

## **SHELL PLC**

### **SUSTAINABILITY COMMITTEE**

#### **TERMS OF REFERENCE**

##### **PURPOSE**

The Sustainability Committee (the "Committee") of Shell plc (the "Company") assists the Board of Directors of the Company (the "Board") in fulfilling its responsibilities as follows:

- Review the performance of the Shell Group of Companies (the "Group") with respect to Sustainability;
- Review and monitor relevant emerging trends including regulatory developments in sustainability; and
- Review and monitor the non-financial elements of the Company's Powering Progress strategy, with a focus on nature and social elements.

##### **OPERATION OF THE COMMITTEE**

###### **Membership and independence**

The Committee shall be composed of at least three independent Non-Executive Directors. Committee members shall be appointed by the Board, at the recommendation of the Nomination and Succession Committee, taking into account the views of the Chair of the Committee (the "Committee Chair").

Appointments of each Committee member shall be for a period of up to three years, which may be extended for up to two further three-year periods, provided the Committee member remains independent. The Board shall also appoint one Committee member to be the Committee Chair, at the recommendation of the Nomination and Succession Committee.

Committee members shall, if required, be provided with appropriate and timely educational briefings, both in the form of an induction programme for new members and on an ongoing basis for all members.

###### **Alternate arrangements**

If a Committee member is unable to act due to absence, illness, or any other cause, the Committee Chair, or in their absence the Board, may appoint another Non-Executive Director of the Company to serve as an alternate Committee member. In the absence of the Committee Chair, the remaining members present shall elect one of the members present to chair the meeting.

###### **Quorum**

The quorum necessary for the transaction of business shall be two Committee members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, duties and discretions vested in or exercisable by the Committee.

###### **Authority and support**

The Board has constituted the Committee with the authorities necessary to perform the duties set out in these Terms of Reference. The Committee, within the scope of its assigned purpose and duties, is authorised to seek any information it requires from employees, management, officers and external parties.

The Committee may engage advisers or otherwise obtain independent legal or other professional services as it requires, at the expense of the Company. The Board will provide the Committee with sufficient resources to undertake its duties. In consultation with the Chair of the Board and the Committee Chair, the Chief Executive Officer will assign a member of the Executive Committee to support the Committee.

## **Secretary**

In consultation with the Committee Chair, the Company Secretary shall be responsible for the designation of a secretary to the Committee (the "Committee Secretary").

## **Meeting frequency**

The Committee shall meet as frequently as required, as determined by the Committee Chair, to perform the duties set out in these Terms of Reference, and at least four times a year.

## **Meeting attendance**

Only the Committee Chair and members shall be entitled to participate in Committee meetings. Any Non-Executive Director who is not a member of the Committee shall be entitled to attend Committee meetings. At the invitation of the Committee, others may also attend Committee meetings.

## **Meeting administration**

Meetings of the Committee shall be arranged by the Committee Secretary at the request of the Committee Chair or any other member of the Committee. Notice of each meeting confirming the venue, date and time shall be forwarded to each Committee member and to other attendees (as appropriate) in advance of each scheduled meeting along with the agenda and supporting papers, unless otherwise agreed.

## **Meeting minutes**

The Committee Secretary shall record minutes of the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance. Meeting minutes shall be approved by the Committee prior to or at its next meeting and tabled as soon as practicable thereafter at a meeting of the Board for information.

## **Reporting to the Board**

The Committee shall report to the Board on its activities after each meeting. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

## **Committee performance and Terms of Reference**

The Committee shall annually review its Terms of Reference, along with how the Committee has discharged its responsibilities and the overall performance of the Committee; and report the results of such review to the Board.

## **Engagement with shareholders**

The Committee Chair may also be asked to engage with the Company's shareholders on significant matters related to the Committee's areas of responsibility.

## **DUTIES OF THE COMMITTEE**

The Committee shall:

- Assist the Board in reviewing existing and emerging sustainability-related impacts, risks and opportunities facing the Group, including relevant regulatory developments;
- Review and monitor performance of the Company's Powering Progress strategic themes of Respecting Nature and Powering Lives;
- Review selected sustainability topics and matters of public concern, such as biodiversity, water and human rights;
- As directed by the Board, review Environmental, Social, and Governance (ESG) and safety matters in

more detail;

- Review and consider external stakeholder perspectives on sustainability issues of relevance to the Group's business; and
- Perform such further functions as the Board and the Committee may agree.