

Human Rights Considerations

Status quo and progress



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Introduction

Ivanhoe Mines (Ivanhoe) is a leading Canadian mining company committed to becoming a global leader in the supply of critical resources required to transition our world to a low-carbon, renewable future. Ivanhoe is focused on developing and expanding its three principal mining projects in Southern Africa. These include the Kamoakakula Copper Mining Complex in the Democratic Republic of Congo (DRC), the Platreef palladium-rhodium-platinum-nickel-copper-gold discovery in South Africa, the extensive redevelopment and upgrading of the historic Kipushi zinc-copper-germanium-silver mine (also known as KICO), also in the Democratic Republic of Congo, as well as its two exploration projects, being the Western Foreland, near Kamoakakula, and the recently acquired greenfield prospecting rights for exploration in the Moxico and Cuando Cubango Provinces of Angola.

Respect for human rights wherever we do business, and recognition of the equality and dignity of the people with whom we interact every day, is a fundamental operating principle embedded in our Statement of Values and Responsibilities and in our Human Rights Position Statement.

We acknowledge that effective management of human rights entails embedding human rights management into strategy and operations across the organization, providing **multi-disciplinary accountability** for proactive and effective human rights risk management. We are committed to the ongoing assessment of potential human rights risks associated with our activities, as well as across our broader value chain. We appreciate that human rights due diligence is an ongoing process of continuous improvement – identifying, prioritizing, assessing, acting upon, monitoring, and reporting on human rights impacts – using building blocks such as human rights impact assessments that inform the development of strategic human rights management plans.

Ivanhoe Mines' Human Rights Focus

From a Sustainable Development Perspective

The African mining landscape involves intricate and considered engagement with host community stakeholders, as well as a careful consideration of respect for human rights and the environment, in all jurisdictions where we operate. The pursuit of the underlying business objective of building value must therefore be driven by the foundations of corporate citizenship – a concept that is of utmost importance to our Statement of Values and Responsibilities. It is our belief that the link between sustainability performance and respect for human rights is inherent in these foundations of corporate citizenship.

From an Organisational Perspective

Respect for human rights and recognition of the equality and dignity of the people with whom we interact every day are embedded in our Human Rights Position Statement and Statement of Values and Responsibilities. Respect for our people, local community members and local governments is part of our core values guiding us in all we do.

The guideline framework for human rights set out in the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises further guides Ivanhoe's duties in this respect. The OECD Guidelines provide recommendations concerning enterprises' respect for human rights, in line with the United Nations Framework for Business and Human Rights 'Protect, Respect and Remedy', which recommendations have framed our policy commitment to respect human rights, generally and specifically in the areas of employment and industrial relations.

Our human rights commitments at work are encompassed by the following primary functions:

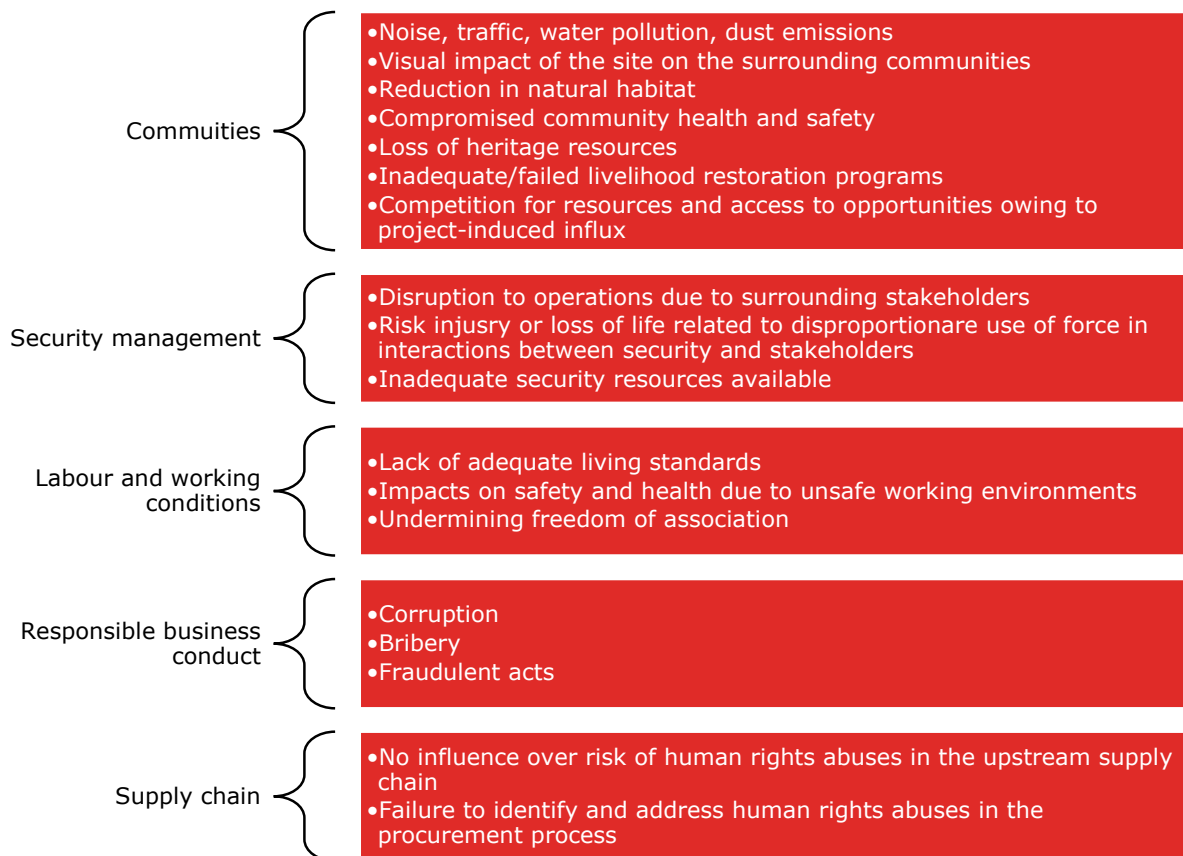
- Responsible global citizenship through support for human rights, social justice and sound environmental management
- Responsible exploration and mining
- Leadership through action
- Recognizing that people are our true wealth
- Providing a safe and healthy job environment and skills training
- Sustaining communities and respecting diversity
- Environmental responsibility and innovation
- Corporate integrity, accountability and transparency
- Respect for human rights as guided by the UNDHR

From a Project Perspective

We acknowledge that due to our activities as well as those within our broader supply chain, the opportunities for risk or impacts to human rights may occur. Potential salient human rights risk areas we anticipate and have identified as part of our operations include:



Based on impact assessments¹ which have been carried out over the years for Ivanhoe's Projects, the following general potential issues have been identified for each of the above-mentioned risk areas:



Work to date

Ivanhoe commenced with its Human Rights journey over five years ago, prior to the operation of the Kamoakakula Copper Complex and construction of Platreef and upgrade of the KICO historical mine. Initially, discussions regarding Human Rights were brought to the forefront through our interaction with the Minerals Council of South Africa (MCSA) where the adoption of specific relevant Human Rights Frameworks (MCSA Human Rights Framework), Standards (International Financial Corporation (IFC), International Council for Mining and Metals (ICMM)) and Guiding Principles (United Nations Declaration of Human Rights (UNDHR), International Labour Organisation (ILO)) were discussed at MCSA meetings of which Ivanhoe was a participant.

¹ Environmental and Social Impact Assessments, Security Risk Assessments, Human Rights Risk Assessments.

Since the release of our first Sustainability Report in 2017 Ivanhoe have incorporated frameworks, reporting guidelines and good practice standards, including those with a Human Rights focus, to inform our approach to sustainability and the identification of material matters.

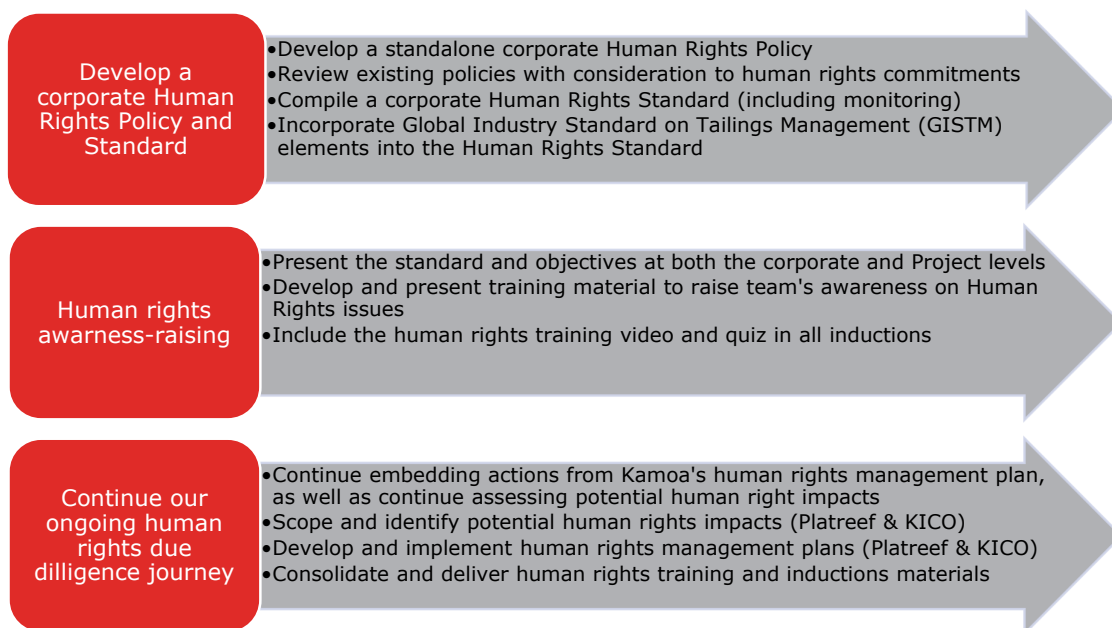
An internal Human Rights Risk Assessment was undertaken at Platreef, aimed at identifying and addressing the salient risks. Cognizant of the fact that through our projects and business relationships, including our numerous suppliers and contractors, we may expose ourselves to adverse human rights impacts, Ivanhoe Mines appointed Synergy Global Consulting (Synergy) to undertake a human rights impact assessment (HRIA) and develop a Human Rights Management Plan at our only operating mine, the Kamoa-Kakula Copper Complex in the DRC.

The aim of this exercise was to identify and assess potential human rights impacts that Kamoa-Kakula's activities may cause, contribute to, or be linked to, as well as to consider the project's relationships to these impacts and its capacity for leverage. The due diligence was focused on risk and impact assessment in the business areas of procurement, health and safety, environment, land management and resettlement, livelihood restoration, human resources, and security arrangements.

The Platreef (located in Limpopo, South Africa) and the KICO (located in the DRC) sites are both currently in construction with production targeted to commence in late 2024.

As a result of this, Ivanhoe have decided to commence with group-wide human rights awareness raising through planned training initiatives – including a human rights training video, workshops, and other training interventions – as well as the launch of the human rights due diligence journey at KICO and Platreef which is currently ongoing and aims to be completed towards the end of 2023.

The scope of this initiative is as follows:



In addition to the above-mentioned scope, the following aspects pertaining to human rights management is currently taking place at our Platreef site:

- Operation of an anonymous Gender-Based Violence (GBV) channel for permanent and contract employees.
- Reviewing and updating the external grievance mechanism, as well as developing enhanced digital tools for lodging grievances.
- Development and adoption of the Child and Forced Labour Policy.
- Security risk assessment to understand the status quo and measures required to ensure the Project has the correct security response in place and adheres to the Voluntary Principles on Security and Human Rights.
- Establishment of the Workers Forum, recognising employees' rights to associate and bargain collectively.
- Annual performance reviews to ensure that, among other site-specific key performance indicators, ESG objectives are also reached.
- Periodic market-based benchmarking studies with internationally recognized companies to ensure our employees are well compensated for work performed and that their wages are favourably comparable to the current prevailing market.
- Embedding of a culture of safety resilience through the practice of visible felt leadership.
- Routine inspections and audits to identify any potential issues which need to be addressed and closed out.
- Occupational health programmes to track employee health and well-being against pre-employment levels.
- Community-based health initiatives including the HIV/AIDS campaign and female health campaign.
- Promotion of employee wellness through collaboration with the mining regulator (Department of Mineral Resources and Energy) to promote health and fitness through sports activities such as football and netball.
- Employee skills development.
- Community skills development.

Similar aspects are already in place at Kamo-a-Kakula and are currently being developed at KICO.

Conclusion

Through ongoing assessment, monitoring, reporting, and transparent dialogue with stakeholders, we commit to ensuring a responsible and ethical business environment and seek partnerships with entities that share our commitment. We will report publicly on the material adverse human rights impacts we have identified, how we plan to manage such impacts, and our performance in this regard through our annual sustainability reporting. As our operations mature (specifically the Platreef and KICO Projects which come into production in 2024) we acknowledge the need for

regular human rights assessments and due diligences to ensure that the commitments and measures identified in the risk and impact assessments are being managed adequately and that Ivanhoe are adequately responding to these risks or impacts as they arise.