

Sustainability Committee Charter

1. ROLE

The role of the Sustainability Committee (“Committee”) is to assist the Board in monitoring and reviewing any matters of significance affecting the sustainable performance of the Company and its subsidiary interests, mitigating the negative impact on the environment and society within acceptable risk appetite thresholds set by the Board.

This charter defines the Committee’s function, composition, mode of operation, authority and responsibilities.

2. SCOPE

Whilst this Policy is adopted by the Board of AVZ Minerals Limited (“AVZ”) the requirements shall be communicated and extend to any of AVZ’s controlled subsidiaries in the absence of an entity specific governance mandate being adopted by the controlled subsidiary.

3. COMPOSITION

The Board will strive to adhere to the following composition requirements for the Committee where at all possible. However, the Board acknowledges that the composition of the Board may not allow adherence to the following composition requirements from time to time.

- (a) The Committee shall comprise at least three non-executive Directors, the majority of whom must be independent, one of whom will be appointed the Chairman of the Committee who preferably is not the chair of the Board.
- (b) The Board may appoint additional non-executive Directors to the Committee or remove and replace members of the Committee by resolution.
- (c) The Committee may invite members of the executive team to attend meetings and advise on any matters as required.

4. Purpose

The primary purpose of the Committee is to support and advise the Board on the performance and actions of the company, including sustainable performance and mitigating the negative effect of the company on the environment and society, including performance under health, safety, environment, and community (“HSEC”) related laws, regulations, and policies.

The Committee does not make decisions on behalf of the Board unless such authority in respect of any matter is expressly delegated by the Board.

The Committee shall provide guidance and recommendations to assist the Board in fulfilling its responsibilities with respect to:

- (a) Promotion of sustainability as a key performance metric across all areas of the AVZ Group.
- (b) Approval of all sustainability strategies, commitments and disclosures including:
 - (i) Annual sustainability reports
 - (ii) Annual financial report (sustainability disclosures)
 - (iii) Sustainability reporting
- (c) Approval of the Sustainability strategic plan and associated KPI for the Board and senior executives
- (d) Oversight of identification, development and implementation of sustainability enterprise risks and mitigation plans.

5. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

- (a) Review and recommend sustainability (environment, social, governance) policies, strategies, programs and plans at an Executive level
- (b) Review and recommend corporate sustainability principles as a framework for AVZ operations and activities.
- (c) Review and recommend annual sustainability goals and key performance indicators (KPI)
- (d) Review and recommend sustainability audit and assurance reports
- (e) Review and recommend sustainability awareness and training programs
- (f) Review and recommend sustainability reporting and other public sustainability disclosures
- (g) Other responsibilities and functions as delegated by the Board.

6. MEETINGS

- (a) The committee will meet at least twice a year and additionally as circumstances may require.
- (b) Meetings are called by the Secretary as directed by the Board or at the request of the Chairman of the committee.
- (c) Where deemed appropriate by the Chairman of the committee, meetings and subsequent approvals may be held or concluded by way of a circular written resolution or conference call.

- (d) A quorum shall comprise any two members of the committee. In the absence of the Chairman of the committee or appointed delegate, the members shall elect one of their number as Chairman of the committee.
- (e) Decisions will be based on a majority of votes with the Chairman of the committee having a casting vote.
- (f) The committee may invite executive management team members or other individuals, including external third parties to attend meetings of the committee, as they consider appropriate.

7. SECRETARY

- (a) The Company Secretary or their nominee shall be the secretary of the committee (**Secretary**) and shall attend meetings of the committee as required.
- (b) The Secretary will be responsible for keeping the minutes of meetings of the committee and circulating them to committee members and to the other members of the Board.
- (c) The Secretary shall distribute supporting papers for each meeting of the committee as far in advance as possible.

8. RELIANCE ON INFORMATION OR PROFESSIONAL OR EXPERT ADVICE

Each member of the committee is entitled to rely on information, or professional or expert advice, to the extent permitted by law, given or prepared by:

- (a) an employee of the Company and its subsidiaries (**Group**) whom the member believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
- (b) a professional adviser or expert in relation to matters that the member believes on reasonable grounds to be within the person's professional or expert competence; or
- (c) another Director or officer of the Group in relation to matters within the Director's or officer's authority.

9. ACCESS TO ADVICE

- (a) Members of the committee have rights of access to the books and records of the Company to enable them to discharge their duties as committee members, except where the Board determines that such access would be adverse to the Company's interests.
- (b) The committee may consult independent experts to assist it in carrying out its duties and responsibilities. Any costs incurred as a result of the committee consulting an independent expert will be borne by the Company.

10. REVIEW OF CHARTER

- (a) The Board will conduct an annual review of the membership to ensure that the committee has carried out its functions in an effective manner and will update this charter as required or as a result of new laws or regulations.
- (b) This charter shall be made available to members on request, to senior management, to the external auditor and to other parties as deemed appropriate and will be posted to the Company’s website.

11. REPORTING

- (a) The committee must report to the Board formally at the next Board meeting following from the last committee meeting on matters relevant to the committee’s role and responsibilities.
- (b) The committee must brief the Board promptly on all urgent and significant matters.

Document History

Version	Altered by	Approved by	Comments
1	BC	Board 7/2/2022	Initial Release