

## **URENCO LIMITED SUSTAINABILITY COMMITTEE TERMS OF REFERENCE**

### **1. CONSTITUTION AND PURPOSE**

- The Sustainability Committee is a committee of the Board of Directors of Urenco Limited.
- The purpose of the Committee is to monitor, on behalf of the Board, the implementation of Urenco's core values and sustainability agenda.
- The Committee's main areas of focus are health, safety, environment, asset integrity, security and non-proliferation, safeguards, ethical conduct, social performance, employee engagement (including diversity and inclusion). The Committee also maintains an overview of the Group's policies and achievement of key objectives in these areas and reports to the Board on the results of these reviews.
- These terms of reference may be amended from time to time by the Board.

### **2. MEMBERSHIP AND APPOINTMENT**

- The Committee shall be appointed by the Board and shall consist of not less than three Non-Executive Directors, one to be appointed by each pair of shareholder appointed Non-Executive Directors. 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.
- The Chairman of the Committee shall be appointed by the Board.
- The Chairman of the Board shall normally attend meetings. The Director, Corporate Communications and the Chief Operations Officer shall also attend. Representatives from other functions and external advisers may attend all or part of any meeting as and when appropriate. Other Non-Executive Board members may attend as and when appropriate.
- The Committee shall review annually the training and development of its members, taking into account individual requirements.
- The Board shall regularly review the membership of the Committee to ensure that membership is appropriate and undue reliance is not placed on particular individuals.

### 3. **MEETINGS**

- A quorum shall be three members, two of whom shall be Non-Executive Directors, and one of whom shall be the Committee Chairman or his nominee.
- 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 such times as the Committee deems appropriate, and more frequently as circumstances require. At least one of the meetings shall be held at one of Urenco's operating sites, in rotation.

### 4. **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 outside legal or other independent professional advice and to secure the attendance of outsiders 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.

### 5. **PROCEEDINGS AT MEETINGS**

- Committee meetings shall be called by the Secretary at the request of the Committee Chairman or any other member thereof.
- Only Committee members shall have the right to vote at Committee meetings.
- Unless otherwise agreed, notice of each meeting, together with an agenda of items to be discussed and any supporting papers shall be forwarded in advance to each member of the Committee and any other person required to attend, no fewer than ten calendar days before the meeting.
- All Board members are entitled to receive Committee papers and may also attend meetings.
- The Committee Chairman 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 Secretary shall maintain the Minutes of all meetings of the Committee, and, once approved by the Committee members, shall circulate the Minutes to all members of the Board.

## 6. KEY RESPONSIBILITIES

The key responsibilities of the Committee shall be:

- To 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.
- To review on an annual basis the Group's sustainability agenda and associated policies, with a view to ensuring that these take account of external developments and expectations, and report to the Board on the results of these reviews.
- To 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.
- To review its own performance once a year to ensure it is operating to maximum effectiveness and recommend to the Board for approval any changes needed to its terms of reference or membership.
- To review and approve key performance indicators (KPI's) in relation to the Committee's main areas of focus, and monitor performance against such targets
- 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.
- To compile a report on its activities to be included in the Company's Annual Report.

**These Terms of Reference were adopted by the Sustainability Committee at its meeting on 10 October 2017 and approved by the Urenco Limited Board at its meeting of 6 March 2018.**

**Sarah Newby  
Company Secretary, Urenco Limited  
6 March 2018**