

## Anglo American plc

### Sustainability Committee – Terms of Reference

#### Purpose

The objective of the Sustainability Committee (the “Committee”) is to oversee, on behalf of the Board of Anglo American plc (the “Board”), Group level policies, processes, and strategies designed to manage safety, health, environment, socio-political and supply chain (together sustainable development) risks, to achieve compliance with sustainable development responsibilities and commitments and strive to be a global leader in sustainable mining.

#### 1 Membership and Appointment

- 1.1 The Committee shall consist of not less than three Directors appointed by the Board, on the recommendation of the Nomination Committee in consultation with the Committee Chairman. The majority of the members shall be non-executive Directors.
- 1.2 The Board, on the recommendation of the Nomination Committee, shall appoint the Committee Chairman, who shall be an independent non-executive Director. In the absence of the Committee Chairman or an appointed deputy, the remaining members present shall elect one of their number to chair the meeting.
- 1.3 The Committee Secretary shall be the Company Secretary or his/her nominee.

#### 2 Scope

- 2.1 Sustainability within Anglo American touches upon all aspects of our business, but for clarity the Committee shall provide specific oversight of risks and opportunities in the following areas:
  - 2.1.1 **Safety** – the attainment of zero harm in our operations and for those affected by our operations;
  - 2.1.2 **Health and wellbeing** – including occupational hygiene, community health, and the health and wellbeing of our employees and contractors;
  - 2.1.3 **Environment** – including protection of the environment, material stewardship, long term mine closure liabilities, management of legacy issues, water management and climate change;
  - 2.1.4 **Social impact management and socio-economic development** – including relationships with communities, community development, human rights, resettlement, housing and indigenous peoples;
  - 2.1.5 **Socio-political issues** – including such issues as contributions to national socio-economic development, permitting, long term economic development and land access;
  - 2.1.6 **Supply Chain** – specifically local and inclusive procurement, supplier assurance and the impact of procurement decisions on human health and the environment

#### 3 Responsibilities

The responsibilities of the Committee are as set out in the attached Appendix.

#### **4 Attendees**

- 4.1 Only members of the Committee have the right to attend Committee meetings. The Committee may invite other attendees, as appropriate.

#### **5 Meetings - Frequency and Quorum**

- 5.1 The Committee will meet at least three times annually and at such other times as the Committee deems to be appropriate. Meetings of the Committee shall be called by the Chairman of the Committee or any member of Committee or at the instance of the Board.
- 5.2 The quorum for meetings shall be two members of the Committee, both of whom shall be non-executive directors, present throughout the meeting.

#### **6 Proceedings**

- 6.1 Unless varied by these terms of reference, meetings and proceedings of the Committee will be governed by the Company's Articles of Association regulating the meetings and proceedings of Directors.
- 6.2 Not less than 72 hours' notice will be given of a meeting of the Committee. Such notice will include the agenda and any supporting papers.
- 6.3 Minutes of meetings shall be taken by the Committee Secretary and shall be reviewed and approved by the members of the Committee. Once approved, minutes should be circulated to all other members of the Board.

#### **7 Remuneration**

- 7.1 Having regard to the functions performed by the members of the Committee in addition to their functions as Directors and in relation to the activities of the Committee and pursuant to the specific power conferred upon the Board by the Articles of Association of the Company, members of the Committee shall be paid such special remuneration in respect of their appointment as shall be fixed by the Board. Such special remuneration shall be in addition to the annual fees payable to Directors.

#### **8 Limitation of Responsibility**

- 8.1 The appointment of the Committee shall in no way impinge upon any delegations of authority or responsibility made by the Company and other individual companies or entities pursuant to any relevant legislation which may be in force from time to time.
- 8.2 Subject to the above provisions and subject to the provisions of, and so far as may be consistent with, any relevant legislation (in particular the Companies Act 2006) the members of the Committee shall not attract any personal liability to the Company arising from their appointment and, subject as aforesaid, the Company shall indemnify members of the Committee against all and any claims arising from the actual or purported discharge of the duties in respect of their appointment.

#### **9 General**

- 9.1 The Committee in carrying out its tasks under these terms of reference may obtain such outside or other independent professional advice as it considers necessary to carry out its duties.
- 9.2 The Board will ensure that the Committee has access to professional advice both inside and outside the Company in order for it to perform its duties.

**9.3** These terms of reference may be amended from time to time by the Board.

**10 Review and evaluation**

The Committee will undertake a regular formal review of its performance, including the role and responsibilities of the Committee, its organisation and effectiveness. This shall include a review of these Terms of Reference.

**Approved by the Board on 23 February 2021**

## **Appendix – Committee Responsibilities**

The Committee shall:

### *A1. Policies*

- A1.1. Review Group level frameworks, policies, standards and guidelines relevant to the Committee's scope.
- A1.2. Consider material regulatory and voluntary developments in sustainability.
- A1.3. Monitor the appropriateness of Anglo American strategies in providing oversight of the sustainability policies and performance of the Group's non-managed joint venture operations.
- A1.4. Monitor appropriateness of Anglo American strategies in addressing material stakeholder sustainability concerns.

### *A2. Management processes and resources*

- A2.1. Review significant sustainability incidents and ensure appropriate management response.
- A2.2. Review the Company's performance in relation to the scope of the terms of reference.
- A2.3. Oversee significant management processes designed to ensure compliance with the policies falling within the Committee's scope.
- A2.4. Monitor the demonstration of management commitment to the behaviours required by the policies within its scope.
- A2.5. Monitor the resources applied to achieving compliance with the policies within the Committee's scope.

### *A3. Risk Management*

- A3.1. Review the effectiveness of the process for assessing and managing catastrophic risks falling within the scope of the Committee.
- A3.2. Coordinate the Committee's risk management work with the Audit Committee, in particular in relation to reporting to the Board.

### *A4. External Audit and assurance reviews*

- A4.1. Review the findings of the external auditors of the Sustainability Report and the management response.
- A4.2. Oversee the process for selection and engagement, and where applicable dismissal, of the external auditors providing assurance to the Sustainability Report.

### *A5. Reporting and external disclosures*

- A5.1. Regularly report to the Board on the matters discussed and the minutes of each Committee meeting shall be received by the Board.
- A5.2. Report to the Board on its work in discharging its responsibilities during the year and the outcomes of its formal annual review.
- A5.3. Review and recommend to the Board on the adequacy of the reporting on sustainability opportunities, risks and issues in the Annual Report, Sustainability Report and other relevant public documents
- A5.4. Ensure that the Chairman (or in his or her absence, an alternative member) of the Committee attends the Company's Annual General Meeting to answer questions concerning sustainability and their development and/or implementation.