; combatting modern slavery; the MineWell mental health app launch; the Final Joint Standing Committee on Northern Australia report; the Industry of Choice Framework, and small modular nuclear reactors.
- **Strong partnerships:** Continued strong partnerships with Prostate Cancer Foundation Australia, Clontarf Foundation, Stars Foundation, WA Mining Club, National Aboriginal Press Club, MATES in Mining and the National Rock Garden.
- **Media engagement:** 115 media releases, 5769 media mentions (about 15.8 times a day) with strong regional reach. Editorials and commentary in mainstream and specialist publications. Strategic engagement with commentators, opinion leaders, mining specialist reports and the federal parliamentary press gallery.
- **Voice of the industry:** Delivered keynote speeches to important events including the industry's response to *Respect@Work* report and COVID-19, women in mining and the sector's contribution to the economy.

MCA governance and administration

- **MCA Board:** Convened five times to discuss and lead industry's response to issues including COVID-19 and Australia's post-pandemic recovery; workforce health, safety and wellbeing; environmental regulatory reform; taxation; exploration; future jobs and workforce training; workplace relations reform; climate change and energy.
- **Board appointments:** Reaffirmed appointment as vice chairs Managing Director and Chief Executive Officer of Newcrest Sandeep Biswas and the Chief Executive Officer of Anglo American Metallurgical Coal Tyler Mitchelson. Head of Global Coal Assets, Glencore Earl Melamed joined the board following the resignation of his predecessor Gary Nagle. Chief Executive – Iron Ore, Rio Tinto, Simon Trott joined the board after the resignation of his predecessor Ivan Vella. Director Mike Young (formerly of Vimy Resources) stepped down.
- **Indigenous engagement:** Renewed direct Indigenous leaders engagement with board members as part of Minerals Week.
- **Growing industry:** Welcomed 28 new members. MCA had 78 members and 33 associate members as of December 2021.
- **Business continuity:** Renewed and implemented a second COVID business continuity plan including home-based work agreements and a return-to-work policy, including safety protocols for all MCA offices.
- **MCA internships:** Provided two six-month paid internships to university students as an opportunity to develop an understanding of the domestic and international issues affecting Australian mining and how the MCA participates in policy discussions with governments in the development and implementation of public policy.



- Pyramid Hill primary students during a recent visit to Agnico Eagle's Fosterville Gold Mine as part of the MCA Victoria school visits program.

- **Membership portal:** Developed a secure online platform for efficiently sharing committee papers, publications and event information with MCA member companies.
- **Training and development:** Promoted professional development of MCA staff including risk management assessment and response.

MCA Northern Territory Division

- **Recognised as a leader:** Selected to the Northern Territory Government's Minerals Development Taskforce to drive pro-development reforms.
- **Partnership on land access:** Completed work with government on a code of conduct for explorer access to leases and a guide to land access.
- **Streamlining policy:** Secured agreement to begin simplifying mining management plan assessment and approval process.
- **Sensible outcomes:** Prevented introduction of adverse environmental regulatory settings such as duplicative chain of responsibility provisions and residual risk provisions, and improvement in process for obtaining waste discharge licences.
- **Landscape repair:** Pushed government to deliver on longstanding mine remediation fund, paid for by industry levy.
- **Industry leadership:** Held four Darwin Mining Club events featuring Glencore, Newmont, Core Lithium and the federal minister for Northern Australia, and delivered the Northern Australian Emergency Response Competition.

MCA Victorian Division

- **Voice of mining:** Significant increase of 15 new members as the sector grows.
- **Community outreach:** Supported community understanding of minerals exploration with the production of videos on low impact exploration and the regulation of exploration for regional communities and landowners.
- **Leadership outreach:** Supported the Teacher Earth Science Education Program, Science Talent Search Awards, Wimmera Leadership Program and the LEAD Loddon Murray Leadership program.
- **Schools outreach:** Launched an industry immersion program for Victorian school visits to mine sites to learn about careers in mining. Attended careers expos in Victoria including the Bendigo Careers Expo, Wimmera Careers Day and VCE Expo in Melbourne.
- **Law reform:** Provided detailed input to government initiatives to rewrite the Mining Act and develop a revised strategy for Geoscience Victoria.

Future *focus* driving committee work programs



Economic Reform Committee

Advocating reform policies to strengthen mining

The MCA commissioned a significant report by the Centre for International Economics, which quantified the income benefits to households and workers of both the ongoing expansion of mining (including through the COVID-19 pandemic), as well as the implementation of a modest productivity reform agenda. The findings of this report were amplified by Professor Gary Banks in his keynote address at Minerals Week.

The committee also received briefings from the Department of Industry on progressing the government's global resources strategy and from the Australian Bureau of Statistics on its efforts to streamline the surveying of large businesses and improve the quality and timeliness of industry data provided to ministers and officials.

Next steps

- Prevent prescriptive requirements to provide workers performing the same duties with the same wages and entitlements above awards
- Promote the benefits of open trade, investment and efficient supply chains and encourage new free trade agreements that expand opportunities
- Advocate for greater government funding of geoscience programs.



Tax Committee

Protecting industry from adverse tax changes

The committee engaged with federal and state treasury departments to advocate for no adverse tax or royalty changes with particular focus on defending the importance of the fuel tax credit. We co-ordinated the Fuel Tax Credit Alliance to ensure broad business and regional community support was maintained.

The committee consulted federal Treasury about OECD and G20 international tax policy changes, and successfully maintained a broad exemption for mining activity. Two virtual tax update seminars were held with participation from the ATO and Treasury. Submissions were made to the Board of Taxation regarding Australia's capital gains tax rollover rules and the ATO in relation to the taxation of international-related party transactions involving intangibles.

Next steps

- Continue to advocate for reforms to make Australia's business tax system internationally competitive and attractive for new investment
- Co-ordinate the Fuel Tax Credit Alliance to defend the FTC
- Ensure the OECD/G20 international tax changes do not adversely impact the mining industry.



Safety and Sustainability Committee

Shifting the dial on ESG

The committee has continued to lead the establishment of the Towards Sustainable Mining (TSM) system in Australia. TSM will enhance community and investor confidence in the industry's safety and sustainability performance.

The committee also led industry engagement on reforms to the national environmental law for better business and environmental outcomes. A new publication demonstrating Australian industry's ESG credentials was launched at the newly branded ESG Conference.

Safety and health is central to the work of the committee. In addition to the ongoing COVID-19 response, the committee oversaw the development of a new code and toolkit to prevent sexual harassment.

Next steps

- TSM to become operational, ready for member implementation
- Launch a new user guide for the MCA Water Accounting Framework
- Develop practical guidance on human rights in the Australian minerals sector
- Update the MCA mental health blueprint.

“Securing resilient and sustainable supply chains for critical minerals, including rare earths, is now a priority for many governments and manufacturers around the world.”

AMANDA LACAZE

CEO & Managing Director | Lynas Corporation



Workforce and Innovation Committee

Skills and technology for today and tomorrow

The committee continued to execute its multiyear strategy to attract, develop and retain a diverse and inclusive workforce.

Skills shortages were monitored against existing programs to support pathways and increase participation. The Industry of Choice Inclusion and Diversity Framework was launched to promote and achieve a more inclusive and diverse culture, workforce and industry.

The committee oversaw the incubation of the Mining Skills Organisation pilot, one of only three industry-led skills organisations. The pilot formally transitioned out of the MCA in 2021, into the standalone Australian Minerals and Energy Skills Alliance.

To support the digital transformation of mining to improve safety, productivity and sustainability, the committee identified a new stream of work to map out regulatory barriers.

Next steps

- Apply learnings from successful curricula pilots to improve pathways into mining careers
- Activate and embed the Industry of Choice Framework to improve diversity and inclusion in the mining workforce
- Advocate for policy reform to support the digital transformation of mining.



Indigenous Partnerships Committee

Driving cultural change across the industry

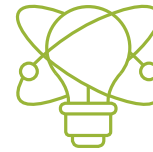
In its first full year, the committee developed the new MCA position statement recognising industry capabilities underpinning respectful First Nations partnerships and guided TSM Mining and Indigenous People Framework and protocol adaption for Australia.

Other actions included reviewing considerations to respect Indigenous rights, informing MCA engagement with First Nations leaders and ensuring Indigenous partnerships were reflected across policy areas and education events.

The committee also led industry contribution to support improved administration and modernisation of national Indigenous heritage safeguards and native title regime operation. It also supported contributions to the National Roadmap on Indigenous Jobs, Skills and Wealth Creation.

Next steps

- Drive initiatives to increase Indigenous Australian leadership across industry
- Contribute improved national heritage protection safeguards
- Develop a First Nations engagement plan to support TSM implementation
- Support improvements to ensure a stable, practical and equitable native title regime, including ongoing increased government funding for Traditional Owner corporations.



Energy and Climate Committee

Implementation of the MCA Climate Action Plan

In June, the MCA released the *Climate Action Plan Year 1 Progress Report*. The report pulled together the emissions data from members reporting into federal compliance schemes, outlined 39 abatement activities members were undertaking to reduce emissions and featured numerous examples of member actions on the ground to develop the technologies for future emissions reduction.

In October, the MCA announced its confirmation of the industry's ambition to achieve net zero emissions by 2050 in support of the goals of the Paris Agreement.

Next steps

- Finalise the TSM Climate Change Protocol
- Develop industry understanding of the technology pathways and economics of moving to net zero
- Progress Climate Action Plan activities ahead of the Year 2 Progress Report.



Coal Forum

Coal underpins nation's economic strength

Coal continues to have an enduring and significant presence in regional Australia. The industry works hard to be a responsible partner in its host communities thereby enriching social and cultural life, economic opportunity and environmental sustainability. This is illustrated by the industry's ongoing actions during the pandemic to protect workers, families and communities, and continue to keep people in work, electricity generating and exports flowing.

Advocacy activities included a special report on coal's role in the economic transformation to net zero in The Herald Sun, and submissions to government on low emission coal technologies, hydrogen guarantee of origin standards, the future of manufacturing and new methods under the Emissions Reduction Fund.

Next steps

- Describe how coal and other minerals create jobs, business opportunities and infrastructure while bolstering energy and national security
- Advocacy for expanding initiatives on carbon capture, utilisation and storage to reduce emissions from coal use and support clean hydrogen production
- Continue to advocate legislative and microeconomic reforms to reduce policy-related costs and improve operational performance.



Gold Forum

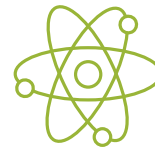
Exploration the key to future success

The Gold Forum progressed its work program to boost government understanding of the gold industry, improve gold's public image and highlight the role of gold in modern economies as both an investment asset and future technology metal.

The highlight of the MCA's gold advocacy came during Minerals Week in June 2021. At the MCA's Parliamentary Showcase event new member ABC Refinery proudly displayed several bars of gold bullion and gave both members of parliament and the general public the opportunity to hold Australian mined and refined gold while learning more about the industry.

Next steps

- Continue to work with government departments to improve their understanding of gold mining and the importance of gold
- Advocate for the Australian government to increase gold holdings in its reserve assets
- Support increased media reporting on the gold industry and role of gold as an investment asset
- Lead the implementation of Towards Sustainable Mining across the gold industry.



Uranium Forum

Ramped up nuclear energy advocacy

Continuing with the MCA's advocacy on nuclear energy technologies as a way of normalising uranium mining, a ground-breaking new report - *Small Modular Reactors in the Australian Context* - authored by Dr Ben Heard was released in October 2021.

The release of this report followed the MCA's support of the Australian government's decision to purchase nuclear-powered submarines and the inclusion of nuclear energy in the EU sustainable finance taxonomy.

Next steps

- Highlight the increasing importance of Australian uranium in decarbonising global energy supplies
- Continue to advocate for the removal of the nuclear ban in the EPBC Act
- Work with like-minded organisations to promote Australia's world-class uranium sector and the inclusion of nuclear energy in Australia's future energy mix.

MCA committees

Economic Reform Committee

Chair: Tyler Mitchelson // Anglo American Metallurgical Coal

Co-chair: Felicity Hughes // Newmont Australia

The Economic Reform Committee develops and advocates policies that encourage an internationally competitive minerals industry in Australia.

Energy and Climate Change Committee

Chair: Mike Erickson // AngloGold Ashanti Australia Ltd

The Energy and Climate Change Committee oversees the implementation of the MCA Climate Action Plan and climate-related financial disclosure forum.

Safety and Sustainability Committee

Chair: Alex Bates // Newmont Australia

Co-chair: Michael Wright // Thiess Group

The Safety and Sustainability Committee leads national policy development and implementation across safety and health, environmental and social portfolios.

Tax Committee

Chair: Dominic Smith // Glencore

The Tax Committee is central to the strategic aim to grow and sustain a world-leading minerals sector that delivers economic and social benefits to all Australians.

Workforce and Innovation Committee

Chair: Mark Davies // Rio Tinto

The Workforce and Innovation Committee proactively addresses the needs of the current and future workforce, and conditions to support productivity boosting innovation and technology.

Indigenous Partnerships Committee

Chair: Julian Farrugia // Glencore

The Indigenous Partnerships Committee provides strategic advice to the MCA board to assist shaping positive, long-term partnerships with First Nations landholders, communities and organisations.

Coal Forum

Chair: Paul Flynn // Whitehaven Coal

The Coal Forum promotes the significant national contribution of coal and advocates policy certainty and stable investment climate to support international competitiveness and fit for purpose regulatory framework.

Gold Forum

Chair: Lisa Ali // Newcrest Mining

The Gold Forum promotes the significant national contribution of gold and advocates policy certainty and stable investment climate to support international competitiveness and fit for purpose regulatory frameworks.

Uranium Forum

Chair: Duncan Craib // Boss Energy Limited

The Uranium Forum aims to promote and develop Australia's uranium industry to be globally recognised as a safe, responsible, transparent and successful supplier of fuel for clean electricity generation.

MCA NT Council

Chair: Sam Strohmayer // Glencore

The MCA NT Council establishes the policy priorities of the MCA NT and sets the strategic direction on behalf of the organisation, supported by the secretariat.

MCA Victoria Council

Chair: Paul Currie // GHD

The MCA Victoria Council establishes the policy priorities of MCA Victoria and advocates for clear, streamlined state government policies that support the development of the minerals sector in Victoria.

James Sorahan
Executive Director
MCA Victoria



Record *exploration* augers well for Victorian mining

Victoria continued to experience strong growth in minerals exploration with record investment in 2021. MCA Victoria also welcomed nine new members.

It is 35 years since the Victorian Chamber of Mines formed in 1986. In 2004 it became the Victorian Division of the Minerals Council of Australia and in 2021 MCA Victoria. Today, MCA Victoria advocates for a minerals sector with greater prospects than ever before.

A new Minister for Resources was appointed in August 2021. MCA Victoria worked with parliament, councils and communities to build public awareness of the mining and exploration industry and deliver more efficient approvals and regulation, and legislative reform.

Through the pandemic and lockdowns MCA Victoria continued its important work with government and industry to ensure the continued safe and efficient operation of the sector.

Regional engagement

As pandemic restrictions eased, MCA Victoria stepped up its program of engagement. There were extensive briefings on minerals exploration to local councils and business groups, as well as media outlets and industry journals, reinforcing the economic opportunities offered by the industry.

This was supported by the creation of an exploration video to provide information to communities on minerals exploration and support explorers in their interactions with landowners.



➔ Stawell Gold Mines' Yan Lim won the 2021 Victorian Young Woman in Resource Award.

Supporting better regulation

MCA Victoria lodged multiple submissions to reviews and consultation processes on a range of critical areas including health and safety, environmental regulation, modernisation of the *Mineral Resources (Sustainable Development) Act 1990*, and earth resources guidelines to facilitate safe and environmentally responsible exploration and minerals development.

Promoting excellence

MCA Victoria working groups met across regional Victoria to share environmental and community, and health and safety best practice. MCA Victoria also hosted the Victorian Women in Resources Awards 2021

recognising exceptional women working in Victoria's minerals sector, and sponsored the Loddon Murray and Wimmera Leadership Programs supporting the development of young leaders in regional Victoria.

The next generation

Convened by MCA Victoria, a skills workshop in October with industry, government, education and community employment organisations identified actions to engage young local people. MCA Victoria also attended careers expos to promote minerals sector jobs.

Other education initiatives included funding for the Teacher Earth Science Education Program and sponsorship of the Science Talent Search Awards.

MCA Victoria also launched an industry immersion program in December 2021, offering school mine site tours for students to learn about the diverse range of mining jobs and pathways.

Industry advocacy

2021 marked the 20th year since the formation of Melbourne Mining Club (MMC) - a not-for-profit joint venture formed by the MCA and AusIMM. Despite lockdowns impacting events across the year, a number of MMC Luncheons and Cutting Edge Series were held when restrictions permitted.

Cathryn Tilmouth
Executive Director
MCA Northern Australia



Mining best prospect for *stronger* Northern Australia

Mining remains the Northern Territory's biggest industry and the best prospect for the future of Northern Australia.

While the disruption of the pandemic trimmed mining output from previous highs, mining in the Territory made up 24.9 per cent or \$6.44 billion of gross state product in 2021.

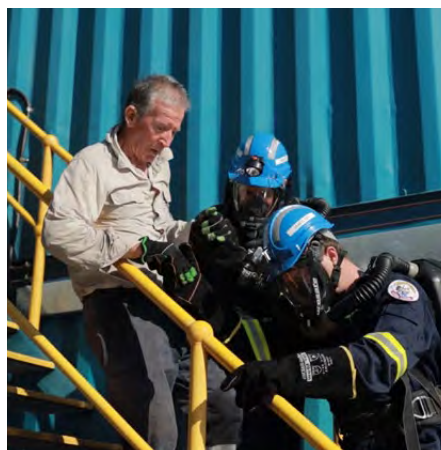
Mining's strong performance keeping people in jobs, caring for the health and hygiene of workers and communities and strong record of striving and delivering superior environmental performance gave confidence to communities and governments.

Increasing investment and delivering the policy reforms to support that investment were recognised as opportunities that should be grasped.

Industry advocacy

The strong advocacy of the MCA – and I wish to acknowledge my predecessor of nine years Drew Wagner in this task – saw the MCA NT Division well positioned through 2021.

- **Recognised as a leader:** MCA NT was selected to the Northern Territory Government's Minerals Development Taskforce to drive pro-development reforms
- **Streamlined policy:** MCA NT secured agreement to begin simplifying mining management plan assessment and approval processes



➤ Scenario training at the Northern Australia Emergency Response Competition in 2021.

- **Sensible outcomes:** Prevented introduction of adverse environmental regulatory settings which included duplicative chain of responsibility provisions and residual risk provisions. Secured improvement in the process for obtaining waste discharge licences.
- **Landscape repair:** Pushed the NT Government to deliver on a longstanding mine remediation fund, paid for by industry levy
- **Industry leadership:** Held four Darwin Mining Club events featuring Glencore, Newmont, Core Lithium and the Federal Minister for Northern Australia, and delivered the Northern Australian Emergency Response Competition in May 2021.

The MCA NT will continue to build on these achievements in 2022.

Northern Australia's resources industry holds enormous potential to provide economic benefits and real opportunities for people from all walks of life, with investments in infrastructure, the creation of jobs and downstream service industries, and the attraction of more people to the regions.

New projects

We are right on the verge of seeing the hard work and dedication of a number of new projects pay off. Core Lithium recently entered into a binding term sheet agreement for the supply of lithium to Tesla, and Arafura Resources was recently awarded funding under the Federal Government's Modern Manufacturing Initiative. Both of these achievements take these projects one step closer to operation.

As a born and bred Territorian – born and raised in Alice Springs before moving to Darwin – and having worked 'down south' as well, I have seen the focus shift to the opportunities and potential held in Northern Australia and the Territory. I look forward to working with our members to see the potential of our industry realised.

Member companies

Full members

- ABC Refinery
- Agnico Eagle
- Albermarle Limited
- Anglo American Metallurgical Coal
- AngloGold Ashanti Australia
- Arafura Resources
- Battery Minerals Limited
- BHP
- Blackstone Minerals Ltd
- Blackwood Prospecting
- Boss Energy Resources
- Bravus Mining & Resources
- Cameco Australia
- Cauldron Energy
- Centennial Mining Limited
- Core Lithium Limited
- Dart Mining NL
- Deep Yellow Ltd
- Donald Mineral Sands (Astron Ltd)
- Energy Resources of Australia
- EnergyAustralia
- Fosterville South Exploration Ltd
- GBM Resources
- Gold Corporation
- Golden Point Group
- Glencore Australia Holdings
- Gulkula Mining Company
- Heathgate Resources
- Idemitsu Australia Resources
- Jellinbah Group
- Kalbar Resources
- KGL Resources
- Leviathan Gold
- Lynas Rare Earths
- Malabar Resources Ltd
- Mandalay Resources
- Mercator Gold Australia Pty Ltd
- MG Gold Pty Ltd
- Murray Zircon Pty Ltd
- Nathan River Resources
- Navarre Minerals
- New Hope Corporation
- Newcrest Mining
- Newmont Australia
- North Stawell Minerals Ltd
- Novo Resources Corp
- Omya Australia
- Outback Goldfields
- Paladin Energy
- Peabody Energy Australia
- Pembroke Resources Pty Ltd
- Perenti Global Ltd
- Providence Gold & Minerals
- Redbank Copper Ltd
- Red Rock Australasia
- Resource Base Ltd
- Rex Minerals
- Rio Tinto
- Southern Cross Gold Ltd
- Stawell Gold Mines Pty Ltd
- St Barbara
- Tennant Consolidated Mining Group Pty Ltd
- The Bloomfield Group
- Thiess Pty
- Titeline Drilling Pty Ltd
- TNG Limited
- Toro Energy
- Torrens Mining Ltd
- Verdant Minerals
- VHM Limited
- Vimy Resources
- Vista Gold Australia
- Westrock Minerals Pty Ltd
- Whitehaven Coal
- White Rock Minerals
- WIM Resources
- Winchelsea Mining
- Yancoal Australia

Associate members

- AECOM Australia
- AMC Consultants
- ANSTO Minerals
- Ashurst
- Aurizon
- Australia-Africa Minerals and Energy Group
- Bechtel Australia
- Circle Advisory Pty Ltd
- Cummins South Pacific
- Dyno Nobel
- ECOZ Environmental Services
- Ensolve Pty Ltd
- EY
- GHD
- Hastings Deering
- Herbert Smith Freehills
- Komatsu Australia Pty Ltd
- KPMG Australia
- MinterEllison
- Mitsubishi Development
- NSW Minerals Council
- Orica Australia
- PanAust
- Power and Water Corporation
- PricewaterhouseCoopers Australia
- Queensland Resources Council
- South Australian Chamber of Mines and Energy
- Sparke Helmore Lawyers
- Tasmanian Minerals and Energy Council
- The Chamber of Minerals and Energy of Western Australia
- Tesbury Consulting Services
- True North Strategic Communication
- Westrac

Board of Directors



Chair
The Hon Helen Coonan



Vice Chair
Mr Sandeep Biswas
Managing Director and
Chief Executive Officer
Newcrest Mining



Vice Chair
Mr Tyler Mitchelson
Chief Executive Officer
Anglo American Metallurgical Coal



Mr Edgar Basto
President Minerals Australia
BHP



Mr Alex Bates
Regional Senior Vice President
Newmont Australia



Mr Mike Erickson
Senior Vice President
AngloGold Ashanti Australia



Mr Paul Flynn
Managing Director and
Chief Executive Officer
Whitehaven Coal



Ms Amanda Lacaze
Chief Executive Officer
and Managing Director
Lynas Rare Earths



Mr David Moulton
Chief Executive Officer
Yancoal Australia



Mr Earl Melamed
Head of Global Coal Assets
Glencore



Mr Simon Trott
Chief Executive, Iron Ore
Rio Tinto



Mr Michael Wright
Executive Chairman and
Chief Executive Officer
Thiess Group



Mr Darren Yeates
Executive Vice President
and Chief Operating Officer
Peabody Australia

Annual financial report

Minerals Council of Australia

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These financial statements are the financial statements of the Minerals Council of Australia as an individual entity. The financial statements are presented in the Australian currency.

The Minerals Council of Australia is a company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Minerals Council of Australia

Level 3, 44 Sydney Avenue, Forrester ACT 2603

The financial statements were authorised for issue by the directors on 30 March 2022. The directors have the power to amend and reissue the financial statements.

ABN 21 191 309 229

Director's report

Your directors present their report on the Minerals Council of Australia (MCA) for the year ended 31 December 2021.

Directors

The following persons held office as directors of the MCA during the whole financial year and up to the date of this report:

Mr E Basto	The Hon H Coonan	Ms A Lacaze	Mr M Wright
Mr A Bates	Mr M Erickson	Mr T Mitchelson	Mr D Yeates
Mr S Biswas	Mr P Flynn	Mr D Moul	

Mr E Melamed and Mr S Trott were appointed as directors on 24 March 2021. Mr Graham Kerr was appointed as a director on 4 March 2022.

Mr I Vella, Mr G Nagle and Mr M Young retired as directors on 10 February 2021, 22 February 2021 and 3 September 2021, respectively.

Objectives and strategies

The MCA's objective is to assist the growth of the Australian mining and minerals processing industries.

The MCA's strategy for achieving this objective is to advocate pre-competitive or generic public policy for a socioeconomic environment conducive to growth and prosperity; to identify and promote leading operation principles; and to engage with opinion leaders and other stakeholders to promote the industry's contribution to the sustainable economic benefit of all Australians.

Principal activities

During the year the principal activities of the MCA were:

- Promoting the benefits of the minerals industry in the public domain and engaging in advocacy on the issues that matter most to Australia's mining sector and related industries: economic and fiscal policy, taxation policy, climate and energy policy, sustainable development, education and skills, safety, labour and Indigenous economic development. The MCA measures its performance by member feedback and legislative outcomes
- Continued coordination of the national resource sector response to the sudden onset of the COVID-19 pandemic through the maintenance strict national COVID-19 health and safety protocols and supporting guidance in partnership with state and territory chambers and the oil and gas sector to keep workers, families and communities safe and healthy - and coordination with governments of vaccination programs among the mining workforce and regional communities, particularly Indigenous communities.

Other than responding to the COVID-19 pandemic, there was no significant change in the nature of the activity of the MCA during the period.

Operating results

The MCA derives its income primarily through members' subscriptions which, over time, approximate expenditure of the MCA. The operating surplus for the year ended 31 December 2021 was \$120,861 (2020: \$1,485,094).

Information on directors

Mr E Basto Baez B.Sc.Eng (Metallurgical)

President Minerals Australia | BHP

Mr A Bates B.Sc.Eng (Hons) - Civil Engineering

Regional Senior Vice President | Newmont Australia

Mr S Biswas B.Ch.E (Hons), FAusIMM FTSE

Managing Director and Chief Executive Officer
Newcrest Mining Limited

The Hon H Coonan BA, LLB

Independent Chair

Mr M Erickson B.Sc (Hons), PGDip, GAICD, FAusIMM

Senior Vice President
AngloGold Ashanti Australia Limited

Mr P Flynn B.Comm, FCA

Managing Director and Chief Executive Officer
Whitehaven Coal Limited

Ms A Lacaze BA, DipM, MAICD

Chief Executive Officer and Managing Director
Lynas Rare Earths Limited

Mr E Melamed B.Com, B.Acc, ACA

Head of Global Coal Assets | Glencore

Mr T Mitchelson B.Comm (Hons), CPA

Chief Executive Officer | Anglo American Metallurgical Coal

Mr David Moul CEng (Mining), MBA, FAusIMM, FIMMM, MAICD

Chief Executive Officer | Yancoal Australia Limited

Mr S Trott BSc (Hons), GradDipFinInv, AICD

Chief Executive | Iron Ore, Rio Tinto

Mr M Wright B.Eng (Civil), M.Eng.Sc

Executive Chairman | Thiess

Mr D Yeates B.Eng (Mining), Grad Dip in Mgmt, Grad Dip in Applied Fin & Invest., MBA, FAICD

Executive Vice President and Chief Operating Officer
Peabody Energy

Mr M Young B.Sc (Hons) - Geological Science

Managing Director and CEO | Vimy Resources Limited

Meetings of directors

There were six meetings of the MCA's directors held during the year ended 31 December 2021. The following table sets out the number of meetings each director was eligible to attend and the number of meetings attended. The table includes those directors who retired or resigned during the financial year.

Directors	Meetings eligible to attend	Meetings attended
A Bates	6	6
E Basto	6	6
S Biswas	6	6
H Coonan	5	5
M Erickson	6	5
P Flynn	6	6
A Lacaze	6	5
E Melamed	6	5
D Moulton	6	5
T Mitchelson	6	5
S Trott	6	4
M Wright	6	6
D Yeates	6	5
M Young	4	2

Member's liability

The liability of members is limited to no more than \$10.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 41.

This report is made in accordance with a resolution of directors.



The Hon H Coonan
Chair



Mr P Flynn
Director

Canberra
30 March 2022

Auditor's Independence Declaration

As lead auditor for the audit of Minerals Council of Australia for the year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



Adrian King
Partner
PricewaterhouseCoopers

Canberra
30 March 2022

Financial report

Statement of profit or loss and other comprehensive income

	Notes	2021 \$	2020 \$
Revenue from contracts with customers	1	20,483,472	20,152,496
Other income	2	127,368	341,286
Expenses			
Employee expenses		(10,262,389)	(9,656,782)
Consultancy expenses		(2,495,720)	(1,853,739)
Minerals Tertiary Education Council (MTEC) program expenses		(291,170)	(795,593)
Occupancy expenses		(244,636)	(220,891)
Conferences and events expenses		(754,467)	(221,062)
Travel expenses		(227,214)	(165,833)
Information and technology expenses		(629,641)	(582,224)
Media buy		(3,370,834)	(3,632,044)
Depreciation expense		(690,543)	(741,838)
Finance expense		(143,151)	(114,231)
Other expenses		(1,380,214)	(1,024,451)
Total expenses		(20,489,979)	(19,008,688)
Surplus for the year		120,861	1,485,094
Other comprehensive income for the year		-	-
Total comprehensive income for the year is attributable to:		120,861	1,485,094
Members of the Minerals Council of Australia			

The above statement of profit and loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

	Notes	2021 \$	2020 \$
ASSETS			
Current assets			
Cash and cash equivalents	3	1,255,102	1,480,031
Term deposits		9,042,106	10,969,474
Receivables	4	250,961	292,643
Prepayments		497,496	579,862
Total current assets		11,045,665	13,322,010
Non-current assets			
Plant and equipment	5	282,476	265,948
Right-of-use assets	6	1,723,560	1,073,139
Total non-current assets		2,006,036	1,339,087
Total assets		13,051,701	14,661,097
LIABILITIES			
Current liabilities			
Trade and other payables	7	1,309,535	730,624
Provisions - employee entitlements		995,775	982,006
Lease liabilities	6	458,415	705,342
Contract liabilities	8	203,077	3,435,181
Total current liabilities		2,966,802	5,853,153
Non-current liabilities			
Provisions - employee entitlements		313,810	215,954
Lease liabilities	6	1,704,981	646,743
Total non-current liabilities		2,018,791	862,697
Total liabilities		4,985,593	6,715,850
Net assets		8,066,108	7,945,247
EQUITY			
Accumulated funds	9 (b)	7,446,149	7,325,288
Reserves	9 (a)	619,959	619,959
Total members' equity		8,066,108	7,945,247

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in equity

	Accumulated funds \$	Reserves \$	Members' equity \$
Balance at 1 January 2020	5,840,194	619,959	6,460,153
Surplus for the year	1,485,094	-	1,485,094
Total comprehensive income for the year	1,485,094	-	1,485,094
Balance at 31 December 2020	7,325,288	619,959	7,945,247
Balance at 1 January 2021	7,325,288	619,959	7,945,247
Surplus for the year	120,861	-	120,861
Total comprehensive income for the year	120,861	-	120,861
Balance at 31 December 2021	7,446,149	619,959	8,066,108

Statement of cash flows

	Notes	2021 \$	2020 \$
Cash flows from operating activities			
Receipts from members and customers		19,278,706	25,883,565
Payments to suppliers and employees		(20,833,172)	(20,337,622)
Interest received		56,665	136,389
Interest paid		(143,151)	(114,230)
Government stimulus receipts		40,932	196,785
Net cash inflow/(outflow) from operating activities		(1,600,020)	5,764,887
Cash flows from investing activities			
Payments for plant and equipment		(154,846)	(106,891)
Net (increase)/decrease in term deposits		1,923,271	(5,323,272)
Net cash inflow/(outflow) from investing activities		1,768,425	(5,430,163)
Cash flows from financing activities			
Principal portions of lease payments		(393,334)	(660,751)
Net cash (outflow) from financing activities		(393,334)	(660,751)
Net (decrease) in cash and cash equivalents		(224,929)	(326,027)
Cash and cash equivalents at the beginning of the financial year		1,480,031	1,806,058
Cash and cash equivalents at end of year	3	1,255,102	1,480,031

The above statement of changes in equity and the statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

1 Revenue from contracts with customers

	2021 \$	2020 \$
Revenue recognised over time		
Membership fees	18,356,406	19,488,559
Management fees	258,521	465,511
Service fees	1,267,364	7,843
	19,882,291	19,961,913
Revenue recognised at a point in time		
Events	255,271	66,947
Sponsorships	345,910	123,636
	601,181	190,583
Total revenue from contracts with customers	20,483,472	20,152,496

(a) Assets and liabilities related to contracts with customers

Trade receivables	131,376	178,938
Contract liabilities	203,077	3,435,181

MCA's revenue from contracts with customers is largely generated in Australia.

2 Other income

	2021 \$	2020 \$
Interest	52,568	133,204
Sundry income	33,868	11,297
Federal government cash flow boost	-	100,000
Victorian government payroll tax relief	40,932	96,785
	127,368	341,286

3 Cash and cash equivalents

	2021 \$	2020 \$
Cash at bank, cash on hand and term deposits with maturity less than 90 days	1,255,102	1,480,031

4 Receivables

	2021 \$	2020 \$
Trade receivables	131,376	178,938
GST receivables	119,418	113,571
Sundry debtors	167	134
	250,961	292,643

NOTES TO THE FINANCIAL STATEMENTS //

5 Plant and equipment

	Furniture, fittings and equipment \$	Motor vehicles \$	Leasehold improvements \$	Total \$
At 31 December 2020				
Cost	846,657	33,205	1,667,192	2,547,054
Accumulated depreciation	(699,215)	(1,384)	(1,580,507)	(2,281,106)
Net book amount	147,442	31,821	86,685	265,948
Year ended 31 December 2021				
Opening net book amount	147,442	31,821	86,685	265,948
Additions	72,633	-	82,213	154,846
Disposals	(918)	-	(1,081)	(1,999)
Depreciation charge	(66,996)	(8,301)	(61,022)	(136,319)
Closing net book amount	152,161	23,520	106,795	282,476
At 31 December 2021				
Cost	760,289	33,205	1,746,843	2,540,337
Accumulated depreciation	(608,128)	(9,685)	(1,640,048)	(2,257,861)
Net book amount	152,161	23,520	106,795	282,476

6 Right-of-use assets

The balance sheet shows the following amounts relating to leases:

	2021 \$	2020 \$
Right-of-use assets		
Buildings	1,717,939	1,062,500
Equipment	5,621	10,639
	1,723,560	1,073,139
Additions to right-of-use assets during 2021 were \$1,204,645 (2020: \$180,075)		
Lease liabilities		
Current	458,415	705,342
Non-current	1,704,981	646,743
	2,163,396	1,352,085

The statement of profit and loss shows the following amounts relating to leases:

Depreciation charge for right-of-use assets		
Buildings	(549,206)	(579,670)
Equipment	(5,017)	(27,173)
	(554,223)	(606,843)
Interest expense	(143,151)	(114,231)
	(697,374)	(721,074)

The total cash outflow for leases in 2021 was \$525,174 (2020: \$774,981).

The MCA has provided a bank guarantee of \$31,367 to the lessor / owner of one of the leased offices.

7 Trade and other payables	2021	2020
	\$	\$
Trade creditors	944,625	545,871
Accrued expenses	338,675	176,699
Other payables	26,235	8,054
	1,309,535	730,624

8 Contract liabilities	2021	2020
	\$	\$
Mining Skills Organisation Pilot contract	-	3,247,683
Other contract liabilities	203,077	187,498
	203,077	3,435,181

9 Equity	2021	2020
(a) Reserves	\$	\$
Balance 1 January	619,959	619,959
Transfer from/(to) accumulated funds	-	-
Balance at 31 December	619,959	619,959

(i) Nature and purpose of reserves

Campaign reserve

The surplus of funds contributed over costs incurred for the *This is Our Story* advertising campaign and federal government tax advertising campaign have been set aside in the campaign reserve for use in future similar purpose advertising campaigns, or as the directors may otherwise determine.

(b) Accumulated funds

Movements in accumulated funds were as follows:

	2021	2020
	\$	\$
Balance 1 January	7,325,288	5,840,194
Surplus for the year	120,861	1,485,094
Balance 31 December	7,446,149	7,325,288

10 Commitments	2021	2020
	\$	\$
Commitments in relation to operating leases for office rental and office equipment contracted for at balance date but not recognised as liabilities:		
Within one year	5,789	5,223
Later than one year but not later than five years	21,008	5,734
Later than five years	1,750	-
	28,547	10,957

MCA leases various offices and equipment under non cancellable operating leases expiring within six months to sixty four months. The leases have varying terms, escalation clauses and renewal rights. On renewal the terms of the lease are renegotiated.

11 Directors and executive disclosures

(a) Key management personnel compensation

In addition to the directors as listed in the directors' report, the following persons were the key management personnel with the greatest authority for the strategic direction and management of the MCA during the financial year:

Name	Position
The Hon H Coonan	Chair
Ms T Constable	Chief Executive Officer
Mr S Marris	Deputy CEO, Strategy, State & Territory Relationships & Company Secretary
Ms B Conroy	General Manager - Operations & Company Secretary
Mr D King	General Manager - Trade, Investment and Investor Relations
Dr G Lind	General Manager - Safety, Workforce & Innovation
Mr M Jeffries	General Manager - Workforce and Innovation
Mr R Lyons	General Manager - Taxation
Mr C McCombe	General Manager - Sustainability
Dr M Steen	General Manager - Economic Policy & Workplace Relations
Mr S Troeth	General Manager - Industry Positioning & Engagement
Ms K Schulze	General Manager - Industry Positioning and Engagement
Mr D Zavattiero	General Manager - Climate & Energy

(b) Remuneration of key management personnel

(i) Details of remuneration

Details of the total remuneration paid to the listed senior key management personnel are as follows:

	2021	2020
	\$	\$
Key management personnel compensation	4,287,905	3,977,435

The remuneration amount disclosed for 2021 is based on 13 key management personnel positions.

12 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditors.

(i) PricewaterhouseCoopers	2021	2020
	\$	\$
Financial report audit	34,680	33,000
Other services	10,200	6,965
Total remuneration for audit and other services	44,880	39,965

13 Summary of significant accounting policies

This note provides a list of all significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Minerals Council of Australia (MCA) is a not-for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with Australian Accounting Standards - Reduced Disclosure Requirements

The consolidated financial statements of the Minerals Council of Australia comply with Australian Accounting Standards - Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB).

(ii) Historical cost convention

These financial statements have been prepared under the historical cost basis, except for certain assets which, as noted, are at fair value.

(iii) New standards adopted

Other than the early adoption of *Australian Accounting Standards - Simplified Disclosures*, MCA did not adopt any new AASB standards for the year ending 31 December 2021.

(b) Revenue recognition

Revenue is recognised for the major business activities as follows:

(i) Membership fees

Revenue from membership fees relates to the provision of annual membership benefits to members. The consideration for memberships is based on fixed fees and is recognised over the membership year as members simultaneously receive and benefit from the services provided.

Components of the membership fees that are collected for annual programs are recognised over time as the MCA provides the services with reference to qualitative achievement of planned activities for each program.

(ii) Events

The MCA holds a number of events during the year. Revenue is recognised when the event has been held and the consideration is based on fixed fees.

(iii) Sponsorship

The MCA receives sponsorship income from customers in support or partnership of MCA events. Revenue is recognised when the event has been held and the consideration is based on fixed fee amounts.

(iv) Management fees

The MCA provides management support services to an external entity as determined in the contractual agreement. The contract contains fixed monthly management fees and specifies the services as the provision of public affairs and policy support services and provision of management personnel services. The services provided are substantially the same each month and have the same pattern of transfer, therefore the MCA accounts for the contracts as two performance obligations, the annual provision of support services and management personnel services. Revenue is recognised over the life of the contract as the customer simultaneously receives the benefits as MCA provides the services.

(v) Contract assets and liabilities

Contract assets represent services provided to customers which are not yet billed. Contract liabilities recognised are in relation to revenue billed to customers, where MCA has not yet provided the services.

(c) Interest revenue

Interest income from cash and cash equivalents and other investments is recognised when earned.

(d) Income tax

The MCA is exempt from income tax under Section 50-40 of the *Income Tax Assessment Act 1997*.

(e) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of less than three months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS //

(f) Term deposits

Term deposits are classified as financial assets at amortised cost as they are held with the objective to collect the contractual cash flows and the contractual terms give rise to cash flows that are solely payments of principal and interest. The original maturity of the term deposits are greater than three months.

(g) Trade and other receivables

All debtors are recognised at the amounts receivable on settlement. Trade receivables are due for settlement no more than 30 days from the date of recognition. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off.

MCA holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them initially at fair value and subsequently at amortised cost.

(h) Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. The cost method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up at the date of acquisition, plus costs incidental to the acquisition. Where assets are acquired through a non-reciprocal transfer the balance is recognised as revenue in profit or loss.

(i) Depreciation

Depreciation is calculated on a straight line basis so as to write off the net cost of each non-current asset during its expected useful life. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items.

The following rates of depreciation have been employed:

Furniture, fitting and equipment	Leasehold improvement	Motor vehicles
10% - 40%	7.5% - 60%	25%

(i) Impairment of assets

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

(j) Trade and other payables

These amounts represent liabilities for goods and services received prior to the end of the financial year and which are unpaid. The amounts are unsecured and are paid in accordance with specified terms.

MCA recognises the trade payables initially at fair values and subsequently at amortised cost.

(k) Employee benefits

(i) Wages and salaries and annual leave

Liabilities for wages and salaries and annual leave, expected to be settled within twelve months of the balance date, are recognised and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

(ii) Long service leave

Liabilities for long service leave are recognised, and are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employees departures and periods of service. Expected future payments are discounted using interest rates on investments with terms that match as closely as possible, the estimated future cash outflows.

(l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(m) Jointly controlled operation

The proportionate interest in the assets, liabilities, income and expenses of a jointly controlled operation have been incorporated in the financial statements under the appropriate headings. The MCA is party to a jointly controlled operation called Melbourne Mining Club. The MCA has a 50 percent participating interest in this venture, and is entitled to 50 percent of its output. MCA's interests in the assets employed in the jointly controlled operation are included in the balance sheet. The principal place of business is Australia.

(n) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(o) Accounting for leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets
- leases with a duration of twelve months or less

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease. If this is not readily determinable, an incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. If such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before the commencement of the lease
- initial direct costs incurred
- the amount of any provision recognised where the MCA is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

14 Significant accounting estimates and judgements

MCA evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within MCA.

Key Estimates

(i) Impairment

MCA assesses impairment at the end of each reporting period by evaluation of conditions and events specific to MCA that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions. MCA determined conditions of impairment through obtaining market information about the cost of the existing assets in which would cost to purchase at current arm's length market prices.

(ii) Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the agreement must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the agreement is sufficiently specific by considering any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services agreed.

Key Judgements

(i) Employee benefits

For the purpose of measurement, AASB 119: Employee Benefits (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As MCA expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, MCA believes that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled.

MCA has determined that all employees are expected to reach the required years of service to qualify for long-service leave. This probability assessment has been relied upon when completing the calculation to determine long-service leave obligations.

15 Changes in accounting policies

There were no changes to the accounting policy during the year ending 31 December 2021.

Director's declaration

In the directors' opinion:

(a) the financial statements and notes set out on pages 42 to 51 are in accordance with the Corporations Act 2001, including:

(i) complying with Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

(ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the year ended on that date, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



The Hon H Coonan
Chair



Mr P Flynn
Director

Canberra
30 March 2022

Independent auditor's report

To the members of Minerals Council of Australia

Our opinion

In our opinion:

The accompanying financial report of Minerals Council of Australia (the Entity) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Entity's financial position as at 31 December 2021 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the statement of financial position as at 31 December 2021
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- the statement of profit or loss and other comprehensive income for the year then ended
- the notes to the financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 31 December 2021, but does not include the financial report and our auditor's report thereon. Prior to the date of this auditor's report, the other information we obtained included director's report.



Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Price Waterhouse Coopers

PricewaterhouseCoopers

Adrian King
Partner

Canberra
30 March 2022

There's more to **Australian Mining**

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Sustainable mining