

URENCO LIMITED SUSTAINABILITY COMMITTEE TERMS OF REFERENCE

The Sustainability Committee is a committee of the Board of Directors of Urenco Limited.

1. MEMBERSHIP

- The Committee shall be appointed by the Board and shall consist of not less than three Non-Executive Directors, with each Shareholder having the right to nominate one person. The Chief Executive Officer shall also be a member of the Committee. At least one member of the Committee must have relevant skills, experience or qualifications in sustainability related matters.
- Although nominated to the Committee by each Shareholder, once appointed the Shareholder-nominated members of the Committee maintain their primary legal responsibilities to the Board and shall be independent of management and free from any business or other relationship which might impair their independent judgement.
- Each member is personally responsible for declaring any interest which might prejudice their independence on any matter under consideration by the Committee.
- The Chair of the Committee shall be appointed by the Board.
- The Committee shall review annually the training and development of its members, taking into account individual requirements.

2. MEETINGS

- A quorum shall be three members, two of whom shall be Non-Executive Directors, and one of whom shall be the Committee Chair or his or her nominee.
- The Chairman of the Board, the Director of Corporate Communications, PR & Sustainability, and the Chief Operations Officer shall normally attend meetings. Representatives from other functions and external advisers may attend all or part of any meeting as and when appropriate. Other Board members may attend all or any part of any meeting as and when appropriate.
- The Company Secretary, or his or her nominee, shall be the Secretary of the Committee.
- Meetings shall be held not less than three times each year. At least one of the meetings shall be held at one of Urenco's operating sites, in rotation.

3. AUTHORITY

- The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any

employee and all employees are required to cooperate with any requests made by the Committee.

- The Committee is authorised by the Board to obtain external legal or other independent professional advice and to secure the attendance of external advisers with relevant experience and expertise if it considers this necessary.
- The Committee may appoint a non-Board member of Urenco senior management to report to each Committee meeting and to be responsible for preparatory and monitoring activities for the Committee.

4. KEY RESPONSIBILITIES

- The objective of the Committee is to monitor, on behalf of the Board, the implementation of Urenco's core values and sustainability agenda; to report to the Board on these matters, making recommendations where appropriate; to approve those matters in respect of which the Board has delegated its authority to the Committee and as set out in these terms of reference; and to consider other topics as requested by the Board.
- The Committee's main areas of focus are:
 - health and safety;
 - environment;
 - asset integrity;
 - security and non-proliferation and safeguards;
 - ethical conduct;
 - social performance (including community relations, social investment, political contexts and charitable donations); and
 - employee engagement (including the overall health of the organisation).
- Further guidance on these matters is set out below.
 - Receive regular reports from Management on the implementation and operation of the Group's sustainability related policies and standards, and challenge, where appropriate, the actions of Management in these areas.
 - Review and approve on an annual basis the Group's Sustainability Policy, with a view to ensuring that this takes account of external developments and expectations.
 - Carry out annual reviews of the Group's implementation of policies on: health and safety; asset integrity; social performance (including community relations, social investment, political contexts and charitable donations); environment and ethical conduct and report to the Board on the results of these reviews.
 - Review and approve key performance indicators (KPIs) in relation to the Committee's main areas of focus, and monitor performance against such targets.

- Review annually the security and non-proliferation framework in place across the Group.
- Receive and review an annual report from Management regarding safety performance across the Group.
- Receive and review an annual report from Management regarding the health and integrity of the Group's enrichment assets.
- Receive and review an annual report from Management regarding the cultural health of the Group.
- Review and recommend to the Board for its approval the Group Code of Conduct.
- Review and recommend to the Board for its approval Management's proposal for the Group's annual budget for charitable donations.
- Review annually and recommend to the Board for its approval the Modern Slavery Transparency Statement.
- To consider and approve the Company's Sustainability Report and review, and where relevant recommend to the Board, any other public documents to be approved for disclosure concerning sustainability related matters.

5. **COMMITTEE REPORTING AND REVIEW PROCEDURES**

- The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- The Committee shall compile a report on its activities to be included in the Company's Annual Report.
- The Committee shall conduct an annual review of these Terms of Reference and recommend any changes to the Board.
- The Committee shall review and approve on an annual basis its work programme for the forthcoming year.
- The Committee shall conduct an annual review of its own performance and effectiveness. The results of this review shall be reported to the Board.
- The Secretary shall maintain and circulate the minutes of all meetings of the Committee to all members of the Board.



These Terms of Reference were adopted by the Sustainability Committee at its meeting on 3 March 2020 and approved by the Urenco Limited Board at its meeting of 11 March 2020.

**Miriam Maes
Sustainability Committee Chair
11 March 2020**