

Charter

Safety and Sustainability Committee

1. INTRODUCTION AND PURPOSE

This Charter summarises the roles and responsibilities of the Safety and Sustainability Committee of Fortescue Ltd (Fortescue or the Company). The disclosure of the role and responsibility of the Committee is designed to inform key stakeholders of the respective accountabilities and contributions of the Committee.

2. ROLE OF THE COMMITTEE

The Safety and Sustainability Committee (Committee) is a committee of Fortescue's Board of Directors (Board). The Committee assists the Board in ensuring:

- Effective oversight of the Company's environmental, health, safety, sustainability and heritage frameworks;
- The existence of sound systems of data collection, measurement, monitoring and external reporting; and
- Effective oversight of risk and compliance of frameworks relating to environment, safety, sustainability and heritage.

This Charter provides guidance on the responsibilities of the Committee as determined by the Board. These responsibilities have been allocated to the Committee on the basis that while every Fortescue employee is responsible for safety, the primary responsibility for management of these matters sits with the Chief Executive Officer Metals and Chief Executive Officer Energy and the Management team.

The Committee shall have full authority and resources to investigate all matters falling within its Charter. The Committee may, at the Company's expense, obtain any external independent professional advice as it considers necessary.

This Charter should be read in conjunction with the Statement of Matters Reserved for the Board and other Board committee charters.

3. MEMBERSHIP AND ATTENDEES

3.1 Membership

The Committee shall consist of at least three non-executive directors appointed by the Board, a majority of whom should be independent directors. Committee members shall possess sound environmental, safety, sustainability and heritage management skills and business acumen. Committee members shall hold appropriate formal qualifications.

The Chair of the Board shall not be a member of the Committee but may attend Committee meetings.

3.2 Chairperson

The Chair of the Committee shall be an independent director appointed by the Board. In the temporary absence of the Chair, one of the other Committee members, either nominated by the Chair or elected by the Committee, will act as Chair.



The Committee Chair will attend the annual general meeting of the Company to ensure that any shareholder questions on the Committee's activities are addressed.

3.3 Quorum

A quorum of the Committee shall be at least two members.

3.4 Other Attendees

Any director who is not a Committee member may attend meetings at their discretion but only as an observer. The Company Secretary of Fortescue shall be the Secretary of the Committee.

For individuals not listed above, attendance at meetings is strictly by invitation only.

4. MEETING FREQUENCY

The Committee shall meet at least four times per annum and at other times as the Chair, a member, or the Secretary of the Committee, requires.

5. REVIEW OF COMMITTEE

5.1 Committee Performance

The Committee Chair shall assess the performance of the Committee on an annual basis and take appropriate action to address desired improvements in respect of areas where there is a need to enhance its role, effectiveness, process or composition.

5.2 Committee Charter

The Committee Chair is responsible for ensuring that the Committee Charter is reviewed at least every other year for the purpose of assessing its continued relevance to the needs of the Board and identifying any enhancements required. Proposed enhancements shall be submitted to the Board for approval.

6. SCOPE

6.1 Culture and Values

The Committee shall perform its functions in a manner that ensures the strategy, Values and behaviours of the Company are fully represented and integrated, to drive a safe and sustainable workplace and culture.

6.2 Safety

6.2.1 *Safety, Risk and Assurance*

The Committee shall provide oversight of Fortescue's Health, and Safety Strategy and Management Systems, and will provide advice and guidance to the Board on matters associated with:

- Monitoring the implementation and compliance of these systems and processes that ensure a safe workplace including:
 - Safe and reliable equipment and facilities;
 - Utilisation of leading indicators to monitor presence of safety in the workplace;



- Prevention, monitoring and control of hazards, risks, compliance and incidents;
- Management of material risks;
- Proactive and timely intervention and corrective actions; and
- Ability to respond to emergencies or business crisis events;
- Provision of the major hazards control program (to manage health and safety risks across our business);
- Engagement of leaders and workforce, including contractor partners in safety programs;
- Setting and monitoring progress against annual performance objectives to drive continuous improvement in health and safety;
- Compliance to regulatory and other requirements; and
- Results of any audit or reviews relating to Safety.

6.2.2 Process Safety

The Committee shall provide oversight of Fortescue's Process Safety Strategy and will provide advice and guidance to the Board on matters associated with:

- Implementation of process safety management as the primary means of preventing process safety incidents. This includes processes that:
 - Identify, assess and treat (prevent and/or mitigate) process hazards and associated risks to As Low As Reasonably Practicable (**ALARP**) during the design phases of projects; and
 - Ensure timely risk prevention/mitigation strategies on process safety design elements associated with location, layout and key contractor and equipment selection; and where material process safety risks may be present, and Manage process risks in the operate phase – preserving the design intent and maintaining these risks at ALARP levels;
- Monitoring the implementation and effectiveness of Process Safety Management to ensure prevention and management of process safety incidents (those that involve the release of hazardous materials that can result in fire, explosion or toxic incidents and have potential for large scale consequences).

6.2.3 Health and Wellbeing

The Committee shall provide oversight of Fortescue's Health Strategy and will provide advice and guidance to the Board on matters associated with:

- Monitoring the implementation of the Health Standard where Fortescue has control over the workplace and outcomes of assurance trends;
- Provision of Health Risk Management Methodologies and identified material occupational health risks and supporting risk management;
- Insights on Biological Hazards and Infectious Diseases that have been assessed to pose a material risk to workers;
- Material psychosocial risks related to the workplace and/or work activities that may cause psychological harm to a worker;



- Indigenous health and wellbeing; and
- Analysis of trends of recorded material occupational health illnesses and injuries.

6.2.4 Security

The Committee shall provide oversight of Fortescue's security controls and framework and will provide advice and guidance to the Board on matters associated with ensuring Fortescue's operations and supply chains are conducted efficiently while protecting the Company's personnel, assets, reputation, and information.

6.3 Sustainability

6.3.1 Sustainability, Strategy and Materiality

The Committee shall provide oversight of Fortescue's sustainability strategy and material sustainability matters and will provide advice and guidance to the Board on matters associated with:

- Appropriateness of critical sustainability policies and implications of expected changes to these policies; -
- Alternative standards and benchmarks applied by other companies;
- Suitability of identified sustainability-related risks and opportunities;
- Sustainability-related targets, performance and evaluation;
- Opportunities to lead or take "first-mover" advantage in upholding sustainable policies and practices;
- Opportunities to promote circularity, along with supply chain security, integrity and resilience across the Company;
- Effectiveness of sustainability-related systems and controls within the Company; and
- Sensitivity of the Company's financial performance to material sustainability-related risk and opportunity.

6.3.2 Sustainability Disclosure

The Committee shall provide oversight of Fortescue's response to mandatory and voluntary sustainability disclosure, assist the Audit, Finance and Risk Management Committee (AFRMC) in relation to the verification of matters relating to sustainability reporting and provide advice and guidance to the Board on matters associated with:

- Adoption of appropriate metrics, collation of data and data analysis relating to mandatory sustainability reporting, including as required under the Australian Accounting Standards Board Australian Sustainability Reporting Standards; and
- Voluntary sustainability reporting, aligned with suitable international sustainability standards and reporting frameworks.

6.3.3 Nature, Water and Biodiversity

The Committee shall provide oversight of Fortescue's response to nature-related issues (including those associated with water, biodiversity and promoting circularity) and provide advice and guidance to the Board on matters associated with:



- Developments in the industry regarding regulatory and market responses (both nationally and internationally) associated with nature-related issues;
- Fortescue's Environment Policy, Water Policy and nature-related issues;
- Nature-related risk and opportunity analysis and associated risk mitigation strategies;
- Nature-related targets, metrics and performance indicators;
- Nature-related reporting and related disclosures; and
- Results of any audits or reviews related to nature reporting.

6.3.4 Environmental Management

The Board has delegated specific responsibility to the Committee for monitoring the performance of environmental management and related risks and controls through:

- Review of regular environmental compliance updates;
- Periodic consideration of material risks related to environmental performance and compliance obligations;
- Assessment of the effectiveness of internal environmental compliance controls implemented by management; and
- Assessment of the impact of any adverse external regulatory/audit findings on environmental management systems.

6.3.5 Climate Change

The Committee shall provide oversight of Fortescue's adaptation, resilience and mitigation in response to climate change and provide advice and guidance to the Board on matters associated with:

- Developments in the industry regarding regulatory and market responses (both nationally and internationally) associated with climate change and emissions;
- Fortescue's Climate Change Policy, decarbonisation strategy and climate transition plan;
- Climate change risk and opportunity analysis and associated risk mitigation strategies;
- Emissions and other climate-related targets and metrics and performance indicators;
- Climate change and emissions related disclosures; and
- Results of any audits or reviews related to climate change and emissions.

6.3.6 Human Rights and Modern Slavery

The Committee shall provide oversight of Fortescue's human rights risks, including modern slavery, and will provide advice and guidance to the Board on matters associated with:

- Fortescue's compliance with Australia's Modern Slavery Act 2018 and equivalent human rights legislation in foreign jurisdictions;
- Fortescue's Human Rights Policy and human rights and modern slavery strategy;
- Fortescue's implementation and alignment with the Voluntary Principles on Security and Human Rights (including International Humanitarian Law compliance);



- Human rights and modern slavery due diligence approach in Fortescue's global supply chain;
- Human rights and modern slavery risk analysis including corporate salient human rights risk assessments and associated risk mitigation and remediation strategies;
- Breaches of Fortescue's Human Rights Policy, identified severe human rights impacts and plans for remediation;
- Effectiveness of human rights and modern slavery due diligence processes and training (internal and with suppliers);
- Human rights and modern slavery reporting and related disclosures; and
- Results of any audits or reviews related to human rights and modern slavery.

6.4 Heritage

6.4.1 *Heritage*

The Committee shall provide oversight of Fortescue's commitment to the protection and management of heritage in places in which the Company operates, and will provide advice and guidance to the Board on matters associated with:

- Compliance with relevant domestic and international legislative requirements, or adoption of best practice for heritage management where legislation is absent;
- Managing heritage risk;
- Any breach of legislative requirements and the strategy required for the remediation of the breach;
- Compliance with Fortescue's Guidelines for Heritage Management and Protection and the periodic review of the Guidelines to determine their effectiveness; and
- The expectations of communities, including First Nations People, in the identification, protection and management of places and objects of importance.

6.4.2 *Community Engagement*

The Committee shall provide oversight of Fortescue's model of community engagement, including with First Nations communities, and will provide advice and guidance to the Board on matters associated with:

- Compliance with Fortescue's local content commitments, native title agreements and community development plans, including risks associated with breaches and non-compliance;
- Supporting local suppliers and business contracting opportunities and performance against targets, including First Nations suppliers and businesses;
- Fortescue's incorporation of the principle of Free, Prior and Informed Consent into project development, operations and decommissioning;
- Ensuring respect of local and First Nations' cultures in the workplace and across the Fortescue operations; and
- Conformance with relevant international standards relating to the resources industry working with local communities, including First Nations communities.



6.4.3 *Community Investment*

The Committee shall provide oversight of Fortescue's community investment framework, and will provide advice and guidance to the Board ensuring that:

- Investment in communities remains strategic, relevant to a community and delivers maximum value for the business, community stakeholders and shareholders;
- Investment in communities conforms with local content and benefit-sharing requirements; and
- Investment aligns with our corporate vision and values, ensuring the Fortescue brand and reputation is consistently presented and enhanced.

6.5 Other

The Board may delegate the consideration or review of any specific matter to the Committee as deemed appropriate from time to time.

7. REPORTING TO THE BOARD

7.1 Reporting to the Board

The Chair of the Committee shall report to the Board following each meeting.

This Charter was approved by the Board in July 2024.

Safety and Sustainability Committee		
Status	IFU - Issued for Use	1-Jul-24
Summary of Changes	N/A New Committee Charter	
Author	Mona Gill	_____ Signature
Checked or Squad Review# (if applicable)	Phil McKeiver	_____ Signature
Approved	Safety and Sustainability Committee Chair	_____ Signature
Next Review Date (if applicable)	1-Jul-26	