

Digging Deeper:

***A Review of the Board Skills and Board
Governance of Climate and Energy Transition
at Glencore and Other Natural Resources
Companies***

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***By
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Executive Summary

The natural resources and mining sectors are home to some of the world's largest companies. However, corporate governance within these sectors, as in all industrial sectors, remains a work in progress, particularly regarding climate risk and the energy transition. For companies like Glencore Plc, their disclosure presents a well-rounded board featuring eight highly skilled directors, including those with expertise in broader sustainability. Nevertheless, this report finds that Glencore, similar to its peers, has substantial room for improvement in its governance disclosures and practices.

For instance, most companies provide what appear to be well-developed matrices defining the skills and experience of directors. However, closer examination reveals that skills and expertise are often poorly defined, if defined at all. Of the ten boards reviewed, most fail to indicate which skills apply to individual directors, let alone the skill level. Similarly, disclosing most director biographical information makes it difficult for investors, let alone market stakeholders, to assess a director's skills, particularly in areas related to climate or energy transition. This may lead some to question the level of skill among the directors of these companies.

Concerns about a director's skills may impact perceptions of a board's governance functions. Indeed, for boards where directors lack expertise in climate and energy transition, relying solely on management to inform the board about these topics could negatively impact the oversight of the company's strategy in both areas. At Glencore and many other companies where there is a lack of skills in climate and energy transition at the director level, this can also lead to questionable oversight of these topics at the committee level, particularly if committees are designated or should be a focal point of overseeing a company's management of climate and energy transition. Specifically, committees might not prioritise climate and energy transition as oversight topics within a board's

remit, potentially jeopardising governance over company strategy, which could negatively affect a company's performance.

Likewise, most companies evaluated in this report have room for improvement in aligning executive pay with their sustainability performance, as well as their climate and energy transition efforts. Most companies do not provide detailed disclosure on how, for instance, emissions are measured or how awards are evaluated to determine award achievement. This can be problematic if awards are not viewed as potentially challenging in addressing complex issues, such as emissions or adapting company strategy to tackle the challenges of the energy transition. Coupled with some companies utilising only short-term approaches to address these issues, there may be a perception that companies are not adequately prioritising how they manage emissions while operating in an emissions-intensive industry.

Overall, companies like Glencore and its peers have opportunities to enhance their corporate governance practices and ensure that these align with their efforts to tackle the challenges of climate change and the energy transition.

To address these shortfalls, boards need to make meaningful changes, including:

- Appoint at least one director with verifiable experience in climate reporting and energy transition. This should be a priority, as there are few climate experts, and climate reporting matters will only become more complex. While director education is commendable, it should be regarded with the same seriousness as having a director with verifiable financial expertise to chair an audit committee.
- Board sustainability committee charters must be updated to reflect the growing regulatory environment surrounding climate reporting, which inherently involves climate and energy transition. Currently, the comparator group relies too heavily on management and the wider board to address climate matters. Although sustainability committees have a broad remit to tackle various issues, including broader sustainability topics and tailings

management, committee charters should be updated to specify this as a focus area within their responsibilities.

- Sustainability committees must be chaired by directors with verified skills and experience in climate, climate risk, and energy transformation. As is the case across the comparator group, it remains unclear whether the committee chairs have any verified expertise in these areas. It is common practice for audit committees to appoint a committee chair with verified financial or accounting expertise to assess financial statements and a company's financial reporting. Sustainability committees should similarly have skilled leadership to guide the committee and possess a deep understanding of these subjects, as they involve significant risks for each company, particularly given the increasing complexity of reporting practices. Furthermore, a committee chair with verified skills and experience in climate, climate risk, and energy transformation may also reduce the committee's dependence on management to guide its work and oversight.
- Board skills matrices must be improved to clarify skill descriptions, definitions, and linkages to directors. While companies may seek to be concise in their disclosures, this does not mean that additional information cannot be made available on company websites, similar to other governance documents, such as committee charters. The skills matrix disclosures should also include more information about the roles of directors, especially if they are responsible for overseeing certain parts of the world, since each comparator company is not limited to operations in one country or jurisdiction.

Introduction and Overview

The Australasian Centre for Corporate Responsibility (ACCR) engaged OpenEngagement to conduct a review of Glencore Plc's (Glencore) board, examining its composition both quantitatively and qualitatively to gain a clearer understanding of the skills, experience, background, and competencies of Glencore's directors about climate, climate risk, and energy transition.

This report only reviews the Glencore board using publicly available information from Glencore, including its website, public submissions, and details about its directors. It will not comment on Glencore's corporate strategy regarding current investments in coal or other energy projects or assets. Similarly, this report strives to remain objective in assessing directors' skills. However, when there is unclear or missing disclosure from Glencore or other companies, it may draw inferences about a director's past work when determining whether a director possesses a particular skill.

The review of the Glencore board will also consider its composition, structure, and processes by utilising publicly disclosed information, including the board skills matrix, board resourcing and workload, committee remit, and remuneration.

Following the Glencore board review, this report will analyse how the Glencore board compares to several other boards. The comparator group includes Rio Tinto Limited,¹ BHP Group Limited, Anglo American Plc, Vale S.A., Teck Resources Limited, Freeport-McMoRan Inc., Fortescue Metals Group Limited, and South32

1 The Rio Tinto Group has two listed entities: Rio Tinto Limited, listed on the Australian Securities Exchange (ASX) and Rio Tinto Plc, listed on the London Stock Exchange (LSE). As the boards of both entities are identical, for this report, the reporting entity Rio Tinto Limited will be used.

Limited.² These companies are considered peers to Glencore as they operate in similar industries and employ comparable operational strategies. The review will evaluate the views of the boards and directors on climate and energy transition. These comparator companies are selected based on observation.

A review akin to the Glencore board will assess board composition, structure, and processes of comparator group companies. Similarly, the publicly disclosed board skills matrix, board resources and workload, committee remit, remuneration, and the profiles of selected directors will also be analysed.

The conclusion will highlight the findings of the Glencore board reviews and compare Glencore with select peers. It may offer suggestions regarding the director's skills and how these skills can be better disclosed to understand their relevance to climate and energy transition.

This report will begin by discussing climate and energy transition, defining key terms, and then analysing Glencore along with the other members of the comparator group.

Climate Risk and the Energy Transition in the Corporate World

Why do climate risk and the energy transition matter in the corporate world? Climate risk and the energy transition are topics of significant debate and consideration within the broader corporate arena. However, this report does not seek to discuss the merits of the arguments surrounding these issues. Each company in this report has climate change policies, affirming their views that climate change is a real issue. Yet, this report recognises that industries such as natural resources and mining play an increasingly significant role in shaping how companies pursue future strategies as the world evolves in terms of energy use, addressing climate, climate risk, and the energy transition. In this light, this report suggests that:

² Originally, China Shenhua Energy Company Limited was included in the comparator group. However, given its single-commodity business and single-jurisdictional operations, it was dropped from the group.

“Energy transition is essentially a process of fundamental transformations of the main elements of the energy system towards a new configuration of energy service embodied in a prolonged chain and complex system that involves energy production, storage, transmission and consumption, energy technologies, management, and practices related to energy security, geopolitics, and energy governance.”³

With the production of newer energy sources, particularly as the world becomes more dependent on electricity, the methods of generating and transmitting energy are evolving. In light of the impact of emissions on the changing climate, climate change is interconnected with the energy transition.

How companies manage climate and energy transitions at the corporate governance level is not straightforward. For some, profit maximisation may take precedence, with a belief that climate and energy transitions are not particularly pressing. Conversely, others may argue that corporations, and thus boards, must act to address both issues. Yet, climate and energy transitions may come down to risk management. As noted by the OECD, “a company with a sound strategy to navigate the transition to a low-carbon economy may face low risks despite the fact it is in a high climate-related financial risk industry such as metals and mining.”⁴ Thus, risk management is the responsibility of boards and management in determining business strategy. However, the structure of boards and management may influence whether a company adopts a positive or potentially negative approach to climate and energy transition.

In this case, directors’ skills and interactions with management may be crucial in determining how companies address the challenges of managing climate and energy transition risks. While boards may have common structures, such as overall board and committee sizes, the functioning of boards and

3 Yu Yang, Siyou Xia, Ping Huang, Junxi Qian. “[Energy transition: Connotations, mechanisms and effects](#).” *Energy Strategy Reviews*. Volume 52, 2024. Page 3.

4 OECD (2022). *Climate Change and Corporate Governance*. Corporate Governance. OECD Publishing, Paris. Page 21. Accessed: April 28, 2025.

committees becomes increasingly essential. For instance, concerning directors' skills, the expertise of directors, particularly those on sustainability committees, may positively impact carbon emissions performance. Yet, what may matter even more is the independence of those committees and the enhancement of committee members' skills in environmental sustainability issues.⁵ Similarly, as boards must contend with an ever-evolving regulatory, investor, and civil society ecosystem, broader discussions are taking place regarding whether climate and energy transition factors should be included in a director's fiduciary duties. In this instance, the growth of regulatory actions, even if there is a retreat in some jurisdictions, has "support from institutional investors and activist investors who call on boards to account for their sustainability-related risks. Various coalitions of actors in financial markets, as well as civil society actors, also advocate a greater latitude for fiduciary duties to move beyond driving shareholder profit."⁶

While boards play a significant role in addressing climate and energy transitions, management also plays a critical role. In this context, the cooperative efforts of boards and management may indicate whether there is a level playing field in tackling climate and energy issues. For some boards, reconciliation may be necessary to create and align corporate strategy with management's vision. This consideration may also extend to how management is held accountable for achieving strategic objectives.⁷ The most apparent way to hold management accountable is by establishing a clear remuneration structure. While companies have introduced climate-driven remuneration metrics, a more critical issue is

5 Babajide Oyew. "[Corporate governance and carbon emissions performance: International evidence on curvilinear relationships](#)." *Journal of Environmental Management*. Volume 334, 2023. Page 17.

6 University of Cambridge Institute for Sustainability Leadership (CISL). (2023). *Future of Boards Legal and Regulatory Frameworks for Sustainability (Phase 1, Part 2)*. Page 26.

7 University of Cambridge Institute for Sustainability Leadership (CISL). (2023). *Final Report: Summary and Synthesis (Phase 1, Part 4)*. Page 37.

whether remuneration policies have “a positive effect on symbolic carbon reduction initiatives, but no similar effect on the actual carbon emissions.”⁸

These issues suggest that confronting climate and energy transition is challenging, even for the most successful boards and companies. Nonetheless, this report explores whether Glencore and similar companies can tackle these obstacles.

Definitions

Before examining Glencore and the other peer companies, this report will define key terms that will guide the analysis throughout. When discussing director skills related to “climate,” this refers to climate change. As for director skills in climate change, it is hereby defined as follows: “A climate change competent director has expertise and experience in climate-related business threats and opportunities, including climate science, low-carbon transition across the value chain, and public policy.”⁹ The Investor Group on Climate Change uses this definition, although there may not be a broader global standard or consensus on what constitutes directors’ skills in climate matters.¹⁰ This report does not offer an alternative definition of climate skills.

In considering “climate risk”, this report refers to “climate-related transition risks”. Utilising the definition from the IFRS Foundation, climate risk is therefore viewed as:

8 Khaldoon Albitar, Habiba Al-Shaer, and Yang Stephanie Liu. “[Corporate commitment to climate change: The effect of eco-innovation and climate governance](#).” *Research Policy*. Volume 52, Issue 2, 2023. Page 4.

9 Investor Group on Climate Change. “[A Changing Climate: What Investors Expect of Company Directors on Climate Risk](#)”. October 2021. Page 14.

10 Florian Sommer, Gül Demirtaş, David Muirhead. “[Who’s the Climate Expert on Board?](#)” MSCI. 19 August 2024.

“Risks that arise from efforts to transition to a lower-carbon economy. Transition risks include policy, legal, technological, market and reputational risks. These risks could carry financial implications for an entity, such as increased operating costs or asset impairment due to new or amended climate-related regulations. The entity’s financial performance could also be affected by shifting consumer demands and the development and deployment of new technology.”¹¹

While not stated in the IFRS definition, climate risk may also include physical and transition risk. Although physical risk is not the primary focus of this report, it should nonetheless be included among the risk factors that constitute climate risk. As such, these broader connotations and considerations are encompassed under the term ‘climate risk’, which is deemed suitable for the analysis in this report. When applying climate risk to define board members, this report will define those directors as having “skills and experience that are knowledgeable of the risks related to climate transition, including financial and non-financial risks.”

Similarly, when considering the concept of “energy transition,” this report will refer to a “climate-related transition plan.” Therefore, the definition of the energy transition will follow the definition from the IFRS Foundation, which is: “An aspect of an entity’s overall strategy that lays out the entity’s targets, actions or resources for its transition towards a lower-carbon economy, including actions such as reducing its greenhouse gas emissions.”¹² This definition was chosen due to the broader global acceptance of IFRS principles. In the context of directors with energy transition skills, this report will define those directors as having “skills and experience in understanding how a company’s strategy supports and leads to actions that transition the company toward a lower-carbon economy, which includes reducing greenhouse gas emissions.”

11 IFRS Foundation. [IFRS S2: Climate-related Disclosures](#). June 2023. Page 20.

12 IFRS Foundation. [IFRS S2: Climate-related Disclosures](#). June 2023. Page 19.

The Glencore Board

This section will cover the following topics:

- An overview of the Glencore board
- Overview of the board committees and responsibilities
- Review of remuneration practices and links to climate and energy transition
- Examination of the board skills matrix

Overview of the Glencore Board

The Glencore board comprises eight directors: seven independent directors and one board chair. The sole executive director is CEO Gary Nagle. The demographics of the current board are based on information from the Glencore website and its publicly available reporting.¹³ The board is structured as follows:

Percentage of Male Directors	50%	Percentage of Female Directors	50%
Average Age of Board Members	65	Median Age of Board Members	68
Average Tenure of the Entire Board in Months as of April 2025	48 Months	Average Tenure of Independent Directors in Months as of April 2025	49 Months
Median Tenure of the Entire Board in Months as of April 2025	48 Months	Median Tenure of Independent Directors in Months as of April 2025	74 Months
Citizenship ¹⁴ – South Africa	37.5%	Citizenship – United Kingdom	25%
Citizenship - USA	25%	Citizenship - Colombia	12.5%

¹³ Glencore Plc. [2024 Glencore Annual Report](#). March 2025. Pages 102-104.

¹⁴ Glencore Plc. [Form Schedule 13D/A, Exhibit 99.9](#). March 14, 2025. Accessed 19 March 2025.

Directors Cynthia Carroll and Kalidas Madhavpeddi hold American citizenship, while María Margarita Zuleta possesses Colombian citizenship. Directors Gary Nagle, Gill Martin, and John Wallington are South African, whereas Martin Gilbert and Liz Hewitt are British citizens.

The newest board members are John Wallington and María Margarita Zuleta, who joined in June 2024 and February 2025, respectively. The longest-serving independent directors are Martin Gilbert and Gill Marcuse, who joined the board in May 2017 and December 2017, respectively. At the 2025 Annual General Meeting of Glencore, John Wallington and María Margarita Zuleta will stand for election for the first time. As of this writing, the 2024 Annual Report does not indicate whether other directors will be stepping down from the board at the Annual General Meeting (AGM) scheduled for 28 May 2025.

Committees Overview

Supporting the board are its five committees: the Audit, Remuneration, Nomination, Health, Safety, Environment, and Communities (HSEC), and Ethics, Compliance, and Culture (ECC) committees. The Nomination Committee has the highest representation of board members, with all seven non-executive directors serving on it. The board's smallest committee, in terms of membership, is the HSEC committee, which comprises only three non-executive directors. The committee membership roster is as follows:

	Audit	Remuneration	Nomination	Health, Safety, Environment & Communities	Ethics, Compliance, and Culture
Kalidas Madhavpeddi		Member	Chair	Member	
Gary Nagle					
Gill Marcus	Member		Member		Member
Martin Gilbert	Member	Chair	Member		
Cynthia Carroll		Member	Member	Member	Chair
Liz Hewitt	Chair		Member		Member
John Wallington			Member	Chair	
María Margarita Zuleta		Member	Member		Member
Meetings Held in 2024	6	5	3	4	4
Minimum Required Meetings	3 ¹⁵	2 ¹⁶	1 ¹⁷	4 ¹⁸	2 ¹⁹
2024 Board Meetings	12 – four regularly scheduled meetings and eight limited agenda, or unscheduled meetings ²⁰				

15 Glencore Plc. [Audit Committee of the Board – Terms of Reference](#). Accessed: March 19, 2025.

16 Glencore Plc. [Terms of Reference – Remuneration Committee](#). Accessed: March 19, 2025.

17 Glencore Plc. [Terms of Reference – Nomination Committee](#). Accessed: March 19, 2025.

18 Glencore Plc. [Terms of Reference – Health, Safety, Environment and Communities Committee](#). Accessed: March 19, 2025.

19 Glencore Plc. [Ethics, Compliance and Culture Committee - Terms of Reference](#). Accessed: March 19, 2025.

20 It is noted that Glencore's annual report only provides attendance records for regularly scheduled board and committee meetings. While the directors' attendance at regular board and committee meetings indicates strong attendance, the annual report fails to provide individual attendance records for the eight additional board meetings, two addi-

Although there are five board committees, the responsibility for climate and energy transition varies among the board, its committees, and management. According to Glencore's Climate Transition Plan (CTAP), the board assumes responsibility for climate change and related matters. This responsibility is divided into different areas; for instance, the audit committee manages financial risks and reports on climate issues. The ECC oversees resources, including lobbying and political engagement regarding energy policy. The HSEC is accountable for significant climate-related matters that could impact operations.

Executive committees are composed of senior management members who support the board's climate and energy transition committees. The primary body is the Climate Change Taskforce (CCT), chaired by Gary Nagel, the CEO, who reports to the rest of the board. The CCT's mandate and responsibilities for delivering the Group's climate strategy, commitments, and activities encompass the following:

- Decarbonisation of industrial activities;
- Internal reporting standard development and data quality and consistency review;
- Capital allocation and portfolio management;
- Macroeconomic assessments, including Group carbon pricing; and
- External engagement, communication and advocacy.²¹

The CCT is further supported by four working groups of senior management-level personnel. These working groups are (i) the Industrial Climate Working Group, (ii) the Marketing Climate Working Group, (iii) the Data Climate Group, and (iv) the External Climate Working Group. The working groups and the CCT form the

tional remuneration committee meetings (up from three meetings), and two additional audit committee meetings (up from four audit committee meetings). In the future, Glencore should clarify the attendance of directors at all meetings, including those with a limited agenda and unscheduled meetings, to ensure transparency.

²¹ Glencore Plc. 2024-2026 Climate Action Transition Plan. Page 19.

basis on which the board assesses matters, including climate and energy transition risk management.

For Glencore, it is arguably in the early stages of its approach to a just transition, as it considers it an “emerging topic.” However, the TCFD section in the annual report identifies areas of work on climate-related activities undertaken by the board in 2024. While the board maintained overall oversight of climate-related matters, various committees made unique contributions. The audit committee reviewed financial reports and disclosures related to climate change. The ECC oversaw Glencore’s stakeholder engagement on climate-related issues, political representations, the use of lobbyists, and Glencore’s positions within industry organisations. However, none of these details are discussed in the CTAP or annual report. The remuneration committee’s work on climate change was primarily reflected in performance against ESG initiatives as part of the performance-related pay for Glencore’s CEO.²² Based on its report, the HSE&C committee’s work on environmental matters focuses on “the Group’s progress and performance concerning emissions, nature, energy, water, stewardship, and other impacts.”²³

In 2024, Glencore’s Climate Action Transition Plan (CATP) received approval at the 2024 Annual General Meeting (AGM). While the CATP marks significant progress on climate initiatives, Glencore adopts a cautious approach to transitioning to a low-carbon economy within its risk management framework. Although this risk can be viewed within a broader enterprise risk management framework, no specific committee is designated to oversee it. Instead, the annual report underscores potential wide-ranging risks, including legal, reputational, financial, and operational impacts, such as the possible reduction or cessation of certain

²² 2024 Glencore Annual Report. Page 27.

²³ 2024 Glencore Annual Report. Page 115. As provided on page 108 of the 2024 Glencore Annual Report, the HSE&C Committee also oversees as part of its mandate: “Fatalities, major incidents and other safety issues; Tailings storage facilities reviews; Environmental incidents reports HSEC&HR policy framework; Social and human rights performance; Responsible sourcing; Cultural heritage; and Communities engagement.”

operations and loss of business due to fossil fuel emissions. Nonetheless, in mitigating these risks, the board depends on the CCT to develop a climate strategy and advance its climate commitments.²⁴ Furthermore, in 2024, the annual report states that the board examined a climate transition strategy and considered plans for developing and integrating Elk Valley Resources (EVR) into the Group's climate transition strategy. The board also engaged in internal training on climate change, covering duties as Directors, legal and general climate risk considerations, external expectations, and evolving climate issues.²⁵ However, the board has a lot of work to do to incorporate the emissions profile of EVR into its CTAP and to address how EVR's emissions may impact Glencore's emissions profile in the future.

Glencore's disclosure suggests that the board may have a broader awareness of climate and energy transitions. However, it appears to rely on management to guide and report on these matters. Since there is no discussion regarding energy transition management, the board may need to formalise its approach to clarify its strategy. Similarly, the committee responsible for environmental and sustainability issues does not seem to be the focal point for climate or energy transition discussions, at least based on its primary responsibilities and descriptions in its 2024 reports. This may raise questions about how climate and energy transitions are managed, especially since Glencore states that climate change is a standing agenda item for the board.²⁶

Remuneration

Glencore has incorporated ESG elements into its executive compensation practices. For 2024, the Restricted Share Plan (RSP) includes "progress against ESG initiatives, including the implementation of the Group's Ethics and Compliance

24 2024 Glencore Annual Report. Page 94.

25 2024 Glencore Annual Report. Page 108.

26 2024 Glencore Annual Report. Page 109.

Programme and performance against the Climate Action Transition Plan.”²⁷ The RSP, adopted in 2021, measures performance over a three-year period before awards may vest. After that, awards are released five years after the grant date or two years after the employee terminates employment, whichever occurs later. For the awards that vested on 30 June 2024, the primary ESG performance related to climate was based on the introduction and approval of the CTAP at the 2024 AGM, which received 90.07% support. Other ESG performance considerations included safety, improvements in ethics and compliance, and the implementation of a refreshed code of conduct.

Upon reviewing the 2021 RSP plan, the annual report is lacking essential details. For instance, the weightings of the RSP are not provided, despite performance being measured across three main areas: (i) Distributions to shareholders and share buybacks, (ii) Overall company performance, and (iii) ESG performance. Although each performance area has a broader description of the performance considerations, there is no indication of the level of achievement for each area or whether discretion was used to determine award achievement. Regarding ESG performance, including the CTAP, suggests that achievement was based on the CTAP passing at the AGM.

In the future, CEO Gary Nagle may participate in a new “career shares award” plan, the outcomes of which will be disclosed in the 2027 annual report and assessed against performance in three broader areas: (i) responsible and ethical business practices; (ii) effective capital management; and (iii) strong operational and commercial performance.²⁸ In the areas of climate and energy transition, the most applicable elements in the remuneration are to implement emissions reductions between 2019 and 2024, aiming to reduce “scope 1, 2, and 3 industrial emissions by 15% by the end of 2026, 25% by the end of 2030, and 50% by the end of 2035, each against the restated 2019 baseline (excluding EVR). “ Additionally, emphasis is placed on abatement initiatives ranging from renewable power

²⁷ 2024 Glencore Annual Report. Page 125.

²⁸ 2024 Glencore Annual Report. Page 131.

purchases and on-site power generation to energy storage, operational efficiency, and electrification.²⁹ The above performance conditions do not clarify how the remuneration committee will determine the award.

Skills Overview

In considering the skills of the Glencore directors, the 2024 Annual Report³⁰ provides a broader overview of the board members' skills and experience. However, some limitations exist. Notably, the 2024 Annual Report does not include the skills of newly appointed director María Margarita Zuleta, as the skills matrix is time-bound through the end of the calendar year 2024. This means that former director David Wormsley, who retired from the board on December 31, 2024, is included instead of Ms. Zuleta. Thus, the skills matrix does not entirely depict the current board's skills and experiences. The downside of this limited disclosure is that investors and stakeholders must attempt to interpret Ms. Zuleta's skills and experiences based on her limited biography, fitting them into the existing matrix.

The skills and experiences matrix comprises 13 different areas, with four skills and experiences categorised under 'Experience' and nine skills and experiences categorised under 'Technical Skills'. While 'Experience' is not defined, 'Technical Skills' are determined by the company as "the majority of these skills have been acquired through exposure and experience at a leadership level, rather than as part of a formal education." Moreover, Glencore does not define the 13 skills and experiences, making it more challenging to evaluate director skills, especially those related to climate and energy transition, which would likely fall under the "Environment" category. In reproducing the skills and experience matrix, Mr. Wormsley is excluded from consideration, while Ms. Zuleta will be discussed following the table.

²⁹ 2024 Glencore Annual Report. Page 132.

³⁰ 2024 Glencore Annual Report. Page 105.

Director Skills and Experience			
Experienced-based Skills and Experience			
Skill/Experience	Number of Directors/ % of Board	Skill/Experience	Number of Directors/ % of Board
Resources	4 / 50%	Non-executive directorship	7 / 88%
C-Suite	5 / 63%	International M&A	5 / 63%
Technical Skills and Experience			
Skill/Experience	Number of Directors/ % of Board	Skill/Experience	Number of Directors/ % of Board
Leadership and Strategy	7 / 88%	Financial Expertise	5 / 63%
Environment	4 / 50%	Social	5 / 63%
Governance	7 / 88%	Health and Safety	5 / 63%
Investor Relations	5 / 63%	Communications and Reputation	6 / 75%
Risk management	7 / 88%		

The matrix from the 2024 Annual Report is provided below. The skills remain unchanged from 2023, while the matrix was expanded from 2022, when ESG was divided into distinct Environment, Social, and Governance skills. Before 2022, no board skills related to the environment, climate, or energy transition existed. Only three directors have joined the board since ESG, let alone the skill “environment”, was added to the skills matrix: Liz Hewitt, who joined in July 2022; John Wallington, who joined in June 2024; and María Margarita Zuleta, who joined in February. Therefore, one may assume these skills were not initially considered a priority and were only recognised and assigned later.

Board diversity, skills and experience in 2024								
	Kaildas Madhavpeddi American	Gary Nagle S. African	Martin Gilbert British	Cynthia Carroll American	John Wallington S. African	Gill Marcus S. African	David Wormsley ^a British	Liz Hewitt British
Exeripence								
Resources	•	•		•	•			
Non-executive directorship	•	•	•	•	•	•	•	•
C-suite	•	•	•	•			•	•
International M&A	•	•	•	•			•	•
Technical Skills ¹								
Leadership and strategy	•	•	•	•	•	•	•	•
Financial expertise	•	•	•			•	•	•
Environment	•	•		•	•			
Social	•	•		•	•	•		
Governance	•	•	•	•	•	•	•	•
Health and safety	•	•	•	•	•			
Investor relations	•	•	•	•			•	•
Communications and reputation	•	•	•	•		•	•	•
Risk management	•	•	•	•	•	•	•	•

1. The majority of these skills have been acquired through exposure and experience at leadership level, rather than as part of a formal education.
2. Mr Wormsley retired from the Board with effect from 31 December 2024.

Examining the skills matrix raises significant questions about current disclosures and the determination of board skills. First, how and why did the board choose these skills, and what is necessary to delineate skills between “Experience” and “Technical skills”? Would it benefit the board to have directors with skills grounded in formal education? Were there other skills considered and not included? If so, why? How does the board determine whether it lacks specific skill sets, particularly when evaluating the company’s strategy? Does the board consider whether a director’s skills are potentially outdated? Additionally, how does the board assess the skills of its directors? Lastly, although there have been

limited modifications to the board skills matrix since 2022, is the skills matrix still fit for its purpose?

Ms. Zuleta joined the Glencore board, bringing experience in the legal profession, including legal practice in both the private and public sectors, as well as a current role in academia. A summary of her biography is as follows:

- Practising lawyer at Brigard & Urrutia since 1991, advancing to the position of Partner.
- Appointed in 2002 as Colombia's Deputy Minister of Justice.
- Appointed in 2004 as Director of the Presidential Program against Corruption.
- From 2005 to 2012, she served as General Counsel of Prodeco. Glencore and Xastra owned Prodeco. During that time, she represented Glencore International A.G. and C.I. Prodeco in a dispute against the Republic of Colombia. That case was eventually heard in the International Centre for Settlement of Investment Disputes.³¹
- From 2012 to 2017, she served as the Director General of the National Public Procurement Agency of Colombia.
- In 2017, she was appointed a Professor at the Universidad de los Andes, where she became the Dean of its School of Government in 2019.
- She is a non-executive director of the listed company Corficolombiana and two private companies.

After a preliminary review of her professional career, one could argue that her background enhances her current skills and experience in non-executive directorship, governance, social, and risk management. Additional skill designations would require a more in-depth examination of Ms. Zuleta's professional history. At the same time, the notice of meeting for Glencore's 2025 AGM does not provide further insight into her skills and expertise.

³¹ *Glencore International A.G. and C.I. Prodeco S.A. v Republic of Colombia*. ICSID Case No. ARB/16/6. Accessed: March 25, 2025.

Glencore Directors with Environmental Skills

This section will cover the following topics:

- An overview of the Glencore board members who are determined by the board to have “environment” skills.
- The section will also consider whether potential directors have time commitment concerns

Of the board’s eight directors, only four have been identified by the board as possessing environmental skills. They include board chair Kalidas Madhavpeddi, CEO Gary Nagle, and independent directors Cynthia Carroll and John Wallington. Three directors serve on the HSE&C committee, while Mr. Nagle is not a member of the committee. As previously indicated, “environment” is considered a technical skill due to exposure and experience at the leadership level, rather than a skill acquired through formal education. Upon reviewing the four directors, it appears that each director’s career and other directorships have likely provided them with a basic understanding of climate and energy transition; however, they may not have had sufficient exposure to develop expertise in either area.

Kalidas Madhavpeddi

Upon review, Mr. Madhavpeddi’s acumen, skills, and experience in climate and energy transition suggest a broader understanding; however, he is not yet proficient enough to qualify as an expert in either field. In reaching this conclusion, Mr. Madhavpeddi’s background is in engineering and business, with limited verifiable experience in climate or energy transition.

Nonetheless, his role as CEO of CMOC International, a wholly owned subsidiary of China Molybdenum Co., Ltd., from January 2008 to March 2018, likely exposed him to both areas. Notably, he was a signatory to the agreement for CMOC to acquire the Tenke Fungurume cobalt and copper mine in the Democratic Republic of the Congo (DRC) from Freeport-McMoRan, one of the world's largest cobalt and copper mines.³² For Glencore, Mr. Madhavpeddi's familiarity with cobalt, copper, and mines in the DRC may align with Glencore's long-term business strategy, which focuses on batteries and energy, particularly for the electric vehicle industry.³³

Nonetheless, as a director at other companies, Mr. Madhavpeddi's listed skills and expertise do not include environmental, climate, or energy transition. As a director of Dundee Precious Metals (DPM), his primary skills and competencies include M&A, strategic leadership, risk management, the mining industry, compensation and human resources, international business experience, and government and stakeholder relations.³⁴ However, as a member of the sustainability committee, which oversees sustainability, including the environmental impact of DPM's activities related to climate change, risk management, and sustainability reporting, he may encounter issues and policies regarding climate and energy transition.³⁵

For Mr. Madhavpeddi's other directorship at Novagold Resources Inc., he is not listed among the directors with skills and expertise in environmental science, policy, and regulation, as outlined in their skills and experience matrix.³⁶ The

32 [Stock Purchase Agreement](#). May 9, 2016.

33 Thomas Biesheuval. "[Glencore Names New Chairman to Complete Leadership Overhaul](#)." *Financial Post*. July 5, 2021. Accessed: March 24, 2025.

34 Dundee Precious Metals. [2024 Management Information Circular](#). April 2024. Page 27. Accessed: March 21, 2025. .

35 Dundee Precious Metals. [Sustainability Committee Mandate](#). August 1, 2023. Accessed: March 24, 2025.

36 Novagold Resources Inc. [2024 Management Information Circular](#). Page 25. Accessed: March 24, 2025.

2025 version of the matrix also omits him from the sustainability-related skills and experience.³⁷ The listed skills and experience are similar to those at DPM but include CEO/executive experience, board experience, financial literacy, public policy expertise, risk management, and corporate governance. However, he sits on the sustainability committee, which oversees Novagold's climate change policy³⁸, including responsibility for overseeing environmental matters, such as climate change and reporting.³⁹ That would likely qualify him to have a working understanding but not expertise in those subjects.

Gary Nagle

Mr. Nagle is the current CEO of Glencore, overseeing the implementation of the company's strategies. He demonstrates an awareness of climate, climate risk, and energy transition. However, this awareness may not lead to proactive approaches that guide the company toward actions that some investors and market stakeholders consider positive in reducing emissions. Overall, Mr. Nagle's career at Glencore, which began in 2000, has primarily focused on coal mining and metals.

Based on public comments and disclosures, Mr. Nagle demonstrates an awareness of energy transition and its impact on company strategy. For example, in 2021, Mr. Nagle stated that in considering decarbonisation: "Our plan is to decarbonise our total emissions footprints, that's scope 1, 2 and 3, which is unique in the industry... How we get there is the depletion of our coal business. That really gets us to an ambition of net zero by 2050."⁴⁰ Since 2021, these thoughts have

37 Novagold Resources Inc. [Notice of Annual General Meeting of Shareholders and Management Information Circular](#). March 24, 2025. Page 26. Accessed: March 31, 2025.

38 Novagold Resources Inc. [Climate Change Policy](#). January 25, 2023. Accessed: March 24, 2025.

39 Novagold Resources Inc. [Sustainability Committee Charter](#). November 16, 2022. Accessed: March 24, 2025.

40 Martin Creamer. "[Nagle expresses firm belief in Glencore's coal-depleting climate change strategy](#)." Mining Weekly. 16 February 2021. Accessed: March 24, 2025.

translated into a strategy to acquire additional energy assets such as EVR, even though the CTAP notes that Glencore is not addressing “the treatment of EVR in relation to Glencore’s decarbonisation targets and ambition.” Instead, the treatment of EVR will depend on future business decisions, which may include the incorporation of EVR, potentially leading to a slower transition, given the role played by metallurgical coal in steel production.⁴¹

Like the energy transition, Mr. Nagle demonstrates an awareness of climate change in his role as CEO, even if he does not actively advocate for measures to mitigate the impacts of emissions on climate change. As the head of the previously discussed Climate Change Taskforce (CCT) responsible for producing Glencore’s CTAP, he should also be familiar with the work of the various working groups that report to the CCT, which is then presented to the entire board.

Overall, Mr. Nagle likely demonstrates awareness of the challenges posed by climate change. However, given his background and views, one could argue that he is not a climate expert. Furthermore, his preference for using depletion as a strategy suggests that climate change may not be a primary concern for him as CEO, when Glencore either has or is seeking to expand emissions-intensive mining projects, such as coal assets like Elk River Resources or its Hunter Valley Operations, which for the latter a mine extension until 2050 is being sought.⁴² Indeed, under Mr. Nagle’s stewardship, it has been promulgated that Glencore is more responsible than other coal operators for developing coal assets in Asia and Africa. However, the expansion and depletion of coal assets are significant contributors to climate change.⁴³

41 2024-2026 Climate Action Transition Plan. Page 4.

42 Amelia Bernasconi and Courtney Yeandle. “[Mega Hunter Vally coal mine granted short-term extension of life.](#)” Australian Broadcasting Corporation. April 24, 2025. Accessed: May 8, 2025. See also: Hunter Valley Operations. “[Continuation Project.](#)” Accessed: May 9, 2025.

43 Harry Dempse and Emma Dunkley. “[‘Cash is king’: Why Glencore kept faith with coal.](#)” Financial Times. August 8, 2024. Accessed: May 8, 2025.

Cynthia Carroll

Ms. Carroll may understand climate and energy transition better than some of her board counterparts. This is partly due to her academic background, which includes a Bachelor's and Master's degree in Geology. Although the specific coursework is not mentioned, her background in the physical sciences has led her to a career in the natural resources sector, where many C-suite leaders lack proficiency.

One of her notable career achievements was serving as CEO of Anglo American Plc from 2007 to 2013. Among her noteworthy accomplishments was her dedication to mine safety and her appreciation for sustainability. Notably, she took significant steps to close the company's platinum mine at Rustenburg, which had a history of high fatality rates. This closure aimed to align the mine's safety practices with those of other mining sites globally, resulting in a reduction in fatalities from 40 in 2007 to 17 in 2011.⁴⁴ Additionally, by 2012, Anglo American was in the second year of a 10-year climate change strategy, which was identified not only as a compliance risk but also led to a partnership with the UK Met Office to assess the impacts of climate change and to "prioritise all our projects across the Group in terms of when climate change 'time of emergence' signals will arise."⁴⁵ Lastly, in her statement in Anglo American's 2012 annual report, she noted that Anglo American was preparing for climate change. This was "essential for protecting the future of our business. We are finding new ways to reduce our energy usage, working with experts to understand the implications of climate change in our key locations, and investing in innovative technologies to cut carbon emissions."⁴⁶

Beyond Anglo American, Ms. Carroll is also a director at Pembina Pipeline Corporation (PPC) and Baker Hughes. Both boards recognise her experience in sustain-

44 Cynthia Carroll. "[The CEO of Anglo American on Getting Serious About Safety.](#)" *Harvard Business Review*. June 2012. Accessed: March 24, 2025.

45 Anglo American. [Annual Report 2012](#). Page 30. Accessed: March 24, 2025.

46 Anglo American. [Annual Report 2012](#). Page 5. Accessed: March 24, 2025.

ability and ESG. However, neither company defines sustainability or ESG as a skill or expertise.⁴⁷ The board of directors oversees the energy transition and its initiatives at Baker Hughes. Meanwhile, the Human Capital and Compensation Committee, chaired by Ms. Carroll, is responsible for “talent planning and culture for the energy transition.” Additionally, the committee evaluates reporting on management’s performance regarding the “Company’s environmental and sustainability priorities and risks, including progress on our emission reduction goals and execution, our ESG reporting frameworks, ESG ratings, and the execution of our sustainability strategy.”⁴⁸

Ms. Carroll chairs PPC’s Safety, Environment, and Operational Excellence Committee. While the committee’s remit is broad enough to encompass matters such as health and safety, it is also responsible for overseeing environmental concerns, including emissions reduction initiatives. At the policy level, PPC is committed to addressing energy transition and climate change issues. This commitment includes a 30% reduction in GHG emissions intensity by 2030, relative to the 2019 baseline emissions and decarbonisation to optimise its infrastructure and invest in sequestration projects.⁴⁹ Nonetheless, there isn’t a direct link between these initiatives and Ms. Carroll’s role in implementing oversight beyond the committee’s responsibilities.

John Wallington

Mr. Wallington’s skills and experience in climate and energy transitions are not sufficiently recognised or documented. However, given his extensive coal-dominated career, one might suspect he is familiar with emissions-related issues. Notable elements of his career include:

47 Baker Hughes. [2024 Proxy Statement](#). Page 15. Accessed: March 24, 2025. Pembina Pipeline Corporation. [2024 Management Information Circular](#). Page 47. Accessed March 24, 2025.

48 Baker Hughes. [2024 Proxy Statement](#). Page 24. Accessed: March 24, 2025.

49 Baker Hughes. [2024 Proxy Statement](#). Pages 38 and 39. Accessed: March 24, 2025.

- Served 27 years at Anglo American, where he finished as CEO of the South African region before being appointed CEO of Anglo Coal globally (2005 – 2008);
- CEO of Coal of Africa from 2010 – 2013 (now known as MC Mining Ltd);
- Head of Energy Sibanye from 2016 – 2018; and
- CEO of Riversdale Energy Resources and Benga Mining from 2020 to 2022.

Mr. Wallington has a Bachelor's degree in Mining Engineering.

Upon reviewing his time at Riversdale Energy Resources and Benga Mining, it became clear that both companies aimed to undertake the [Grassy Mountain Coal Project](#), with Benga being a wholly owned subsidiary of Riversdale Energy Resources. This project would have led to the development of an open-pit metallurgical coal mine in Alberta, Canada. While Hancock Prospecting acquired Riversdale Energy Resources and Benga Mining under the name [Northback](#), the project was rejected by a joint panel comprising the Minister of Environment and Climate Change for the Government of Canada and the Alberta Energy Regulator. The joint panel determined that the project would have adverse environmental impacts that outweighed its positive economic benefits; therefore, it would not serve the public interest.⁵⁰ In his view, Mr. Wallington noted that Benga's parent company had spent over \$700 million to acquire the project and pursue regulatory approvals, expressing his dismay that "the minister would render a decision 'hastily' and based off the report from the regulator, which was facing multiple legal challenges."⁵¹

Considering the four directors, it is unclear how they align with the climate or energy transition. Of the four directors, two have careers based in coal, with one director, Mr. Nagle, believing that depletion is an acceptable approach to emissions reduction. Mr. Wallington, on the other hand, lacks a substantial amount

50 Government of Canada. "[News Release: Joint Review Panel for Grassy Mountain Coal Project Concludes its Review.](#)" June 17, 2021. Accessed: March 24, 2025.

51 Peter de Kruijff. "[Gina Reinhard takes Canadian government to court in bid to keep coal dream alive.](#)" *Sydney Morning Herald*. August 19, 2021.

of information to inform his views on climate and energy transition. Mr. Madhavpeddi is a conundrum, as his two other directorships do not list him as having environmental experience. However, he has experience and familiarity with copper and cobalt, which may suggest a broader awareness of the energy transition. Given her academic and professional background, Ms. Carroll is the only director of the four who may claim to possess greater skills and expertise in climate and energy transition. However, similar to Mr. Wallington and Mr. Madhavpeddi, there is a lack of substantive information to inform her views on climate and energy transition. This raises questions about how the board rated these directors as having environmental skills and expertise, and, more importantly, what “environment” means as a skill or expertise for Glencore. Lastly, since three of the above directors joined the board before ESG was introduced, let alone when environmental considerations were added as a board skill, shareholders may wish to question whether the board gave due regard to the skill matrix and director skill levels regarding environmental matters, including climate and energy transition.

Time and Director Commitment

Based on a review of the current composition of the Glencore board, there appears to be less concern about director overboarding or time commitment issues, as most directors are not involved with other publicly listed companies, hold fewer committee assignments, or have disclosed significant time commitments for private entities and/or institutions. However, board chair Kalidas Madhavpeddi raises greater concern due to his time commitments. Mr. Madhavpeddi is a non-executive director of two other listed companies, Novagold Resources Inc. and Dundee Precious Metals. His workload on those boards includes:

- Novagold Resources Inc.: Member of the Compensation and Sustainability Committees.⁵² According to the 2025 Management Circular, he attended

52 Novagold Resources Inc. “[Board of Directors](#).” Accessed: 18 March 2025.

16 meetings in 2024, including six board meetings, six compensation committee meetings, and four sustainability committee meetings.⁵³

- Dundee Precious Metals: Chair of the Human Capital & Compensation Committee and Member of the Audit Committee, Sustainability Committee, and Technical Committee. Based on the 2025 Management Information Circular, he attended 23 meetings: 8 board meetings, 4 Audit Committee meetings, 6 Human Capital & Compensation Committee meetings, 4 Sustainability Committee meetings, and 1 Technical Committee meeting.⁵⁴
- In 2024, Mr. Madhavpeddi attended 14 Glencore board and committee meetings. This includes the board's four meetings, the four meetings of the HSEC and the three meetings held by each of the nomination and remuneration committees.

Concerns about Mr. Madhavpeddi's time commitment arise from his committee assignments at various companies and his role at Glencore. Specifically, can he devote enough time to oversee the Glencore board when he has nearly 40 meetings with the other boards and committees he serves? Does he have sufficient capacity to serve as a director at all three companies simultaneously in the event of a crisis at one or more of them? Similarly, how does he prioritise which meetings are scheduled, let alone attended, and is he attending in person or virtually?

53 Novagold Resources Inc. [Notice of Annual General Meeting of Shareholders and Management Information Circular](#). Page 19.

54 Dundee Precious Metals Inc. [Management Information Circular 2025](#). April 7, 2025. Page 26. Accessed: April 8, 2025.

Comparison of Peers

This section will cover the following topics:

- An overview of peer company boards, including board size and diversity.
- Review of independent director tenure and its role in board oversight.
- Review of director regionality among peer companies.
- Examination of director time commitment across peer group companies and whether there are time commitment concerns.

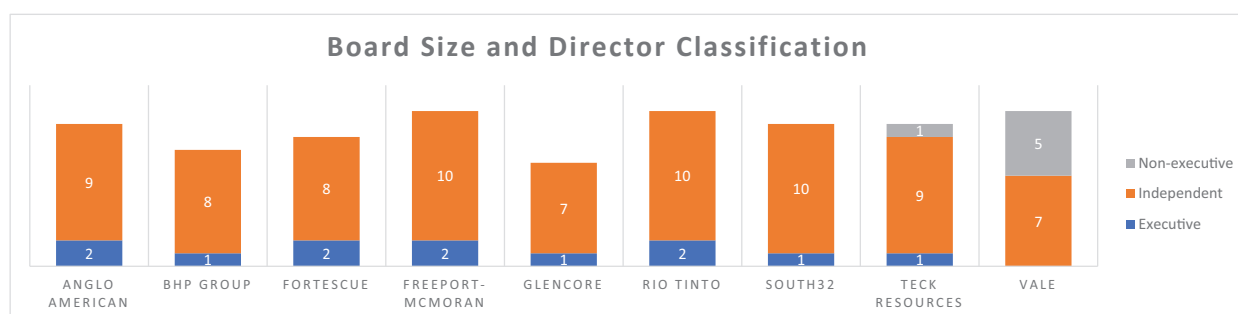
Review of Boards

Comparing the Glencore board to its peers offers valuable insights into board composition, demographics, and varying perspectives on disclosure practices among competitors. The selected peers include Anglo American, BHP Group Limited, Fortescue Group, Freeport-McMoRan Inc., Rio Tinto Limited, South32 Limited, Teck Resources, and Vale S.A. This peer group comprises companies in the natural resources sector and may act as direct or indirect competitors to Glencore.

There is no universal rule for whether one board size is optimal compared to another. However, a board's size needs to ensure that it can function properly and that directors can oversee the management, company strategy, and respond to the needs of shareholders and stakeholders. However, a smaller board, while potentially efficient in operation, may be at a disadvantage, especially when a company is large in size and scope of operations. When it comes to matters involving broader sustainability, including climate and energy transition, a smaller board may face difficulties in addressing challenges, in addition to tackling

increased responsibilities, direction to and oversight of management, and accountability towards a sustainable future.⁵⁵

Regarding board size, Glencore's board is the smallest in the comparator group, consisting of eight directors. Since 2016, the board has had no more than nine directors.⁵⁶ While boards may vary depending on the company and its complexity, there is generally a lack of consensus on the appropriate size. However, the question remains whether Glencore's board size is potentially too small compared to other boards to address climate risk and energy transition alongside its regular governance obligations.



In this case, the size of the Glencore board has largely remained unchanged over the years, despite ongoing issues regarding conduct involving allegations of

⁵⁵ University of Cambridge Institute for Sustainability Leadership (CISL). (2023). Trends in board practice: Insights from our Initial Exploratory Research (Phase 1, Part 3). Page 86.

⁵⁶ As of the time of writing, the board of Rio Tinto Limited comprised 14 directors. However, two directors would cease to be on the board following the Annual General Meeting (AGM) of Rio Tinto Limited, which was held on May 1, 2025. An additional Rio Tinto director is expected to depart the board in H2 2025; however, the exact date has not yet been determined. Therefore, the Rio Tinto board will be counted as 12 directors for this analysis. Rio Tinto. "[Rio Tinto Board Changes.](#)" February 19, 2025. Accessed: March 25, 2025. Similarly, the board of Vale S.A. reflects the proposed board standing for election at the Vale S.A. AGM, which will be held on April 30, 2025. In this case, Vale S.A. has already determined that several directors will not be up for re-election while new directors are standing for election. The information about Vale S.A.'s directors is based on the [Management's Proposals for the Annual and Extraordinary General Meetings 2025](#). Accessed: March 25, 2025.

bribery and other criminal activities across multiple jurisdictions from the early 2000s to 2018.⁵⁷ While the board has increased its oversight of ethics practices by establishing the Ethics, Compliance, and Culture Committee in 2019, its overall size remains smaller than the average of 10.1 directors among the top 150 companies with a premium listing on the LSE⁵⁸, which is also smaller than the average size of Swiss company boards with 10 directors.⁵⁹ Similarly, compared to companies in the materials sector of the ASX, Glencore's board has fewer directors than the average of nine. By comparison, ASX companies have an average of 10.5 directors per board.

The board will ultimately decide whether eight directors are sufficient for a company like Glencore. However, Glencore is neither small nor simplistic; its operations are global, involving over 150,000 employees and contractors across six continents and more than 30 countries.⁶⁰ Similarly, 88 entities⁶¹ comprise the wider Glencore Group, with various group companies engaged in producing gold, copper, coal, oil, nickel, lead, zinc, cobalt, bauxite, and alumina, as well as finance, energy, operations, and holding companies. The expertise required to manage a group of this size and complexity is something any board might find challenging. Nonetheless, the board is positioned to consider whether adding additional non-executive directors with specific skill sets, such as climate, cli-

57 U.S. Department of Justice. "[Glencore Entered Guilty Plea to Foreign Bribery and Market Manipulation Schemes](#)." May 24, 2022. Accessed: April 8, 2025. See also: Serious Fraud Office. "[Glencore group of companies](#)." November 29, 2024. Accessed: April 8, 2025. Glencore Plc. "[Swiss and Dutch Investigations resolved](#)." August 5, 2024. Accessed: April 8, 2025. Jillian Ambrose. "[Billionaire former oil trader charged with corruption in West Africa](#)." *The Guardian*. August 2, 2024. Accessed: April 8, 2025.

58 Spencer Stuart. "[2024 UK Spencer Stuart Board Index](#)." Accessed: April 8, 2025.

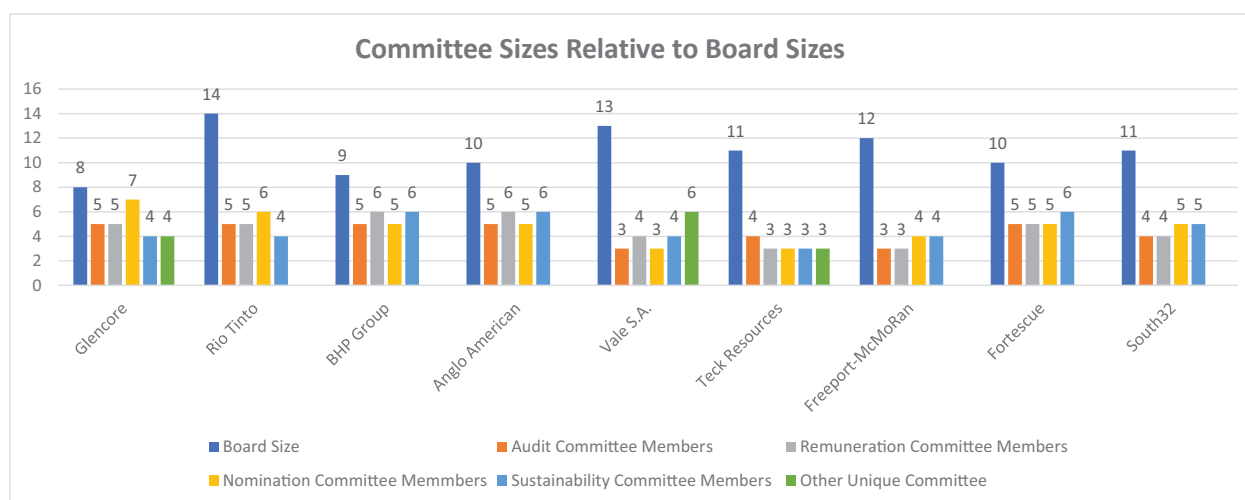
59 Spencer Stuart. "[2023 Switzerland Spencer Stuart Board Index](#)." Accessed: April 8, 2025.

60 Glencore Plc. "[World Map](#)." Accessed: March 30, 2025.

61 Glencore lists that it has 38 industrial subsidiaries, 26 marketing, operating and finance subsidiaries, two principal joint ventures, 10 principal joint operations and other unincorporated arrangements, eight principal associates, and four other investments. 2024 Glencore Annual Report. Pages 251-253.

mate risk, or energy transition, is balanced against the desire to maintain an otherwise nimble and cohesive board. Yet, such a decision would rest entirely with the board to determine what is in the best interests of all shareholders.

However, the dynamics of Glencore's board, along with those of each company, extend beyond mere board size. They encompass demographics, directors' skills and expertise, and the roles of board committees. Regarding board demographics, the Glencore board compares favourably to its peers. Within the broader comparator group, Glencore ranks among the leaders in board gender diversity, with a significant percentage of female board members. However, only Teck Resources and South32 have women serving as board chairs, led by Ms. Sheila Murray and Ms. Karen Wood, respectively. Freeport-McMoRan is the only company with a woman serving as CEO. In contrast, no other company has a woman serving in a similar role, including Managing Director.



Independent Director Tenure

To be an effective director, it is expected that a director will need to learn about the board and its members, the company, and the inner workings of its operations. While the amount of time may vary, a director may need to devote several years to fully understanding the intricacies of the board and the company. However, for independent directors, there is also a discussion about whether an extended tenure on a board may impact a director's independence. Indeed, some

research suggests that independent directors serving for over nine years may become less effective in monitoring and advisory roles.⁶²

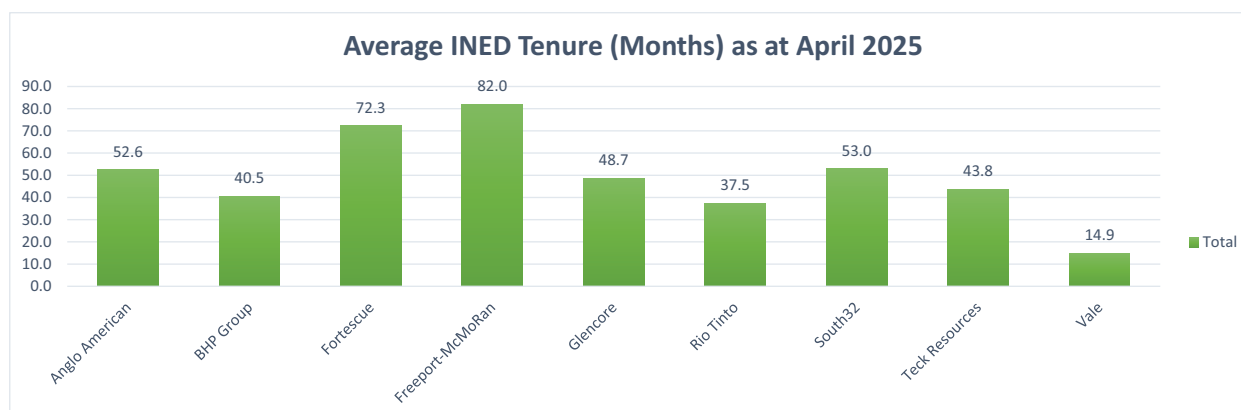
When assessing the tenure of independent directors, concerns for the Glencore board are likely minimal. The independent directors have an average tenure of approximately four years, suggesting that their time served is neither excessively long nor too brief to warrant concern about inadequate knowledge of the company and the board or excessive tenure that may lead to increased deference to management. This contrasts with Freeport-McMoRan and Fortescue, where the boards include long-serving independent directors like Dustan McCoy⁶³ and Mark Barnaba⁶⁴, who began their service on the Freeport and Fortescue boards in March 2007 and February 2010, respectively. While the presence of these two directors skews the average, Vale's low tenure is due to the replacement of three independent directors at its April 2025 AGM. Many boards, including Glencore's, have been refreshing their independent directors.⁶⁵

62 Joshua Livant, Gavin Smith, Kate Suslava, and Martin Tarlie. 2019. "[Do Directors Have a Use-By Date? Examining the Impact of Board Tenure on Firm Performance](#)". *American Journal of Management* 19 (2). Pages 98, 123. Accessed: March 29, 2025. See also: Natalie Elms, Amedeo Pugliese. 2023. "[Director tenure and contribution to board task performance: A time and contingency perspective](#)." *Long Range Planning*. Vol. 56, No. 1. Pages 13-17.

63 Freeport-McMoRan. "[FCX Announces Election of Three New Members to its Board of Directors](#)." March 19, 2007. Accessed: March 25, 2025.

64 Fortescue Ltd. FY24 Annual Report. Page 12.

65 It is noted that for South32, there have been two changes to the independent directors. Notably, directors Stephen Pearce and Mandla Msimang (Mandlesilo) joined the board on 1 February. South32 Limited. "[South32 Appoints New Directors](#)." 3 December 2024. Accessed: March 25, 2025. Additionally, Teck Resources notes that independent director Edward C. Dowling, Jr., is stepping down at their AGM after serving 12 years on the board. Teck Resources Limited. Notice of Meeting and Management Proxy Circular. March 2025.



Nonetheless, when considering a director's tenure, especially for independent directors, comparator group members have adopted various approaches to their policies regarding independent director tenure. While some companies establish specific policies or guidelines that limit tenure, others prefer to evaluate independent directors and their independence as part of an overall board review, regardless of tenure.

	Director Tenure Limit?	Explanation
Glencore	No specified policy on tenure limits	N/A
Rio Tinto ⁶⁶	Non-executive directors are expected to serve on the board for six years, but not more than nine years, unless the Nominations Committee determines that they remain independent.	N/A
BHP Group	No specified policy on tenure limits	N/A
Anglo American	No specified policy on tenure limits	N/A
Vale S.A. ⁶⁷	5 terms of 10 years for independent directors	Provided in Section I, Subsection I of the Vale S.A. Bylaws.

66 Rio Tinto. [Board Governance – Selection, appointment and election of directors](#). Accessed: March 29, 2025.

67 Vale S.A. By-Laws Vale S.A. April 28, 2023. Page 6.

	Director Tenure Limit?	Explanation
Teck Resources ⁶⁸	15 years for independent directors	The Board will emphasise rigorous evaluation of all directors, regardless of term limits, and believes that a balance between long tenure, familiarity with Teck's business, a long-term perspective on the industry, and a fresh perspective is essential for effective governance.
Freeport-McMoRan ⁶⁹	No term limits	There are no term limits for directors as the board believes that directors may serve extended periods "to provide valuable insight into the operations and future of the Company based on their experience with and understanding of the Company's history, policies and objectives. The Board believes that, as an alternative to term limits, it can ensure that the Board continues to evolve and adopt new viewpoints through the evaluation and nomination process described in these guidelines."
Fortescue ⁷⁰	No specific policy	Fortescue's board "recognises that Fortescue's interests are well served by having a mix of directors, some with a longer tenure with a deeper understanding of Fortescue's business and some directors with a shorter tenure who bring fresh perspectives to the Board."
South32 ⁷¹	No specific policy	South32 considers tenure when evaluating a director's independence. In 2024, the longest-tenured director, who had served for nine years, did not stand for re-election. The board believes in a mix of tenure among directors.

For now, the issue of independent director tenure within the broader group is arguably less concerning. However, this does not mean it can be overlooked, especially for companies like Fortescue, Freeport-McMoRan, and Teck Resources, all of which have a higher average tenure of independent directors.

68 Teck Resources Limited. [Notice of Meeting and Management Proxy Circular](#). March 2025. Page 28. Accessed: April 16, 2025.

69 Freeport-McMoRan Inc. [Freeport-McMoRan Inc. Corporate Governance Guidelines](#). February 11, 2025. Page 3. Accessed: March 30, 2025.

70 Fortescue Limited. FY24 Corporate Governance Statement. Page 12.

71 South32 Limited. Corporate Governance Statement 2024. Page 13.

Nevertheless, Glencore and others who have not provided views or policies on the topic should clarify how tenure is considered when evaluating a director's independence.

Director Regionality

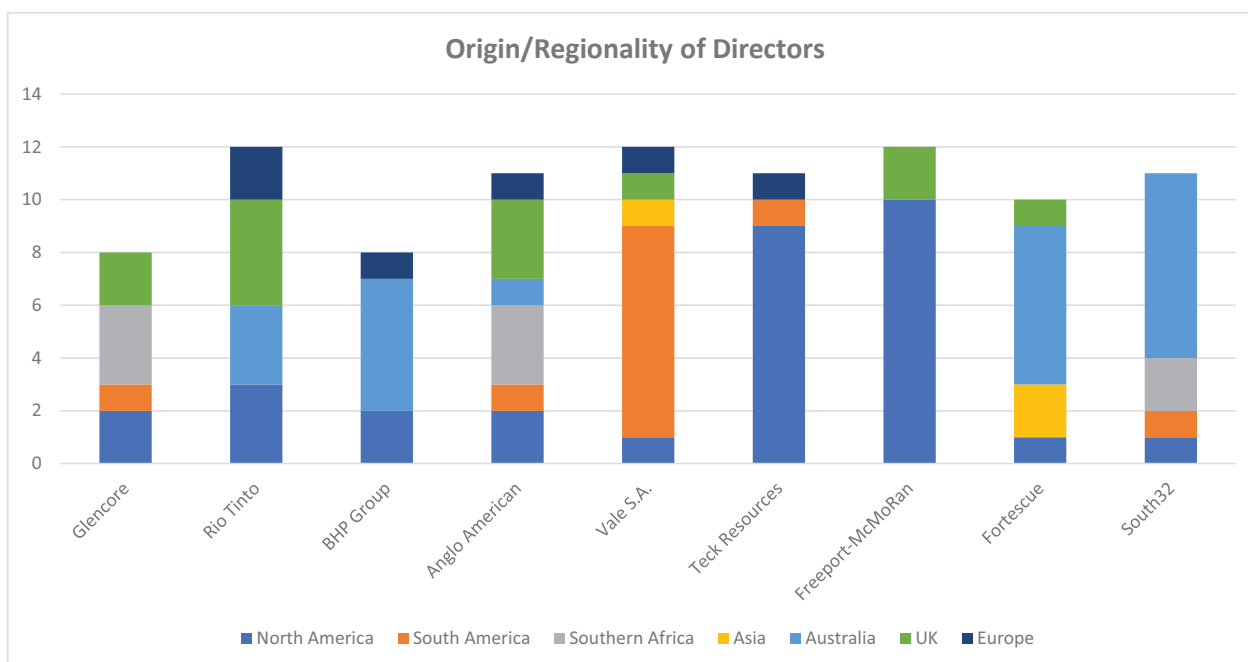
The global mining and natural resources sector encompasses a wide range of international operations and company locations. Whether boards should align their membership with operations is debatable in this context. Do board members need specific knowledge of where operations are, or can they rely on management to handle those elements? Currently, most companies do not specify the locations of their directors. Instead, the most reliable information is based on a director's nationality or citizenship. However, this does not always reflect the director's actual location.

Glencore discloses the nationality of its directors in its skills matrix, while South32 is unique in specifying the locations of its directors. As of June 30, 2024, the 10 non-executive directors of South32 were distributed across Australia, Southern Africa, and the Americas. Five (50%) were based in Australia, while two (20%) were in Southern Africa and the Americas.⁷² Since February, the board has included seven directors from Australia (64% of the board), one director from the US (9%), one director from Chile (9%), and two directors from South Africa (18%).⁷³ Teck Resources also discloses the locations of its directors, with six directors residing in Canada (55% of the board), three in the US (27% of the board), one in Chile, and one in the Netherlands (each 9% of the board).⁷⁴ However, the disclosures of director locations by South32 and Teck Resources are the exceptions rather than the standard practice.

⁷² South32 Limited. Annual Report 2024. Page 68.

⁷³ South32 Limited. "[Our Board and Lead Team](#)". Accessed: 30 March 2025.

⁷⁴ Teck Resources Limited. [2024 Annual Information Form](#). Page 81. Accessed: March 30, 2025.



When examining the broader comparator group, a notable variation in the origins of directors is observed.⁷⁵ However, Vale S.A.'s board is significantly more concentrated by nationality, with most of its members being Brazilian. While companies may have limited or extensive global operations, it is often unclear whether the boards assign directors responsibility for overseeing specific regions or how extensively they serve as points of contact for local senior management.

⁷⁵ In reviewing directors across the group, some directors hold dual citizenship or nationality. In such cases, this report used available information to infer the country of origin of a director, even if their country of residence differed.

Company	Countries of Operation	Main Operations	Company	Countries of Operations	Main Operations
Glencore ⁷⁶	Global (over 35 countries)	Mining and production of gold, copper, coal, oil, nickel, lead, zinc, cobalt, bauxite, and alumina	Teck Resources ⁷⁷	Canada, the US, Peru, Chile	Mining and production of copper and zinc.
Freeport-McMoRan ⁷⁸	The US, Peru, Chile, Indonesia	Mining and production of gold, copper, and molybdenum.	Rio Tinto ⁷⁹	Global (over 35 countries)	Mining and production of iron ore, aluminium, copper, bauxite, titanium dioxide, borates, salt and diamonds.
BHP Group ⁸⁰	Australia, Chile, the US, Brazil, Canada, Peru	Mining and production of iron ore, coal, copper, gold, silver, uranium, nickel, and potash.	Anglo American ⁸¹	Global (13 different countries)	Mining and production of copper, iron ore, platinum metals, diamonds (De Beers), metallurgical coal, nickel, manganese, and crop nutrients.

76 Glencore Plc. “[World Map](#).” Accessed: March 30, 2025.

77 Teck Resources Limited. Teck 2024 Annual Report. March 13, 2025. Page 2. For the financial year 2024, Teck employed 7,649 people across its company. Teck Resources Limited. Teck 2024 Sustainability Report. March 13, 2025. Page 55.

78 Freeport-McMoRan Inc. “[Global Mining Operations](#)”. Accessed: March 30, 2025. For the financial year 2024, Freeport-McMoRan had a workforce of 65,695, comprising 28,498 direct employees. Freeport-McMoRan Inc. 2024 Annual Report on Sustainability. April 23, 2025. Page 116.

79 Rio Tinto Limited. Annual Report 2024. Page 2. For the financial year 2024, Rio Tinto had 60,000 employees.

80 BHP Group Limited. “[Global Locations](#).” Accessed: March 30, 2025. For the financial year 2024, BHP reported having 91,587 employees and contractors. BHP Group Limited. BHP Modern Slavery Statement 2024. Page 5.

81 Anglo American Plc. “[Where We Operate](#)”. Accessed: March 30, 2025. For the financial year 2024, Anglo American had around 55,000 employees. Anglo American Plc. Sustainability Report 2024. Page 4.

Company	Countries of Operation	Main Operations	Company	Countries of Operations	Main Operations
Fortescue ⁸²	Global	Mining and production of iron ore, metals exploration, green energy and green metals.	Vale S.A. ⁸³	Global operations, including subsidiaries	Mining and production of pellets, iron ore, cobalt, briquettes, nickel, gold, silver, and copper.
South32 ⁸⁴	Australia, Mozambique, South Africa, Brazil, Colombia, Chile, the US	Mining and production of copper, lead, gold, zinc, silver, manganese ore, bauxite, alumina and aluminium, and molybdenum.			

For companies with global operations and boards that have (or lack) global representation, improved disclosure regarding how boards oversee these global operations should be considered.

82 Fortescue’s metals business is primarily based in Australia and Gabon, with exploration in Latin America. Fortescue Limited. “[Our Operations](#)”. Metals and minerals exploration occurs in multiple countries across South America, Africa, Kazakhstan, Canada, and Portugal. Fortescue Metals. “[Exploration](#)”. Accessed: March 30, 2025. Fortescue’s “green projects” are in the US, Norway, Egypt, Argentina, Brazil, Morocco, Jordan, and Oman. Fortescue Energy. “[Our Green Projects](#)”. Accessed: 30 March 2025. For the financial year 2025, Fortescue had a global workforce of 15,672 people. Fortescue Ltd. FY24 Modern Slavery Statement. Accessed: April 30, 2025. Page: 8.

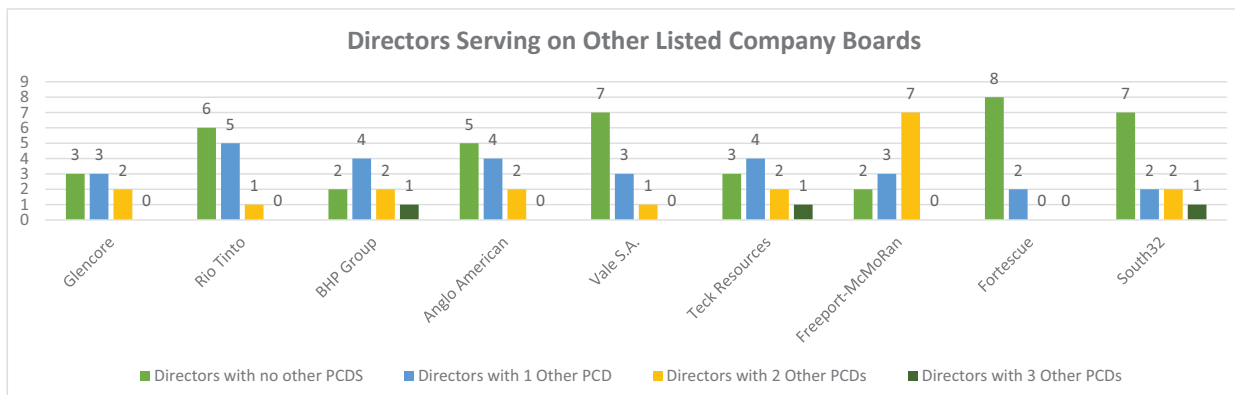
83 Vale S.A. 2024 Integrated Report. Page 8. For the financial year 2024, Vale S.A. reported having 64,610 employees and 109,506 contractors. See page 37.

84 South32 Limited. “[Locations](#)”. Accessed: March 30, 2025. For the financial year 2024, South32 had 9,906 employees globally. South32 Limited. Annual Report 2024. Page 12.

Overboarding Concerns

A director's time commitment is crucial for making a full contribution to the board. As the time required to serve as a director varies across boards,⁸⁵ how directors allocate their time may enable or inhibit their participation on a board and its committees. More importantly, when a crisis arises at a company, will directors be able to devote their time to it without significant distractions from other commitments? While a common approach to determining whether a director is overcommitted relies on the number of boards they serve, time commitments may also include service as a director for other private businesses, institutions, or organisations.

In assessing the potential for overboarding concerns, the number of publicly listed directorships considered across the comparator group, including Glencore, remains low. Nonetheless, as noted previously with Mr. Kalidas Madhavpeddi, nothing can be taken for granted since there is no hard and fast rule about how much time a director must devote, especially when a directorship involves serving on the committees of other boards or entails other commitments.



⁸⁵ According to Spencer Stuart, directors averaged working 278 hours annually to serve as a non-executive director on a “complex board”, with the number of hours spent working increasing to as high as 320 hours annually for public companies, especially if a director served on board committees. For private companies, the average annual time spent working as a director was approximately 150 hours. Spencer Stuart. “[Spencer Stuart Director Pulse Survey: Time Commitment 2023](#).” March 2023. Accessed: March 29, 2025.

Though the overall number of public company directorships is low, it does not negate the potential for improvement or oversight. In this context, companies like Glencore could take additional steps to clarify how boards assess whether a director's time commitments might pose issues. Several companies in the comparator group have established firm limits or adopted broader methods for evaluating director suitability and time commitment.

- Freeport-McMoRan maintains policies regarding director time commitments. In this case, directors may serve on a maximum of four public company boards, including the Freeport-McMoRan board. Additionally, members of the Freeport-McMoRan audit committee are restricted to serving on a maximum of three audit committees.⁸⁶
- Rio Tinto does not have a formal policy limiting outside commitments. However, it acknowledges that serving as a director requires a significant time commitment, and all directors must inform the board of any current and prospective directorships they may hold. The nomination committee reviews these for potential conflicts of interest. Executive directors at Rio Tinto must obtain approval from the board chair to serve on other boards, following consultation with the Nominations Committee.⁸⁷
- Vale S.A. has specific limits on director commitment. Notably, a director may hold no more than four directorships, including those on Vale S.A. and private boards, while excluding NGO and pro bono boards. Furthermore, the chairmanship of Vale S.A.'s board counts as two directorships. At the same time, directors who are executives of other companies

86 Freeport-McMoRan Inc. Notice of 2025 Annual General Meeting of Stockholders. April 2025. Page 30.

87 Rio Tinto Limited. Board Charter. 15 December 2021. Page 6.

may only serve on the Vale S.A. board, as they are required to dedicate a significant amount of time to their roles as directors of Vale S.A.⁸⁸

While companies establish limits or guidelines regarding directors' time commitments, these measures may not entirely prevent directors from becoming overly committed. For instance, Freeport-McMoRan does not specify how it assesses whether certain directors have adequate time commitments when considering their private roles. This includes directors Frances Fragos Townsend and Sara Grootwassink Lewis, who serve on two boards: Chubb Limited and Leonardo DRS, Inc., as well as Healthpeak Properties, Inc., and Weyerhaeuser Company, respectively. Ms. Townsend is a member of the Council on Foreign Relations, the Executive Committee of the Trilateral Commission, the Executive Committee of the Atlantic Council, and a Senior Advisor of Roadget Business Pte. Ltd. (d/b/a/ SHEIN).⁸⁹ Meanwhile, Ms. Lewis serves as a Board Observer on the Board of Partners and Principals of PwC USA LLP, the Executive Committee and Board of Trustees of the Brookings Institution, and the Leadership Board for the U.S. Chamber of Commerce Center for Capital Markets Competitiveness, and is a board member of the Center for Audit Quality's Audit Committee Council.⁹⁰ For both directors, keeping track of their

For now, the Glencore directors will commit the necessary time to the board. However, ongoing monitoring will be crucial, as director commitments can vary.

88 Vale S.A. [Vale 2025 Nomination Report](#). February 21, 2025. Annex II. Accessed: March 29, 2025.

89 Freeport-McMoRan Inc. Notice of 2025 Annual Meeting of Stockholders and Proxy Statement. Page 20.

90 Freeport-McMoRan Inc. Notice of 2025 Annual Meeting of Stockholders and Proxy Statement. Page 18.

Executive Remuneration Links to Climate Risk and/or Energy Transition

This section will cover the following topics:

- The extent to which peer companies include climate, climate risk, and/or energy transition as part of the executive remuneration practices.

Executive remuneration varies in structure and practice within the comparator group. Similarly, performance measurement is not uniform. However, some companies assign greater value to these performance areas when linking performance and pay with climate and energy transition. Although the description and determination of awards differ, the level to which climate and decarbonisation are prioritised as a portion of pay varies significantly. For Glencore, the traits found within its remuneration practices vary within the comparator group. A common issue is often the lack of detail for understanding how awards are ultimately decided, especially when measuring performance. In this case, each company provided hereafter stands to improve in its disclosure in one way or another. However, regarding linkages between climate and decarbonisation, Rio Tinto, South32, and Fortescue have the best disclosure on remuneration practices and their connections to addressing climate and decarbonisation as part of company performance.

Vale S.A.

Vale's compensation practices are only loosely connected to climate and energy transition. Based on its disclosure, an ESG component of the Performance Share Unit Program (PSU) has been in place since 2020. Comprising 25% of the PSU, the ESG component includes health, safety, and sustainability, encompassing climate change and social aspects. Of the 25%, the sustainability portion accounts

for 15%, which provides for the reduction of greenhouse gas emissions, constituting 10% of the award. The remaining 5% reflects the “commitment to appear in the Top 3 of the main external assessments (DJSI - Dow Jones Sustainability Index, Sustainalytics and MSCI - Morgan Stanley Capital International) relative to the Performance of the DJSI - Dow Jones Sustainability Index.”⁹¹

Rio Tinto Limited

As part of Rio’s executive compensation, ESG is included in the strategic portion of the short-term incentive (STI) plan. Specifically, 20% of the STI is “Impeccable ESG,” which encompasses decarbonisation efforts to reduce Scope 1 and 2 emissions by 2030. Decarbonisation is measured as progress in carbon abatement against incremental stages of development. According to the remuneration report, the decarbonisation efforts have reduced 3 million tons of carbon dioxide equivalent (CO₂e), keeping Rio on track to achieve its 2030 and 2050 targets. Also discussed are Scope 3 emission reduction initiatives, including the development of Biolron and electric smelting in Western Australia.⁹² Decarbonisation will remain a key component of the STI for 2025, accounting for 10% of the award. This measure will assess progress on carbon abatement projects, from development through execution, to achieve decarbonisation goals. Rio views this as focusing on accelerating progress and optimising resource development for decarbonisation initiatives.

For the long-term incentive (LTI) plan, which includes performance share awards, Rio aims to incorporate decarbonisation as 20% of the LTI for the financial year 2025, to be measured over three years. Of the 20%, there are four components, each accounting for 5%. The first component involves reducing residual emis-

91 Vale S.A. Proxy Statement – Annual and Extraordinary General Meetings 2025. Pages 98-100. It is noted that there is also a TSR component, while Vale’s peer group comprises “BHP, Rio Tinto, Anglo American, Freeport, Glencore, South32, FMG, Teck Resources and CSN Min.

92 Rio Tinto Limited. Annual Report 2024. Page 132.

sions relative to the 2018 baseline, with threshold, target, and maximum performance levels aimed at decreasing emissions from 3.8 Mt CO₂e at the threshold to 6.9 Mt CO₂e at maximum performance. The second component focuses on delivering decarbonisation projects, evaluated based on potential deviations from planned costs and schedules. The third component entails technology development, promoting breakthroughs in research and development that are implemented in projects. Assessed projects would range from 0.2% to 0.5% of group revenue allocated to decarbonisation research and development, resulting in 250 to 750 kt of annual emissions abatement. The final component involves a transition strategy that aligns decarbonisation activities with value creation. A 10-point scoring framework will measure progress on strategic goals, with the remuneration committee assessing Pacific Operations' decarbonisation efforts, aluminium and copper recycling, and lithium growth.⁹³

BHP Group Limited

BHP maintains linkages to climate and energy transition as part of its executive compensation. Notably, the People and Remuneration Committee receives guidance from the Sustainability Committee to assess performance in climate change as part of the Cash and Deferred Plan (CDP), the short-term incentive plan. The CDP allocates 25% toward safety (10%) and sustainability (15%), with climate change included in the sustainability portion. The scorecard target for the financial year 2024 was to improve operational greenhouse gas emissions compared to the target of 10.8 Mt CO₂e. Overall, BHP's performance was evaluated at 10.3 Mt CO₂e, slightly below the target.⁹⁴

South32 Limited

Climate and energy transitions are key components of South32's long-term incentive plan. For 2024, the LTI allocates 20% of the award based on climate

⁹³ Rio Tinto Limited. Annual Report 2024. Pages 134-5.

⁹⁴ BHP Group Limited. BHP Annual Report 2024. Page 122.

change and South32's portfolio transition toward commodities essential for a low-carbon future. Notably, the LTI aims to align compensation with a 50% reduction in Scope 1 and 2 GHG emissions by 2035, using the financial year 2021 as the baseline for emissions. Progress in this area has been evaluated through the completion of various projects, including the conversion of the Worsley Alumina refinery from coal to gas. Two of the five coal boilers have been switched to natural gas, resulting in a 14% decrease in the refinery's operational emissions. Additional projects are underway to reduce refinery emissions, achieving over 67% post-drainage capture efficiency of coal seam gas at its Appin mine. Beyond the Worsley Alumina refinery, emissions reductions are being evaluated as part of longer-term initiatives to procure renewable power for the Hillside Aluminium smelter from South African independent power producers, as well as sourcing hydropower from the Government of the Republic of Mozambique to power its Mozal Aluminium smelter beyond FY26. Regarding just transition, the LTI also encompasses the completion of a study on the potential impacts to the workforce of the Worsley Alumina refinery as part of broader decarbonisation plans to inform just transition planning.⁹⁵

Alongside climate and emissions considerations, the LTI includes initiatives related to South32's portfolio that focus on managing exposure to commodities essential for a low-carbon future. This involves developing strategies to optimise the portfolio, as South32 divested from the Illawarra metallurgical coal mine, its 50% stake in the Eagle Downs metallurgical coal project, and its 60% interest in the Metalloys manganese alloy smelter. Additionally, South32 is prioritising the acquisition of low-carbon aluminium capacity by increasing its stake in Mozal and restarting a 40%-owned Brazil Aluminium smelter powered by 100% renewable energy, as well as entering the global copper market through a 45% interest acquisition in the Sierra Gorda copper mine.⁹⁶

⁹⁵ South 32 Limited. Annual Report 2024. Page 100.

⁹⁶ South 32 Limited. Annual Report 2024. Page 101.

Fortescue Limited

The remuneration structure includes climate and decarbonisation components within the Executive and Senior Staff Incentive Plan (ESSIP) and the Long-Term Incentive Plan (LTIP). Under the ESSIP, 10% of the total award from Fortescue Metals and Fortescue Energy is allocated to decarbonisation initiatives. For Fortescue Metals, this involves reducing projected emissions and implementing a comprehensive decarbonisation schedule, as evaluated by the board. Fortescue Energy utilises similar metrics to align its decarbonisation timeline with its budget and annual objectives. Additionally, Fortescue Energy incorporates further performance metrics, accounting for 10% of the ESSIP, relating to (i) advancing the Arizona Hydrogen and PEM50 projects and (ii) marketing new Fortescue Zero and Hydrogen Production systems.⁹⁷

The LTIP for Fortescue Metals includes, within the strategic portion (34% of the award), emissions for which awards from the financial year 2022 were to identify pathways to ensure that by 2030, 80% of the mobile fleet operates on renewable energy or other alternatives such as ammonia or hydrogen. Additionally, 30% of stationary power must come from renewable energy sources, and pathways must be identified to achieve 80% of stationary power from renewables for existing operations by 2030. On the other hand, Fortescue Energy has several strategic measures, including generating 300 GW of renewable energy through power purchase agreements, which could potentially secure up to 1,250 GW of renewable energy. Other initiatives in the LTIP include projects to deliver 15 million tonnes per annum (mtpa) of green hydrogen by 2030 and to develop value chains in green energy and technology for iron and steel-making. Lastly, initiatives to complete the Green Energy Manufacturing Centre in Gladstone and to expand the use of renewable energy or associated variants in 80% of the mobile fleet, as well as to increase the percentage of stationary power generated from renewable energy to 80% by 2030, are also included.⁹⁸

⁹⁷ Fortescue Ltd. FY24 Annual Report. Page 123.

⁹⁸ Fortescue Ltd. FY24 Annual Report. Pages 128 and 130.

Teck Resources

In its remuneration practices for the financial year 2024, Teck Resources noted that it was transforming into a “pure-play energy transition metals company” after selling the Elk Valley mines to Glencore, with sustainability performance making up 10% of the annual incentive plan.⁹⁹ The pay structure incorporates climate change metrics and sustainability practices specific to each site’s performance.¹⁰⁰ In addition to the annual incentive, Teck’s Performance Share Units (PSUs) and Performance Deferred Share Units (PDSUs) include a sustainability progress index as a performance metric. However, these performance elements do not address climate change or decarbonisation. Previous performance-linked PSUs and PDSUs, granted in 2022 and 2023, respectively, will have their vesting determined in 2025 and 2026, and will include a sustainability progress index as 20% of the award. The sustainability portion consists of the key performance indicator: “Annual carbon intensity performance assessed against a trajectory to reduce carbon intensity 33% by 2030,” reviewed by the Safety and Sustainability Committee. The climate change component is assessed quantitatively to track Teck’s progress toward its 2030 targets to reduce carbon intensity.¹⁰¹

Freeport-McMoRan

The annual incentive plan (AIP) includes ESG as 25% of the total award within its remuneration structure. This is broken down into safety, measured by the total recordable incident rate (TRIR), at 15%, and a sustainability scorecard, at 10%. Climate makes up only 2% of the total AIP award within the scorecard. The climate portion covers three areas. First, there is continued progress towards green-

99 Teck Resources Limited. Notice of Meeting and Management Proxy Circular. March 2025. Page 33. Accessed: April 16, 2025.

100 Teck Resources Limited. Notice of Meeting and Management Proxy Circular. March 2025. Page 41.

101 Teck Resources Limited. Notice of Meeting and Management Proxy Circular. March 2025. Pages A-3 and A-2.

house gas emissions reduction targets. This is further refined to include emissions for the Americas and PTFI Grasberg intensity targets, as well as absolute targets for the Primary Molybdenum site and Atlantic Copper. Second, there is work on developing SBTi emissions reduction targets. Freeport-McMoRan is working with Copper Mark to complete the initial phase of the SBTi-aligned copper Sector Decarbonisation Approach for the copper industry. Lastly, the company is working to complete a sulphur markets resilience study necessary for leached copper production.¹⁰² No other elements of executive pay include climate or decarbonisation.

The 2023 executive compensation had similar weightings and structure. However, the 2023 performance metrics had one distinct performance element compared to 2024, specifically concerning climate, which involved completing a feasibility study to evaluate replacing a coal-fired power plant at PT-FI with a new combined cycle liquefied natural gas power plant.¹⁰³

As provided, each comparator company has its own approach to aligning executive pay with addressing climate and energy transition. While no two companies are alike, some companies demonstrate a greater emphasis on climate and energy transition/decarbonisation, particularly Rio Tinto, South32 and Fortescue, respectively. For other companies, emphasising more generic approaches to addressing climate and energy transition, including Glencore, may suggest that boards are less inclined to emphasise the importance of climate and energy transition. More interesting, however, is that several companies, including Glencore, are not linking climate or energy transition efforts to long-term remuneration. The problems for boards then become: how are they thinking about these issues in the long term, if short-term goals and targets are the preferred approach to incentivising management to perform? Perhaps more concerning is whether remuneration plans are being designed to achieve easier metrics than consider

102 Freeport-McMoRan Inc. Notice of 2025 Annual Meeting of Stockholders and Proxy Statement. Page 45.

103 Freeport-McMoRan Inc. Notice of 2024 Annual Meeting of Stockholders and Proxy Statement. Page 46.

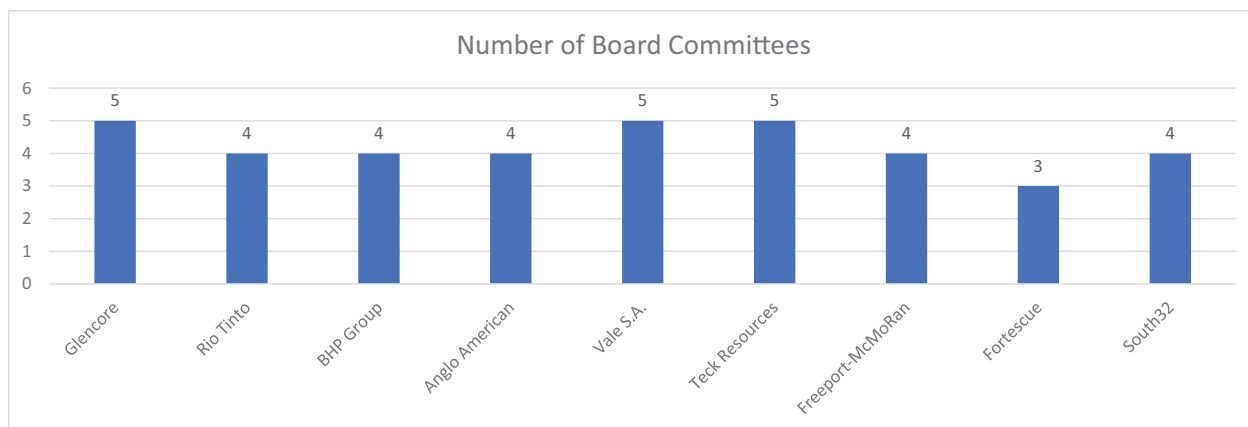
long-term strategies to challenge management. Whatever the case, investors and stakeholders would benefit from more transparent disclosure of remuneration concerning sustainability metrics and how remuneration committees interact with the committees responsible for climate and energy transition.

Comparing Board Committees

This section will cover the following topics:

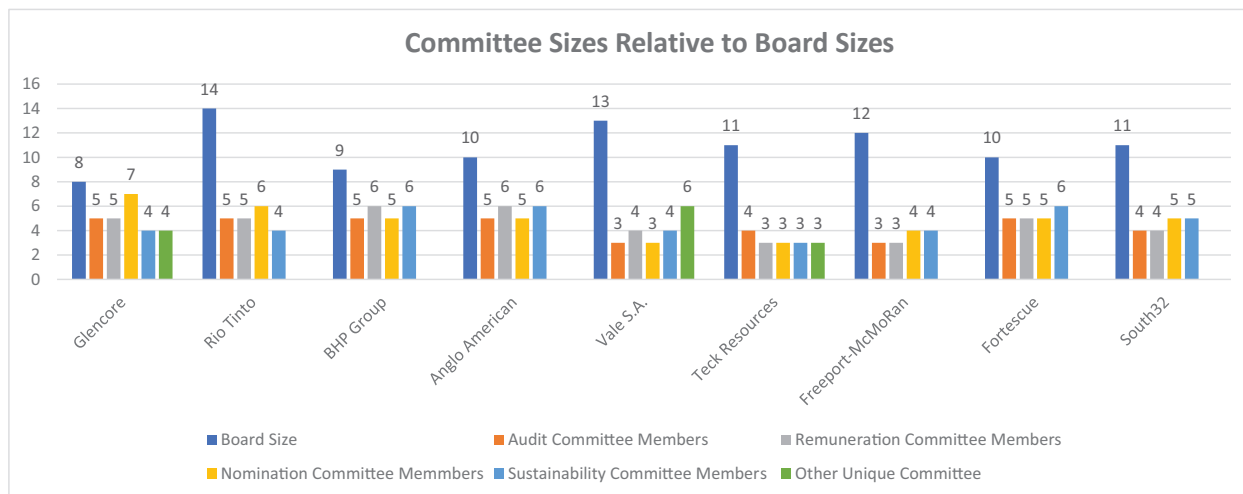
- A comparison of board committees across peer companies, including the number of committees, their sizes, meetings, and the extent to which the peer company committees address climate, climate risk, and/or energy transition.

In comparing Glencore to its peers, the Glencore board committees are traditional in composition and function. The committees compare favourably against their peers, as there is a generally overlapping structure where 4-5 committees manage the audit, nomination, remuneration, risk, and sustainability functions. Glencore differs from its peers in that it has five committees: the Audit Committee, the Nomination Committee, the Remuneration Committee, the Health, Safety, Environment, and Communities Committee, and the Ethics, Compliance, and Culture Committee. The latter stands out as a unique committee. Despite having five committees, the Glencore board is comparable in the number of committees to its peers.



Similarly, Glencore has a slightly higher representation when examining the number of board members on the committees responsible for audit, remunera-

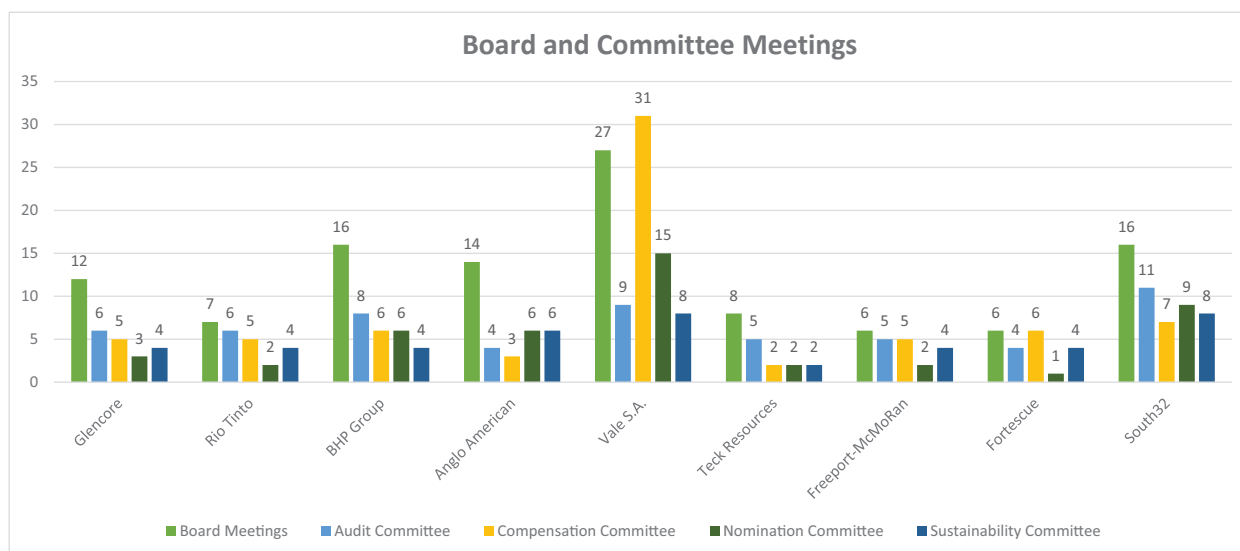
tion, nomination, and sustainability.¹⁰⁴ However, a unique feature of the Glencore board is the number of directors on the nomination committee, where seven of the board's eight directors, excluding CEO Gary Nagle, serve. According to Glencore's disclosure, there is no explanation for the necessity of having seven directors on the nomination committee, although that committee could function as a de facto committee of independent directors.



Regarding meetings held during the most recent financial year, Glencore's board scheduled only four meetings, which increased to 12 following the addition of eight limited-agenda or unscheduled meetings. For committee meetings, it matched Anglo American and Fortescue with only four audit/risk committee meetings, which increased by two unscheduled meetings to six. In contrast, sustainability committee meetings largely kept pace with peers for the financial year. A challenge for the Glencore board (and likely other boards) is that if the board is responsible for climate risk and energy transition governance, how much time is dedicated to addressing these matters if there are only four

¹⁰⁴ Not every committee has the same committee structure or naming practices. However, since some companies have combined nomination and remuneration committees, they are now separated, which could lead to double-counting. Appendix I contains the committees of each comparator company. Committees are based on the pre-AGM board composition, which for Rio Tinto means 14 directors instead of 12, as they have not yet released the future composition of their committees following the departure of two directors from the board in May.

regular board meetings annually? It is unclear at this time, as board minutes are not publicly available. However, if the board is the main organ for addressing climate change, this could lead to underperformance in addressing carbon emissions, as board meetings often cover a myriad of agenda items, resulting in less time being devoted to addressing these issues, especially if the sustainability committees do not oversee climate or energy transition.¹⁰⁵



A similar challenge for all boards is determining how to effectively distribute the work among the various members of the board's committees. For instance, while each independent director serves on at least two board committees, is it necessary for each independent director to be a member of the nomination committee?

When considering the broader topic of environmental, social, and governance (ESG), each comparator company asserts that its committees effectively address ESG. However, this is where the wheat begins to separate from the chaff, particularly in terms of climate and energy transition. A different story emerges after reviewing the committee charters and available documentation detailing the committees' responsibilities for climate and energy transition. In this case, only six companies indicated that energy transition is a topic covered by their sustain-

¹⁰⁵ B. Oyewo. Page 18.

ability committees: Vale S.A., Fortescue, Teck Resources, Rio Tinto, BHP Group, and Anglo American. Where does that leave the rest of the group? Unfortunately, disclosure is unclear or lacking at Freeport-McMoRan and South32, making it difficult to understand how the energy transition is being addressed by the board committees at those companies.

As previously noted in the discussion of Glencore's committees, management often addresses energy transition and climate issues. Among comparator companies, management committees and working groups¹⁰⁶ drive much of the work on climate and energy transition, which is then reported to the board. Some of these entities include:

- Glencore: Climate Change Taskforce
- Rio Tinto: Investment Committee, Steel Decarbonisation Steering Committee, Decarbonisation Investment Forum
- Vale S.A.: Low Carbon Forum
- BHP Group: ESG Steering Committee
- Anglo American: Climate Change Committee, Climate Change Working Group
- Freeport-McMoRan: Sustainability Leadership Team and the Climate Team
- Fortescue: Decarbonisation Steering Committee
- South32: Climate Change Steering Committee

Management committees may fulfil legitimate purposes in addressing issues affecting a business, including its risk management, finances, and overall financial or legal reputation. However, boards and their committees must demonstrate that they are not reliant on those bodies to determine overarching policy approaches and agendas. Likewise, they must show independence in their oversight. But at what point does reliance on management become excessive?

¹⁰⁶ See Appendix II for additional information on the executive committees and working groups

At Glencore, energy transition is recognised as an emerging issue, and the CEO has expressed a strong opinion on the matter. In this context, the Glencore board may rely too heavily on management for communication regarding climate risk and the energy transition. However, for all companies, the growth in complex reporting requirements may lead boards to need directors with specific skill sets that understand the complexities of climate-based reporting. As most of the comparator group boards are mostly independent directors, there is a tension over which skills matter most to a board. This becomes more challenging within climate risk and the energy transition, as management has a more direct involvement. Where directors are not as well-skilled, management “can therefore push back on ideas which may be impossible or even ‘reactionary’ (in the situation that non-executive members are operating with little knowledge of current good practice). This can result in a disconnect between the board and the management team.”¹⁰⁷ As such, a dependence on management to guide the board on climate and energy transition can cause management’s messaging about strategy to become a one-way street instead of a two-way road. For all boards, the question arises: How skilled are directors, particularly in climate risk and the energy transition, and can the board exercise complete independent judgment on these issues?

107 University of Cambridge Institute for Sustainability Leadership (CISL). (2023). Trends in board practice: Insights from our Initial Exploratory Research (Phase 1, Part 3). Page 84.

Director Skills

This section will cover the following topics:

- A discussion and review of board skills across the peer group.
- Consideration of how many directors have academic backgrounds in the sciences.
- A comparison of board skills matrices across the comparator group.
- Review of directors deemed to have skills or experience in sustainability, climate, energy transition, or related fields.

Boards are only as strong as their directors. At the same time, being a director requires a significant amount of time and professional commitment. Reputation is on the line, as directors are responsible for ensuring that management works to protect and uphold the interests of shareholders. However, how can boards demonstrate that their directors possess the necessary skills, particularly in relation to climate risk and the energy transition? Upon examining the Glencore and comparator boards, it becomes clear that there is no definitive answer to what a board should look like, nor is there a correct answer regarding the skills of directors. Nonetheless, boards should strive to maintain an adequate balance of verifiable skills, experience, and formal training in company operations and the areas where the company operates. In the current situation, given the increased prevalence of broader ESG discussions, climate and energy transition must have adequate representation on the boards of companies in the mining and natural resources sectors.

Directors with Academic Backgrounds in the Sciences or Engineering

Beginning with a review of the directors, it is notable that formal training in the sciences or engineering among directors is low within the comparator group. Among the 96 director biographies reviewed, which include those of Glencore

and its peer comparators, most boards lack significant formal academic training in the sciences or engineering, with only 23 directors possessing such training.¹⁰⁸ While common degrees are in business, commerce, or other areas of the arts, a director's understanding of science and/or engineering becomes increasingly important when addressing issues such as climate risk or the energy transition. As noted below, boards with more directors possessing formal academic training in science or engineering include Teck Resources, South32, and Freeport-McMoRan.

Of the directors reviewed, an even smaller cohort of directors have degrees in the sciences, including:

Director Name	Classification/ Board Role	Company	Degree(s)
Cynthia Carroll	Independent Director	Glencore	Bachelor's and Master's Degrees in Geology
Mike Henry	Executive/CEO	BHP Group	Bachelors in Chemistry
Stuart Chambers	Independent Chair	Anglo American	BSc Applied Physics, PhD Business Administration, FICHEM
Anelise Quintão Lara	Independent Director-elect	Vale S.A.	BS Chemical Engineering, MS Oil and Gas Engineering, PhD Earth Sciences
Yu Yamato	Independent Director	Teck Resources	Bachelor's and Master's Degrees in Geology
Hugh Grant	Independent Director	Freeport-McMoRan	Bachelor's Degree in Molecular Biology
Andrew Forrest	Executive Chair	Fortescue	PhD, Marine Ecology
Larry Marshall	Lead Independent Director	Fortescue	PhD, Physics
Xiaoling Liu	Independent Director	South32	PhD, Extractive Metallurgy

The smaller cohort of directors with formal scientific training may influence a board's readiness to address climate risk let alone the energy transition.

¹⁰⁸ In determining a director's academic training in the sciences or engineering, a director's biography must include a diploma, a Bachelor's Degree, a Master's Degree, or a PhD.

While Glencore has only one director with a formal scientific background, the rest of the board possesses traditional expertise in business, commerce, finance, law, or industry experience. This shapes the skill sets of boards across the comparator group. As observed below, most boards limit skills related to climate change or the energy transition to generic areas such as ESG or Sustainability. However, these catch-all categories may not include a robust environmental component. As previously discussed, individuals with “environment” as a skill may be knowledgeable on the topic; however, they may lack the necessary expertise to support what the board believes its members possess. This, in turn, could impact the development and execution of the company’s strategy.

Company-Identified Skills Matrices and Environment Skills

Within the peer group, the disclosure of board skills varies significantly. Standard skill disclosures may include a larger number or percentage of board members with relevant skills. Other companies might only describe specific relevant skills without indicating which director(s) possess those skills. This ambiguity makes it challenging to assess the skill sets across the group. Often, shareholders and market stakeholders must infer which skills apply to which director due to perceived deliberate ambiguity in presenting a highly skilled board. Additionally, with very brief director biographies, there is no clear way to link a director to many of their skills. Compared to its peers, Glencore aligns well in terms of minimal disclosure of director skills, particularly in climate and energy transition.

Below is an overview of the skills matrix disclosures at Glencore and peer companies.¹⁰⁹

¹⁰⁹ See appendix II for the skills matrices of each company.

	Glencore	Rio Tinto	BHP Group	Anglo American	Vale S.A.	Teck Resources	Freeport-McMoRan	Fortescue	South32
Matrix Disclosed?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Skills Described	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
Individual Directors Identified with Skills	Yes	No	No	No	Yes	Yes	Yes	No	No
Percent or Number of Board Members with Skill?	No	Yes	Yes	Yes	No	No	No	No	No
Number of Skills in Skills Matrix	13	12	11	11	14	9	8	14	17
ESG/Environment/Sustainability Skill	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Climate-Specific Skill	No	No	No	Yes	No	No	No	No	Yes
Decarbonisation/Energy Transition Skill	No	Yes	Yes	Yes	No	No	No	No	No

Within the various skills matrices, practices differ in how boards describe the skill competencies of directors and their skill levels. For example, Rio Tinto does not indicate which skills apply to specific directors. Instead, it shows the number of directors with “some experience” or “extensive experience”¹¹⁰ and the number of board members possessing those skill levels. However, Rio Tinto fails to define the difference between ‘some’ and ‘extensive’ experience. BHP Group only provides the number of directors with a skill but does not specify the competency level.¹¹¹ Anglo American only provides a percentage of the board with a skill, but no description is given.¹¹² Vale S.A.’s skills matrix connects directors to their skills but does not detail its rating or scoring system for determining director competency.¹¹³ Similarly, despite identifying directors with skills, Teck Resources¹¹⁴ and Freeport-McMoRan¹¹⁵ do not disclose how that competency is determined. Fortescue fails to identify directors with skills from the skills matrix, and the directors’ skill competencies are not addressed. Most disappointing from Fortescue is that despite the exuberance of its executive chair, Dr. Andrew Forrest, to focus extensively on energy transition and climate, the Fortescue skills matrix does not include skills relating to climate or energy transition.

One of the better disclosures of board skills comes from South32. Although South32’s skills matrix provides pie charts showing the overall levels of directors possessing specified skills, it designates three skill levels: ‘highly skilled’, ‘skilled’, and ‘knowledgeable’. Within those designations, South32 offers the following definitions:

110 Rio Tinto Limited. Annual Report 2024. Page 112.

111 BHP Group Limited. BHP Annual Report 2024. Page 104.

112 Anglo American Plc. Integrated Annual Report 2024. Page 166.

113 Vale S.A. Management’s Proposals for the Annual and Extraordinary General Meetings 2025. Annex V.

114 Teck Resources Limited. Notice of Meeting and Management Proxy Circular. March 2024. Page 28.

115 Freeport-McMoRan. Notice of 2024 Annual Meeting of Stockholders and Proxy Statement. April 2024. Pages 14 and 15.

- “Highly Skilled – having or demonstrating a high degree of knowledge or skill; high level of expertise/mastery and experience in work that requires that skill.
- Skilled - having or showing the knowledge, ability, or training to perform a certain activity or task well; trained or experienced in work that requires that skill.
- Knowledgeable - well-informed, well conversant in the area where he or she has gained knowledge and understanding.”¹¹⁶

Furthermore, South32 describes the board’s skills and relevance to the company. No other peer companies provide similar levels of disclosure regarding board skills. For the skill “Environment and climate change, “ South32 describes it as “Demonstrable understanding of the key environmental risks and opportunities for a global mining company, including fluency in the implications of climate change.” The relevance to South32 is: “We recognise the importance of managing climate and nature-related risks and opportunities, and our Board oversees that these factors are integrated into our strategy, including mitigation and adaptation, and the availability and protection of natural resources such as water, air, biodiversity and ecosystems, not only for our business but all relevant stakeholders.”¹¹⁷ Nonetheless, South32 does not enhance its disclosure by specifying which directors fulfil the criteria for their skills or skill level designations.

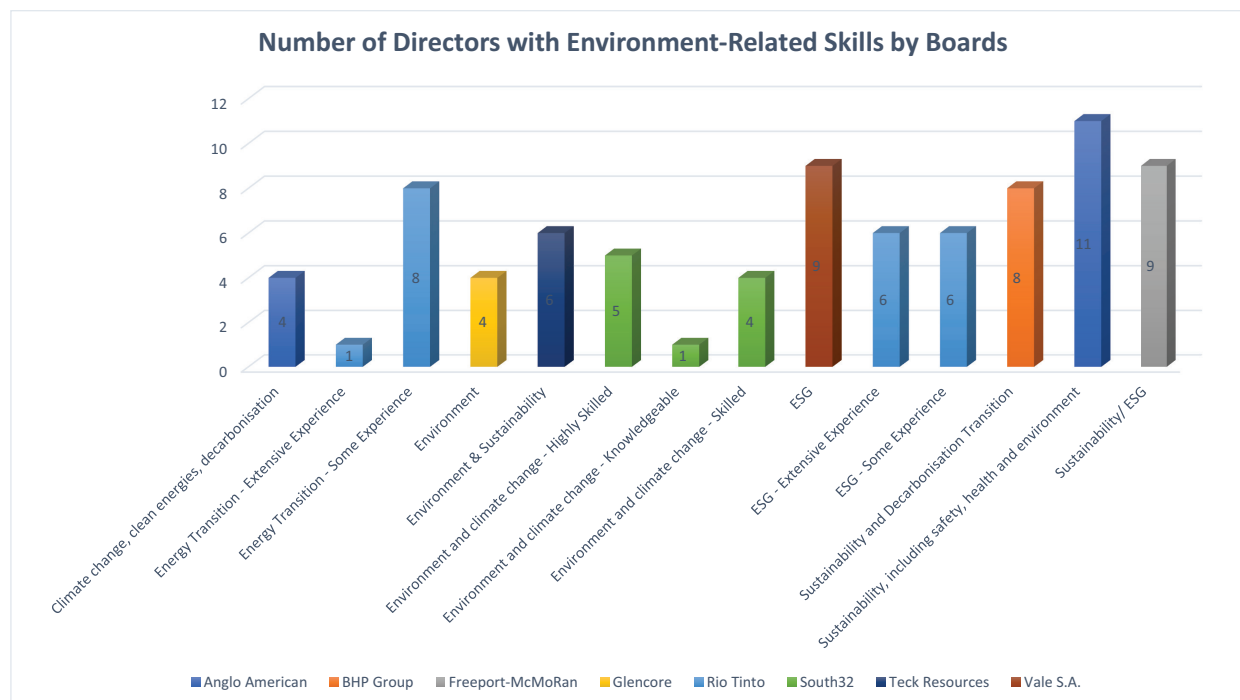
Overall, companies that disclosed either individual directors, the number of directors, or the percentage of the board with skills in areas such as ESG, the environment, sustainability, climate, and/or energy transition (including decarbonisation) provide an incomplete picture. In this case, Fortescue is excluded due to its lack of disclosure regarding the identification of specific directors or the number of board members with expertise in ESG, climate, or energy transition.¹¹⁸ At the same

116 South32 Limited. Corporate Governance Statement 2024. Pages 14-16.

117 South32 Limited. Corporate Governance Statement 2024. Page 16.

118 It is noted that the table is based on publicly available disclosure. Given the absence of disclosure of individual directors and their specific skills, the current 14-member board of Rio Tinto is considered. Similarly, the disclosure from South32 is based on its 2024 Annual

time, disclosures for other companies may overrepresent directors with specific climate and energy transition skills, given the limited independent verification or evidence supporting these skill assessments.



Examining each company, they adjusted their skills matrices at different times to reflect specific skills. Rio Tinto added climate change as a skill in its 2020 annual report, which was revised in the 2023 annual report to include separate ESG and energy transition skills. At South32, the skill set “Environment and climate change” and its relevance to South32, along with skill level designations, first appeared in their skills matrix in 2019. BHP Group introduced its “Sustainability and Decarbonisation Transition” skill set in its 2024 annual report, as it had previously lacked specific ESG, climate, or decarbonisation skills in its matrix. Anglo American included climate change or clean energies as a skill in their 2021 integrated annual report, while environmental skills were integrated into safety and health skills starting from the 2017 annual report. Fortescue’s first board skills matrix in 2020 featured “Health, safety and environment”, which includes

Report, given the lack of an updated publicly disclosed skills matrix following changes to the board in February 2025.

managing climate risk. However, the climate description was removed from the skills matrix beginning with the FY20 corporate governance statement. Teck Resources introduced its “Environment & Sustainability” skill in its 2018 Management Proxy Circular. Freeport-McMoRan’s first skills matrix in its 2018 Proxy Statement included “Environmental/sustainability/corporate responsibility,” which was changed to “Sustainability” in 2021, and then evolved to the current “ESG/sustainability” in 2022. Vale S.A. presented its first skills matrix at the 2021 AGM, which includes “Sustainability & ESG” as a functional skill.

How does this all translate into overall board skills? At this point, greater clarity is needed at Glencore and among peer companies regarding how directors assess environmental, climate, and energy transition skills. The lack of clarity can generate scepticism about the number and level of skilled directors on company boards. Without increased transparency, market participants may question how boards evaluate the skills of their directors, while also considering the need for companies with poorer performance to clarify how directors effectively meet their skill matrices.

Comparison of Company Directors with Climate Risk and/or Energy Transition Skills

This section will cover the following:

- Review of select directors from within the comparator group to assess their backgrounds, skills and expertise in climate risk and/or energy transition, as each director is viewed as having such skills and/or background.

As this report has examined the Glencore board and comparable companies, this section will analyse several directors from the comparator group who possess expertise in climate risk and/or energy transition. Although a comprehensive analysis of each director is not feasible, this section aims to understand the skill sets of a selected group of directors identified in annual reports or other disclosures.

Jane Nelson – South32 Limited

Ms. Nelson joined the South32 board on May 1, 2023. She is a member of the sustainability committee and brings a professional background in research and academia to the board. Based on a prima facie assessment of her background, she likely demonstrates a profound understanding of corporate social responsibility. Her background includes:¹¹⁹

¹¹⁹ South32 Limited. Annual Report 2024. Page 73.

- Founding Director of the Harvard Kennedy School’s Corporate Responsibility Initiative, where she currently serves as a senior research fellow.
- Non-resident senior fellow in the Global Economy and Development program at the Brookings Institution.
- Senior associate of Cambridge University’s Programme for Sustainability Leadership.
- She served on ExxonMobil’s External Sustainability Advisory Panel from 2010 to 2023 and on GE’s Sustainability Advisory Council.
- Current non-executive director of Newmont Corporation, where she chairs the Safety and Sustainability Committee.

Ms. Nelson maintains an extensive record of publications, most of which are academic.¹²⁰ Her works also include discussions on stakeholder capitalism, the rise and importance of ESG&D for boards, and how businesses should respond to modern challenges.¹²¹ However, there is limited information to gather her personal views on climate and energy transition from her board experiences.

Given the limited information about her tenure on corporate boards, evaluating her expertise in climate and energy transition remains challenging. Investors and market stakeholders should engage with the boards of South32 and Newmont Corporation to understand how Ms. Nelson contributes to climate and energy transition knowledge on both boards and their respective sustainability committees.

¹²⁰ “[Jane Nelson – Selected Publications List](#)”. Accessed: March 30, 2025.

¹²¹ Richard Samans and Jane Nelson. *Sustainable Enterprise Value Creation: Implementing Enterprise Value Creation*. Springer Nature, Cham, 2022. Accessed: March 30, 2025. As an example, this work provides an in-depth overview of the arguments surrounding stakeholder capitalism and ESG&D, in relation to corporate governance and long-term value creation.

Kaisa Hietala – Rio Tinto

Ms. Hietala joined the Rio Tinto board in March 2023. She is a member of the Audit & Risk Committee and the Sustainability Committee. Based on a review of her skills and background, she likely has a deep understanding of climate and energy transition. Her background includes professional experience in the oil and gas sector, and she is recognised for having led an oil and gas company to become a leader in renewable diesel. Her experiences include:

- Former Executive Vice President of Renewable Products at Neste. During her five years there, “the Renewable Products segment’s revenues grew by 1.6x and operating profits grew by 4x. She played a central role in the strategic transformation of Neste into the world’s largest and most profitable producer of renewable diesel and jet fuel.”¹²²
- She was elected to the ExxonMobil board as a candidate nominated by Engine No. 1. On the ExxonMobil board, her attributes and skills include “low carbon solutions technology” and her “academic background in geophysics [which] helps the Board to better understand both the risks and opportunities ExxonMobil faces in its low carbon solutions technologies.”¹²³

Rio Tinto will need to determine which of its directors will fill the void left on the board by Ms. Hietala’s departure from its board following the May 2025 Rio Tinto Limited AGM. Her departure comes as the growth in Rio Tinto’s lithium business created “potential conflicts of interest with her directorship at ExxonMobil. Out of an abundance of caution, Kaisa has offered to resolve this potential conflict by stepping down from the Rio Tinto Board. Kaisa has been a very welcome and valuable addition to the Board since her appointment in March 2023, and her

122 Kaisa Hietala. “[Reenergize Exxon – Board Candidates](#)”. Accessed: March 30, 2025.

123 ExxonMobil. “[Board of Directors: Kaisa H. Hietala](#).” Accessed: March 30, 2025.

guidance on energy transition and business transformation in particular have contributed significantly and insightfully to our discussions.”¹²⁴

Gary Goldberg – BHP Group

Mr. Goldberg joined the BHP board in February 2020 and serves as a member of the sustainability committee, bringing extensive experience in the mining and natural resources sectors.

- Served as CEO of Newmont Corporation from 2013 to 2019
- President and CEO of Rio Tinto Minerals
- Co-Chair of the World Economic Forum Mining and Metals Industry
- Non-executive director of Port Waratah Coal Services and Rio Tinto Zimbabwe

When he was CEO of Newmont, the company undertook measures to assess its impact on climate and energy. For instance, in its 2016 sustainability report, Newmont incorporated the cost of carbon into its investment model and initiated a strategy to reduce carbon intensity. That same year, global climate modelling, adaptation, and resilience programs were also launched.¹²⁵

However, although his biography praises him for his efforts in decarbonisation, it remains unclear to what extent Mr. Goldberg has expertise in climate or energy transition.

Dr. Larry Marshall – Fortescue Limited

Dr. Marshall joined the Fortescue board on August 28, 2023. He is a member of the Sustainability Committee and the Audit, Finance, and Risk Management

¹²⁴ Rio Tinto Limited. Annual Report 2024. Page 111.

¹²⁵ Newmont Mining Corporation. [Beyond the Mine – Our 2016 Social and Environmental Performance. Pages 107 and 108](#). Accessed: March 31, 2025.

Committee. He brings an extensive scientific and professional background to Fortescue. Academically, he holds a PhD in Physics and is a Fellow of the Australian Institute of Company Directors. Given his experience, he is likely regarded as an expert in understanding climate and energy transitions. Professionally, his background also includes:

- CEO of the Commonwealth Scientific and Industrial Research Organisation (CSIRO) from January 2015 to June 2023.
- Australian National University Governing Council
- Chairman – Brisbane Materials from 2012-2015

During Dr. Marshall's tenure as CEO of CSIRO, he oversaw the launch of the Towards Net Zero Mission. This initiative focuses on renewable energy, aiming to reduce emissions and promote a low-carbon economy for the industrial sector. Dr. Marshall states that CSIRO's work made it the first Australian enterprise among Thomson Reuters-rated Global Top 20 Innovators. Drawing on his experience at CSIRO, Dr. Marshall collaborates with Fortescue on its journey toward net-zero emissions, concentrating on enhancing operational energy efficiency and facilitating the long-term energy transition.¹²⁶

Regarding the state of companies, including Fortescue, Dr. Marshall noted that "industrial processes need to be reinvented to work on solutions that don't emit carbon." As for Fortescue, he sees them on a similar journey to the CSIRO, where it needs to "grow profit and get to - not just net zero in Fortescue's case, we set an even bigger ambition. We want to get to real zero." Nonetheless, he notes that companies must "treat climate reporting as rigorously as financial reporting," not just for reporting purposes but also from the standpoint of their customers.¹²⁷ Considering his background and accomplishments, Dr. Marshall likely possesses skills relevant to climate and energy transition.

126 Larry Marshall. "[Making Net Zero a Reality](#)." CEDA. April 18, 2024. Accessed: March 31, 2024.

127 Australian Institute of Corporate Directors. "[From the CSIRO to Fortescue: Dr Larry Mar-](#)

Magali Anderson – Anglo American

Ms. Anderson joined the Anglo American board on April 1, 2023, and serves as a member of its Sustainability Committee. She brings a strong background in climate and energy transition to the board, likely stemming from her professional experience. Academically, she is trained as an engineer and initially worked in the oil industry. However, professionally¹²⁸, she:

- Served as Chief Sustainability and Innovation Officer (CSIO) of the Holcim Group from 2019 to 2023.
- Served on the advisory boards of Business for Nature, the MIT Climate and Sustainability Consortium, the World Green Building Council, and the 50L Home Coalition on water efficiency; Co-chair of the 2050 net-zero work for the Global Cement and Concrete Association.
- Her earlier career was spent at Schlumberger, where she served as CEO of Angola and Regional Head of Europe.

Ms. Anderson’s awareness of climate change stems from her extensive work in the cement industry, an emissions-intensive sector. As Holcim’s CSIO, she was partly responsible for the company adopting scope 1, 2, and 3 targets validated under SBTi. In addition to developing SBTi targets, under Ms. Anderson’s leadership, Holcim also prioritised emissions reductions by incorporating CO₂ reductions into contract tenders and purchasing decisions within its supply chain to address and diminish emissions.¹²⁹

Likewise, she has demonstrated an awareness of some intricacies surrounding relative versus absolute reductions. During her time at Holcim, the Swiss NGO HEKS sued the company, arguing it was not doing enough to reduce emissions.

[shall FIACD.](#)” 12 August 2024. Accessed: March 31, 2025.

128 Anglo American Plc. Integrated Annual Report 2023. Page 159.

129 Economist Impact. “[Voices: Decarbonising Construction with Magali Anderson.](#)” 12 October 2022. Accessed: March 30, 2025.

While Holcim recorded an absolute reduction in emissions when it sold its Indian business, Ms. Anderson noted that an absolute approach was insufficient, as “calling for absolute emissions reductions per company will just mean other cement producers will rush to meet demand.” In her view, the cement industry needs to reduce its overall emissions. Although options for reducing industry emissions are limited, she believes in technology to “capture, utilise and store carbon” and use lower-carbon cement.¹³⁰

On the executive side, as Holcim’s CSIO, she was responsible for implementing the company’s climate and energy strategy, managing climate-related issues at an operational level, and reporting to the Holcim board on sustainability strategies. She also oversaw the Group Sustainability team, which was tasked with developing and executing Holcim’s sustainability strategy, encompassing climate and energy, circular economy, nature, and people. The team also reviewed climate-related issues that could potentially impact the business strategy.¹³¹ Ms. Anderson is likely qualified in climate and energy transition skills based on her background and achievements.

The directors reviewed above represent a small portion of the overall comparator group in terms of director skills. However, as indicated by the reviews, there are notable differences in the depth of available information about a director’s background. When extensive information is available, whether in education, career achievements, or other publicly accessible sources such as statements, investors and stakeholders can make an informed judgment about a director’s skill set. Each director’s skills and experience largely align with the broader skill matrices of their boards. However, the connection between those skills and the climate and energy transition remains unclear.

130 Ariane Luthi. [“Limiting climate change by working for Switzerland’s biggest CO₂ polluter.”](#) SWI. May 2, 2023. Accessed: March 30, 2025. See also: KPMG AG. [“Clarity on Sustainability. Interview with Magali Anderson, Holcim.”](#) 2021. Accessed: 30 March 2025.

131 Holcim. [2022 Climate Report](#). Pages 72 and 23. Accessed: March 30, 2025.

Conclusions

This report examines corporate governance issues surrounding climate risk and the energy transition. While it focuses on comparing Glencore with several peers in the mining and natural resources sectors, the entire comparator group faces challenges in addressing climate risk and the energy transition. This includes issues such as board composition, skills disclosure, and the manner in which committees carry out their functions. Likewise, each company has deficiencies in disclosing how management's performance aligns with goals and targets for addressing the challenges by climate risk and the energy transition.

Board and Skills

Beginning with board composition and skills disclosure, a common theme across the group is that boards likely lack sufficient skills and expertise to understand the complexities of climate and energy transition. Glencore's board of eight directors has little demonstrable expertise in climate or energy transition. This is evident in an otherwise stale director's skills matrix, which fails to describe board skills or provide any reasoning for why a director has skills considered to be "environmental" in nature. Instead, when looking deeper into the four directors with that skill, it isn't easy to understand how three directors are deemed to have that skill. Worse yet, the MD/CEO might view depletion of coal resources as a net-zero strategy.

Similarly, Glencore's sustainability committee does not appear to be responsible for addressing the complexities of climate and energy transition. Instead, various management bodies handle those tasks. When considering that just transition is an "emerging topic". At the same time, the board is responsible for climate change, a serious dilemma arises: the board may not be giving these matters the attention they warrant. This situation is exacerbated by the fact

that the board only scheduled four regular meetings in 2024. Even though eight additional board meetings were added, how frequently is climate change discussed at some point during those meetings? However, Glencore isn't the only one facing these challenges.

Across the broader comparator group, shareholders and stakeholders are mainly unaware of the board members' skills, aside from what is presented in the skills matrices. The skills matrices are largely ineffective unless companies commit to providing detailed explanations of the skills and how the directors fulfil those skills. Concurrently, most companies rely on management to offer insight into climate, energy transition, and decarbonisation. Without skilled directors, significant questions may arise regarding the capability of sustainability committees, let alone boards, to challenge management on company strategy issues and their implications for climate risk and the energy transition.

To address these shortfalls, boards need to make meaningful changes, including:

- Appoint at least one director with verifiable experience in climate reporting and energy transition. This should be a priority, as there are few climate experts, and climate reporting matters will only become more complex. While director education is commendable, it should be regarded with the same seriousness as having a director with verifiable financial expertise to chair an audit committee.
- Board sustainability committee charters must be updated to reflect the growing regulatory environment surrounding climate reporting, which inherently involves climate risk and the energy transition. Currently, the comparator group relies too heavily on management and the wider board to address climate matters. Although sustainability committees have a broad remit to tackle various issues, including broader sustainability topics and tailings management, committee charters should be updated to specify this as a focus area within their responsibilities.
- Sustainability committees must be chaired by directors with verified skills and experience in climate risk and the energy transformation. As is

the case across the comparator group, it remains unclear whether the committee chairs have any verified expertise in these areas. It is common practice for audit committees to appoint a committee chair with verified financial or accounting expertise to assess financial statements and a company's financial reporting. Sustainability committees should similarly have skilled leadership to guide the committee and possess a deep understanding of these subjects, as they involve significant risks for each company, particularly given the increasing complexity of reporting practices. Furthermore, a committee chair with verified skills and experience in climate risk and the energy transformation may also reduce the committee's dependence on management to guide its work and oversight.

- Board skills matrices must be improved to clarify skill descriptions, definitions, and linkages to directors. While companies may seek to be concise in their disclosures, this does not mean that additional information cannot be made available on company websites, similar to other governance documents, such as committee charters. The skills matrix disclosures should also include more information about the roles of directors, especially if they are responsible for overseeing certain parts of the world, since each comparator company is not limited to operations in one country or jurisdiction.

Board Management

Each company examined in this report is unique in the complexity of its operations. While there is no uniform approach to board size or operations, that does not mean there isn't room for improvement. At Glencore, having a board limited to four meetings a year is likely the bare minimum the board would meet annually, even if additional meetings are added during the year. However, given the small number of board and committee meetings, it may be questionable whether the board chair is perhaps overextended in his other commitments to call additional meetings, as he had nearly 40 board and committee meetings in 2024 for his other two directorships. For other companies, the necessity of board meetings may vary, resulting in differences in the frequency of meetings held. Nonetheless, boards may wish to prescribe reviews of director time commitments to

ensure that directors have time to dedicate to their roles. Simultaneously, annual board reviews should ensure there is director rotation, which is crucial to maintaining sufficient oversight of management.

Remuneration

When implementing strategies, boards often turn to remuneration to incentivise management as part of their overall performance. Although the current climate may see investors challenging the inclusion of ESG metrics in remuneration, there is significant room for improvement in how management is incentivised to perform on climate and energy transition. Glencore's remuneration shows only a modest connection to longer-term considerations regarding how it manages its emissions profile. More concerning is the deliberate exclusion of Elk Valley Resources from its emissions reductions. One might argue that following the acquisition of Elk Valley Resources, its emissions would be added to the overall reductions in emissions. Still, it is currently not being included, or at least there is no disclosure indicating that those emissions will be included as part of the approach to reduce Scope 1, 2, and 3 emissions in the future. Also troubling is the lack of disclosure regarding how the remuneration committee may consider the achievement of abatement initiatives and to what extent the committee consults with the Nomination, Health, Safety, Environment, and Communities Committee. This raises concerns about how seriously remuneration is tied to long-term performance on climate or energy transition.

However, Glencore isn't alone in poorly disclosing or misaligning managerial remuneration with climate and energy transition performance. Several comparator companies fail to specify how remuneration is linked to climate or energy transition initiatives. For some companies, including BHP, remuneration is not connected to long-term initiatives, while Teck Resources lacks clarity on how carbon intensity is measured for its long-term awards. Unfortunately, for companies like Freeport-McMoRan, climate accounts for only 2% of its annual incentive plan. At the same time, Vale S.A. has opportunities to improve how greenhouse gas emissions are regarded in its Performance Share Units.

For remuneration, there are broader improvements each company can make:

- Where emission reductions are included in incentive-based pay, indicate how they will be measured. Additionally, companies should clarify whether offsets or credits may be used when considering reductions. In this scenario, if emissions reductions are essentially purchased through offsets or credits, money may seem to be spent to assure an executive's bonus.
- Clarify performance targets. Rio Tinto, South32, and Fortescue lead the group in disclosure, while other companies should aim to enhance their remuneration disclosure.
- Indicate how the remuneration committee collaborates with the sustainability committee, for instance, in establishing climate and energy transition goals. This is generally not well understood.
- Make climate and energy transition metrics a significant part of compensation. While some shareholders may prefer financial targets alone, focusing on climate and energy transition can enhance economic performance. This approach should be encouraged and viewed as integral rather than a standalone metric.

Going Forward

Companies across various industrial sectors must address climate risk and the energy transition. Similarly, corporate governance is not a static topic. As corporate governance evolves, particularly regarding sustainability more broadly and climate and energy transition more specifically, investors and market stakeholders may demand that companies enhance their disclosure practices to maintain trust in the proper functioning of their boards. How boards respond to the increasing need to tackle the challenges of climate and energy transition could be a decisive factor for Glencore and its peers, influencing whether they continue to lead in their industry or lose credibility with market stakeholders. For now, however, considerable improvements are needed to address the challenges of climate risk and the energy transition.

Appendix I – Comparator Company Board Committees

This section examines the committee structures of the comparator group, excluding Glenore, to provide an overview of the committee remit, board and committee meetings, as well as management bodies that support the various boards and committees concerning climate, climate risk, and energy transition.

Rio Tinto Limited

	Risk and Audit Committee ¹³²	Nominations Committee ¹³³	People and Remuneration Committee ¹³⁴	Sustainability Committee ¹³⁵
Responsibility for Broader ESG Oversight	No	No	Reviewing and monitoring Group objectives, including ESG credentials	Yes – Responsible for reviewing broader environmental issues
Responsibility for Broader Climate Oversight	Yes – “Testing climate policies and stress testing against scenario planning, as well as oversight of external auditors who assure GHG emissions.” ¹³⁶	No	No	Limited to reviewing “Physical resilience to climate change and natural disasters (but not including climate change strategy, projects, partnerships, reporting and advocacy, which shall be overseen by the Board)”

¹³² Rio Tinto Limited. [Audit & Risk Committee Terms of Reference](#). 15 December 2021.

¹³³ Rio Tinto Limited. [Nominations Committee Terms of Reference](#). 18 February 2025.

¹³⁴ Rio Tinto Limited. [People and Remuneration Committee Terms of Reference](#). 1 January 2023.

¹³⁵ Rio Tinto Limited. [Sustainability Committee Terms of Reference](#). 18 February 2025.

¹³⁶ Rio Tinto Limited. Annual Report 2024. Page 70.

	Risk and Audit Committee ¹³²	Nominations Committee ¹³³	People and Remuneration Committee ¹³⁴	Sustainability Committee ¹³⁵
Responsibility for Broader Energy Transition	No	No	Partial - 10% of the short-term incentive plan (STIP) and 20% of the long-term incentive plan (LTIP) were weighted towards decarbonisation, including the progress of one carbon abatement projects. ¹³⁷	No
Number of Committee Members	5	5	6	6
Meetings Held During the Reporting Period	6	2	5	4
Minimum Meetings/Year	4	2	4	4
Board Meetings Held During Reporting Period	7			

The Rio Tinto board also maintains responsibility for the following activities:

- The board supervises roles related to climate change policy, including interactions with industry associations.¹³⁸
- The board maintains ultimate responsibility for climate change approaches, including oversight of “climate-related risks, opportunities, strategy, projects, partnerships, physical resilience, engagement, reporting, and ad-

¹³⁷ Rio Tinto Limited. Annual Report 2024. Page 70.

¹³⁸ Rio Tinto Limited. Annual Report 2024. Page 65.

vocacy per the Schedule of Matters. Climate change and the low-carbon transition present material risks and opportunities for our business, forming a key part of our strategy and ESG objectives. The board approves our overall strategy, policy positions, and climate disclosures within this report, delegating specific responsibilities to committees and the Chief Executive. These factors are considered in strategy discussions, risk management, financial reporting, investment decisions, and executive remuneration.”¹³⁹

- The management also supports the board through the Investment Committee. As part of its role, it oversees projects and monitors progress toward net zero. It reviews investment decisions related to decarbonisation investments within a just transition framework.¹⁴⁰
- Various working groups within senior management support the board, including the Steel Decarbonisation Steering Committee and the Decarbonisation Investment Forum. These groups report to either the Audit and Risk Committee or the Sustainability Committee regarding strategies related to emissions in the steel value chain, to develop low-carbon technologies.

139 Rio Tinto Limited. Annual Report 2024. Page 69.

140 Rio Tinto Limited. Annual Report 2024. Page 70.

BHP Group Limited

	Risk and Audit Committee ¹⁴¹	Nomination and Governance Committee ¹⁴²	People and Remuneration Committee ¹⁴³	Sustainability Committee ¹⁴⁴
Responsibility for Broader ESG Oversight	No	Limited – Focus on recommendations to the board on sustainability targets, goals and policies. ¹⁴⁵	Reviewing recommendations from the Sustainability Committee on environmental, climate and community measures when setting and determining remuneration.	The committee reviews broader environmental issues, including climate risk and policy, and reports to the board on such matters. It also reports to the Nomination and Governance Committee on its evaluation of committee membership.
Responsibility for Broader Climate Oversight	Yes – Committee functions include reviewing climate risk, climate change reports, and climate transition action plans.	No	No	Yes
Responsibility for Broader Energy Transition	No	No	No	No

141 BHP Group Limited. [Risk and Audit Committee Charter](#). 1 July 2023.

142 BHP Group Limited. [Nomination and Governance Committee Charter](#). 1 July 2023.

143 BHP Group Limited. [People and Remuneration Committee Charter](#). 1 January 2023.

144 BHP Group Limited. [Sustainability Committee Charter](#). 1 November 2024.

145 BHP Group Limited. BHP Annual Report 2024. Page 105.

	Risk and Audit Committee ¹⁴¹	Nomination and Governance Committee ¹⁴²	People and Remuneration Committee ¹⁴³	Sustainability Committee ¹⁴⁴
Number of Committee Members	5	5	6	6
Meetings Held During the Reporting Period	8	6	6	4
Minimum Meetings/Year	4	3	3	3
Board Meetings Held During Reporting Period	16			

The BHP Group board also maintains responsibility for the following activities:

- The board oversees positions on climate change policy, goals and targets, and related performance. The board also oversees governance related to climate change, including strategic approaches, risk management, and public disclosures.¹⁴⁶
- Oversight of the management-level ESG Steering Committee, comprising senior management members. The committee prepared BHP's Climate Transition Action Plan 2024 and oversaw performance against environmental and sustainability standards.¹⁴⁷

¹⁴⁶ BHP Group Limited. BHP Annual Report 2024. Page 105.

¹⁴⁷ BHP Group Limited. BHP Annual Report 2024. Page 31.

Anglo American Plc

	Audit Committee¹⁴⁸	Nomination Committee¹⁴⁹	Remuneration Committee¹⁵⁰	Sustainability Committee¹⁵¹
Responsibility for Broader ESG Oversight	Partial - Reviews climate risk within the financial statements and risk management, including the process undertaken by the Sustainability on environmental risks	No	No	Yes – Environment issues, including climate change, external audit and assurance for sustainability reporting
Responsibility for Broader Climate Oversight	No	No	Partial – Sets remuneration, including 20% of the LTIP, which is based on ESG measures, where 10% of the measures are progress on GHG emissions reduction. ¹⁵²	The committee oversees material management policies, processes, and strategies for managing environmental and climate change-related risks. ¹⁵³
Responsibility for Broader Energy Transition	No	No	No	The committee guides the decarbonisation strategies as part of climate and energy efficiency targets. ¹⁵⁴
Number of Committee Members	4	6	3	6

148 Anglo American Plc. [Audit Committee – Terms of Reference](#). 25 April 2023.

149 Anglo American Plc. [Nomination Committee – Terms of Reference](#). December 2023.

150 Anglo American Plc. [Remuneration Committee – Terms of Reference](#). December 2023.

151 Anglo American Plc. [Sustainability Committee – Terms of Reference](#). 23 February 2021.

152 Anglo American Plc. Integrated Annual Report 2024. Page 66.

153 Anglo American Plc. Integrated Annual Report 2024. Page 178.

154 Anglo American Plc. Integrated Annual Report 2024. Page 169.

	Audit Committee ¹⁴⁸	Nomination Committee ¹⁴⁹	Remuneration Committee ¹⁵⁰	Sustainability Committee ¹⁵¹
Meetings Held During the Reporting Period	4	4	5	5
Minimum Meetings/Year	3	N/A	2	3
Board Meetings Held During Reporting Period	14 – 6 Scheduled, 8 Ad Hoc			

The Anglo American board also maintains responsibility for the following activities:

- The board directly approves the Group’s approach to climate change, which includes climate-related activities and the decarbonisation pathway, while overseeing progress toward targets.
- The Executive Leadership Team (ELT) supports the board, which sets climate-related performance targets across the group. The ELT established a separate Climate Change Committee (CCC) to review, guide, and coordinate the Group’s climate-related workstreams.¹⁵⁵ The CCC’s work is designed to provide “clear accountability for delivery of that work and provides effective governance on meeting the Group’s climate-change commitments and their integration into strategy and business decision making, including portfolio, capital allocation and policies.” Additionally, the Climate Change Working Group, a cross-functional group, is “chaired by the head of climate, provides expert, working level support to the CCC, executive and Board on climate-related matters.”¹⁵⁶

¹⁵⁵ Anglo American Plc. Integrated Annual Report 2024. Page 66.

¹⁵⁶ Anglo American Plc. Sustainability Report 2024. Page 56.

Vale S.A.

	Audit and Risks Committee ¹⁵⁷	Nomination and Governance Committee ¹⁵⁸	People and Remuneration Committee ¹⁵⁹	Sustainability Committee ¹⁶⁰	Capital Allocation and Projects Committee ¹⁶¹
Responsibility for Broader ESG Oversight	No	No	No	Yes – oversight of environmental matters and sustainability policies	No
Responsibility for Broader Climate Oversight	No	No	No	Yes – responsible for analysing climate issues and initiatives ahead of COP30. Working on the adoption of IFRS S1 and S2 ¹⁶²	No
Responsibility for Broader Energy Transition	No	No	No	Yes – monitoring of environmental performance, particularly decarbonisation; monitoring the company's portfolio of sustainability projects, including guidelines for long-term social and environmental commitments; and monitoring the achievement of environmental goals, especially decarbonisation. ¹⁶³	Partial – Monitoring of Energy Transition Metals projects ¹⁶⁴

157 Vale S.A. [Internal Regulations of the Audit and Risks Committee](#). December 22, 2022. Accessed: March 27, 2025.

158 Vale S.A. [Internal Regulations of the Nomination and Governance Committee](#). December 22, 2022. Accessed: March 27, 2025.

159 Vale S.A. [Internal Regulations of the People and Remuneration Committee](#). December 22, 2022. Accessed: March 27, 2025.

160 Vale S.A. [Internal Regulations of the Sustainability Committee](#). April 15, 2024. Accessed: March 27, 2025.

161 Vale S.A. [Internal Regulations of the Capital Allocation and Projects Committee](#). April 15, 2024. Accessed: March 27, 2025.

162 Vale S.A. [Sustainability Committees Report of Vale S.A. 2024](#). Accessed: March 27, 2025.

163 Vale S.A. Reference Form 2024. Page 264.

164 Vale S.A. [Capital Allocation and Projects Committee Report of Vale S.A. 2024](#). Accessed: March 27, 2025.

	Audit and Risks Committee ¹⁵⁷	Nomination and Governance Committee ¹⁵⁸	People and Remuneration Committee ¹⁵⁹	Sustainability Committee ¹⁶⁰	Capital Allocation and Projects Committee ¹⁶¹
Number of Committee Members	3	3	4	4	6
Meetings Held During the Reporting Period	9	15	31 ¹⁶⁵	8	15
Minimum Meetings/ Year	6	N/A	N/A	N/A	N/A
Board Meetings Held During Reporting Period	27				

Vale’s board is supported by the Executive Committee (EC), comprising the President (CEO) and the Executive Vice Presidents, who implement the policies and objectives set by the board. Within the EC are five risk management advisory committees, one of which is responsible for sustainability risks. Some sustainability risks covered include climate change policy and demonstrating leadership in low-carbon mining by collaborating to achieve net-zero greenhouse gas emissions in the steel, metallurgical, and shipping chains. In this area, the EC proposes and evaluates sustainability guidelines and strategic plans, which are presented to the board. The Sustainability Executive Vice President will review and disseminate the plans and policies, while the EC reports to the board on compliance with those plans.¹⁶⁶

Vale also maintains a corporate climate change policy that dates back to 2020. The policy is overseen by the “Low Carbon Forum”, which the Executive Director

165 Vale S.A. [Report of the People and Remuneration Committee of Vale S.A. 2024](#). Accessed: March 27, 2025.

166 Vale S.A. [“Corporate Policy: Sustainability”](#). April 26, 2023. Access: April 24, 2025.

of Sustainability coordinates with senior management members. The Forum meets monthly and reports to the Sustainability Committee and the entire Board of Directors. The climate change policy establishes strategic guidelines to reduce both absolute and relative greenhouse gas emissions, protect and preserve tropical forests, expand renewable energy sources, increase energy efficiency, and align the business portfolio with the transition to a low-carbon economy. The policy also outlines four key principles and commitments to guide the company's performance. The first principle includes examinations and quantification of climate risks, assessments of the impacts of climate change, and incorporation of internal and shadow carbon pricing into structured engagements with key stakeholders. The second principle focuses on emissions reduction and neutralisation through renewable energy, protecting and preserving forests and carbon stocks, and developing new technologies while engaging with suppliers and partners to reduce emissions in supply chains. The third principle concentrates on Scope 3 emissions. The fourth principle emphasises Vale's reporting of its performance and initiatives focusing on climate change, and identifies additional projects that contribute to Vale's net-zero emissions targets.¹⁶⁷

167 Vale S.A. "[Climate Change Policy No.: POL-0012-G, Rev.: 02-10/06/2020.](#)" Accessed: April 24, 2025.

Teck Resources Limited

	Audit Committee ¹⁶⁸	Corporate Governance & Nomination Committee ¹⁶⁹	Compensation & Talent Committee ¹⁷⁰	Safety & Sustainability Committee ¹⁷¹	Technical Committee ¹⁷²
Responsibility for Broader ESG Oversight	No	No	Limited mainly to the inclusion of ESG performance in the CEO's compensation.	Yes – Broader ESG oversight, including GHG emissions and climate change	No
Responsibility for Broader Climate Oversight	No	No	No	Yes – Responsible for reviewing Teck's decarbonisation implementation plans and the risks associated with failing to achieve set goals and targets. ¹⁷³ Reviewed the sustainability reporting of Teck, including the Climate Change and Nature 2024 report, as well as the climate change and decarbonisation special report ¹⁷⁴	No

168 Teck Resources Limited. [Teck Resources Limited – Audit Committee Charter](#). November 14, 2024. Accessed: March 27, 2025.

169 Teck Resources Limited. [Teck Resources Limited – Corporate Governance & Nominating Committee Charter](#). November 14, 2024. Accessed: March 27, 2025.

170 Teck Resources Limited. [Teck Resources Limited – Compensation & Talent Committee Charter](#). July 24, 2024. Accessed: March 27, 2025.

171 Teck Resources Limited. [Teck Resources Limited – Safety & Sustainability Committee Charter](#). July 24, 2024. Accessed: March 27, 2025.

172 Teck Resources Limited. [Teck Resources Limited – Technical Committee Charter](#). April 25, 2024. Accessed: March 27, 2025.

173 Teck Resources Limited. [Climate Change and Nature Report 2024](#). November 2024. Page 22. Accessed: March 27, 2025.

174 Teck Resources Limited. [Notice of Meeting and Management Proxy Circular 2025](#). March 2025. Page 22. Accessed: April 16, 2025.

	Audit Committee ¹⁶⁸	Corporate Governance & Nomination Committee ¹⁶⁹	Compensation & Talent Committee ¹⁷⁰	Safety & Sustainability Committee ¹⁷¹	Technical Committee ¹⁷²
Responsibility for Broader Energy Transition	No	No	No	Yes	No
Number of Committee Members	4	3	3	3	3
Meetings Held During the Reporting Period	5	2	2	2	5
Minimum Meetings/Year	5	4	2	2	2
Board Meetings Held During Reporting Period	8				

The Teck Resources board also maintains responsibility for the following activities:

- The board maintains oversight of the risks and opportunities related to climate change that could impact Teck Resources' business. The board also examines "growth paths and other strategic matters, including climate- and nature-related matters, as appropriate. When reviewing and guiding strategy and major plans of action—including capital expenditures, acquisitions and divestitures, risk management policies, annual budgets, business plans, and organisational performance objectives—the Board considers climate- and nature-related issues, as appropriate."¹⁷⁵
- It is noted that in 2024, Teck Resources sold the Elk Valley Mines to Glencore. The transaction "positioned Teck for its next phase of growth and responsible value creation, now focused entirely on providing metals essential for global development and the energy transition. Driven by our

¹⁷⁵ Teck Resources Limited. [Management Approach to Sustainability](#). January 2025. Accessed: March 27, 2025. Page 28.

purpose and values, we are building Teck into one of the world's leading providers of responsibly produced energy transition metals.”¹⁷⁶

Freeport-McMoRan Inc.

	Audit Committee¹⁷⁷	Governance Committee¹⁷⁸	Compensation Committee¹⁷⁹	Corporate Responsibility Committee¹⁸⁰
Responsibility for Broader ESG Oversight	Oversees global compliance and financial reporting.	Oversees corporate governance practices.	Oversees compensation and human capital programs and policies.	Maintains a broader remit of sustainability responsibilities, including “climate”.
Responsibility for Broader Climate Oversight	No	No	No	Yes
Responsibility for Broader Energy Transition	No	No	No	No
Number of Committee Members	3	3	4	4
Meetings Held During the Reporting Period	5	2	5	4
Minimum Meetings/Year	4	2	3	3
Board Meetings Held During Reporting Period	6			

176 Teck Resources Limited. Management Approach to Sustainability. Page 3.

177 Freeport-McMoRan Inc. [Charter of the Audit Committee of the Board of Directors](#). February 11, 2025. Accessed: March 27, 2025.

178 Freeport-McMoRan Inc. [Charter of the Governance Committee of the Board of Directors](#). February 11, 2025. Accessed: March 27, 2025.

179 Freeport-McMoRan Inc. [Charter of the Compensation Committee of the Board of Directors](#). February 11, 2025. Accessed: March 27, 2025.

180 Freeport-McMoRan Inc. [Charter of the Corporate Responsibility Committee of the Board of Directors](#). February 11, 2025. Accessed: March 27, 2025.

The Sustainability Leadership Team (SLT) supports the board, which maintains oversight of sustainability within different focus areas, with programs directed and managed by corporate and site-level sustainability teams. The SLT is coordinated by the Chief Administrative Officer and led by the Chief Sustainability Officer, with additional support provided by business unit presidents and functional groups across Freeport-McMoRan. The SLT reports to the executive leadership, including the CEO, as well as to various board committees and the board.¹⁸¹

A designated climate team also manages climate-related risks and opportunities and coordinates and implements the company's climate and low-carbon transition strategies. The team comprises members from across the wider business, reports to the SLT, and meets at least once a year with the Corporate Responsibility Committee.

Freeport-McMoRan's climate strategy is focused on three areas: reduction, resilience, and contribution.¹⁸²

- Reduction: reduce, manage and mitigate emissions to meet 2030 emissions reduction targets covering 100% of scope 1 and 2 emissions.
- Resilience: Enhance resilience to physical and transition climate risks for current and future operations, and prepare for potential climate change impacts.
- Contribution: Contribute beyond operational boundaries by responsibly producing copper to support the energy transition. This includes collabo-

181 Freeport-McMoRan, Inc. [2024 Annual Report on Sustainability](#). April 23, 2025. Page 21. Accessed: 27 April 2025.

182 Freeport-McMoRan, Inc. [2024 Annual Report on Sustainability](#). April 23, 2025. Page 67. The emissions targets by 2030 have a baseline year of 2018, with 2030 targets to meet intensity reduction targets for Americas Copper by 15%, and PTFI Grasberg by 30%, respectively, to emit 3.17 and 3.34 CO_e metric tons. Absolute reduction targets for the Atlantic Copper Smelter & Refinery and the Primary Molybdenum Sites are to seek 50% and 35% absolute reductions in emissions, respectively, where they would be emitting 88 and 200 CO_e thousand metric tons. See page 70.

rating with value chains and industry associations to identify climate-related solutions that support the global energy transition to a low-carbon economy and meet the objectives of the Paris Agreement.

Fortescue Limited

	Audit, Finance and Risk Committee¹⁸³	People, Remuneration and Nomination Committee¹⁸⁴	Safety and Sustainability Committee¹⁸⁵
Responsibility for Broader ESG Oversight	Partial – Has oversight and review of assurance and verification of data for mandatory sustainability reporting and for making and ensuring appropriateness of sustainability disclosures.	Limited to the inclusion of sustainability-related remuneration.	Yes - Responsible for oversight of environmental frameworks, data collection and monitoring, and risk and compliance.
Responsibility for Broader Climate Oversight	No	No	Yes – Responsible for overseeing adaptation, resilience, and mitigation of climate change, including policy developments, Fortescue’s climate change policy, decarbonisation, and climate transition plan. Oversight of analysing climate change risks, opportunities, and risk mitigation, as well as disclosures and audits/ reviews related to climate change and emissions.

¹⁸³ Fortescue Limited. [Charter – Audit, Finance and Risk Management Committee](#). 1 July 2024. Accessed: 28 March 2025.

¹⁸⁴ Fortescue Limited. [Charter – People, Remuneration and Nomination Committee](#). 1 July 2024. Accessed: 28 March 2025.

¹⁸⁵ Fortescue Limited. [Charter – Safety and Sustainability Committee](#). 1 July 2024. Accessed: 28 March 2025.

	Audit, Finance and Risk Committee¹⁸³	People, Remuneration and Nomination Committee¹⁸⁴	Safety and Sustainability Committee¹⁸⁵
Responsibility for Broader Energy Transition	No	No	Yes, see above
Number of Committee Members	5	5	6
Meetings Held During the Reporting Period ¹⁸⁶	N/A	N/A	N/A
Minimum Meetings/Year	4	4	4

It is noted that the committee structure of the Fortescue board committees changed effective from July 1, 2024. As of June 30, 2024, the erstwhile committees included the Audit, Risk Management, and Sustainability Committee (ARMSC), the Nomination Committee, the Remuneration and People Committee, and the Finance Committee, respectively. The new committee structure combines the nomination and remuneration functions while separating sustainability into a distinct committee, as it was formerly combined with audit and risk management.

The Fortescue board also maintains responsibility for the following activities:

- Oversight of all sustainability matters, as updated by the board committees. The board also receives updates from the Executive Sustainability Committee (ESC), which works to define the group's sustainability

¹⁸⁶ For the financial year ended June 30, 2024, Fortescue maintained a different committee structure than it currently has. The board had four committees: the Audit, Risk Management and Sustainability Committee (ARMSC), the Remuneration and People Committee (RPC), the Nomination Committee (NC), and the Finance Committee (FC). The ARMSC held four meetings, the RPC held six meetings, while the NC and FC each held one meeting during the financial year. The board had six meetings.

framework and implement it across the business.¹⁸⁷ While the SC reported to the ARMSC under the previous iteration of the board committees, it is assumed that the SC will update the new audit, finance, and risk committee, as well as the sustainability and safety committee, respectively, given the overlap in reporting with forthcoming Australian mandatory climate reporting.

- The Decarbonisation Steering Committee (DSC) also reports to the board. The DSC, comprising the CEOs of Fortescue Metals and Energy, and the Fortescue CFO, reports to the board on decarbonisation topics related to capital investment decisions, strategies, and the allocation of capital for decarbonisation initiatives.
- The board also oversees and receives input from the Fortescue Energy Project Investment Framework (PIF). The PIF includes a dedicated PIF Committee that guides the evaluation and development of capital investment opportunities, using criteria such as commercial viability, emission reduction potential, sustainability, and human rights considerations. As projects mature, the committee reviews the projects before seeking board approval.¹⁸⁸

¹⁸⁷ Fortescue Limited. FY24 Annual Report. Page 59.

¹⁸⁸ Fortescue Limited. FY24 Annual Report. Page 89.

South32 Limited

	Risk and Audit Committee¹⁸⁹	Nomination and Governance Committee¹⁹⁰	Remuneration Committee¹⁹¹	Sustainability Committee¹⁹²
Responsibility for Broader ESG Oversight	Partial – The committee reviews and reports on materials from the Sustainability Committee, recommending sustainability risks to the board.	Partial – acts on reporting from the Sustainability Committee.	Partial – acts on reporting from the Sustainability Committee.	Yes – broader sustainability, including climate change. Providing advice to the Remuneration Committee on the performance and evaluation of award outcomes related to sustainability. Guiding the Nomination and Governance Committee on the skills and competencies necessary for overseeing sustainability-related risks and opportunities.
Responsibility for Broader Climate Oversight	Partial – responsible for the identification and impact of climate and nature-related risks and opportunities, which may be further reported to the board for consideration	No	No	Yes, the committee oversees climate-related risks that are identified, assessed, monitored, and reported to the Risk and Audit Committee. It also advises the Remuneration Committee on the performance and evaluation of award outcomes related to sustainability. The committee also oversees climate change targets and their subsequent monitoring. The committee further evaluates climate and sustainability reporting.

189 South32 Limited. [Risk and Audit Committee Terms of Reference](#). 17 April 2024. Accessed: March 28, 2025.

190 South32 Limited. [Nomination and Governance Committee Terms of Reference](#). 17 April 2024. Accessed: March 28, 2025.

191 South32 Limited. [Remuneration Committee Terms of Reference](#). 17 April 2024. Accessed: March 28, 2025.

192 South32 Limited. [Sustainability Committee Terms of Reference](#). 17 April 2024. Accessed: March 28, 2025.

	Risk and Audit Committee ¹⁸⁹	Nomination and Governance Committee ¹⁹⁰	Remuneration Committee ¹⁹¹	Sustainability Committee ¹⁹²
Responsibility for Broader Energy Transition	No	No	No	Not specified
Number of Committee Members	3	3	4	4
Meetings Held During the Reporting Period	11	9	7	8
Minimum Meetings/ Year ¹⁹³	4	3	4	4
Board Meetings Held During Reporting Period	16			

The South32 board also maintains responsibility for the following activities:

- The board approves South32's sustainability policies, including governance, strategy and risk management. At the same time, senior executives and senior management support the board in implementing sustainability policies and reporting to the board.¹⁹⁴
- The board is responsible for approving the Climate Change Action Plan (CCAP), while the CEO is responsible for implementing the CCAP. At the same time, there is also the Climate Change Steering Committee (CCSC),

¹⁹³ South32 Limited. [Board Committee Processes and Procedures](#). 17 April 2024. Page 2. Accessed: 28 March 2025.

¹⁹⁴ South32 Limited. [Sustainable Development Report 2024](#). Page 11. Accessed: 28 March 2025.

which was established in August 2024. The CCSC, comprising the CEO and other senior leadership, oversees climate-related risks and opportunities and develops and implements the CCAP. The CCSC also supports the integration of South32's climate change response in its strategy, governance and risk management processes. The CCSC receives support in monitoring climate-related risks, opportunities, and issues through quarterly progress and performance reports on greenhouse gas (GHG) emissions, decarbonisation initiatives, and risk management activities.¹⁹⁵

¹⁹⁵ South32 Limited. [Sustainable Development Report 2024](#). Page 77.

Appendix II – Board Skills Matrices Screenshots

Diversity

The Group Diversity and Inclusion Policy is applicable to all employees as well as Directors and officers and is taken into consideration for purposes of appointments to the Board and its committees. It sets out our commitment to build a working environment that enables full and active participation and embraces and encourages diversity of thought and experience in order to maximise business performance.

The Board is very cognisant of the ongoing desire from stakeholders for greater diversity in senior management and boards. The underlying data for information presented on this page was collected directly from the individuals indicated in the tables and reflects the position as at 31 December 2024. The FCA UK listing rules require companies to disclose, on a comply or explain basis, whether they meet specific diversity targets, being:

at least 40% of the board are women
 at least one of the senior board positions is a woman
 at least one member of the board is from a minority ethnic background

3 out of 8 Directors were women, corresponding to 37.5%
Gill Marcus is the Senior Independent Director
Kalidas Madhavpeddi is from a minority ethnic background (in UK terms)

We believe the small size of our Board assists in its collegiality and sense of purpose. Although we missed the 40% gender diversity target by 2.5% as of the end of 2024, 50% of our board members are women as of the date of this report. The Board will continue to seek to achieve greater diversity in the senior management of the Group and throughout the organisation.

Board diversity, skills and experience in 2024

	Kalidas Madhavpeddi American	Gary Nagle S. African	Martin Gilbert British	Cynthia Carroll American	John Wallington S. African	Gill Marcus S. African	David Wormsley ² British	Liz Hewitt British
Experience								
Resources	●	●	●	●	●	●	●	●
Non-executive directorship	●	●	●	●	●	●	●	●
C-suite	●	●	●	●	●	●	●	●
International M&A	●	●	●	●	●	●	●	●
Technical skills ¹								
Leadership and strategy	●	●	●	●	●	●	●	●
Financial expertise	●	●	●	●	●	●	●	●
Environment	●	●	●	●	●	●	●	●
Social	●	●	●	●	●	●	●	●
Governance	●	●	●	●	●	●	●	●
Health and safety	●	●	●	●	●	●	●	●
Investor relations	●	●	●	●	●	●	●	●
Communications and reputation	●	●	●	●	●	●	●	●
Risk management	●	●	●	●	●	●	●	●

1. The majority of these skills have been acquired through exposure and experience at leadership level, rather than as part of a formal education.

2. Mr Wormsley retired from the Board with effect from 31 December 2024.

Gender identity	Number of Board members	Percentage of the Board	Number of senior positions on the Board ¹	Number in executive management ²	Percentage of executive management ²
Men	5	62.5%	2	5	71.4%
Women	3	37.5%	1	2	28.6%
Not specified/prefer not to say	–	–	–	–	–
Ethnic Background					
White British or other White (including minority white groups)	7	87.5%	2	6	85.7%
Mixed/Multiple Ethnic Groups	–	–	–	1	14.3%
Asian/Asian British	1	12.5%	1	–	–
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

1. In accordance with UKLR 6.6GR(9)(a) includes the Chairman, Chief Executive Officer and the Senior Independent Director.

2. In accordance with UKLR 6.6GR(10), executive management for these purposes are our Company Secretary and members of our key management personnel (our CFO, General Counsel, Head of Industrial Assets, Head of Corporate Affairs, Head of Human Resources and Head of Sustainability).

Skills and experience of the Chair and Non-Executive Directors

Skills and experience	Some experience	Extensive experience	Total
Chief Executive experience			
Chief Executive-level experience of a major corporation	3	5	8
Chief Financial Officer and audit experience			
Experience in financial accounting and reporting, corporate finance, internal controls, treasury and associated risk management	3	2	5
Mining and broader industrial operations			
Senior executive experience in a large, global mining or industrial organisation	1	5	6
Major projects			
Experience in developing large-scale, long-cycle capital projects	5	5	10
Corporate governance			
Experience on the Board of a major quoted corporation subject to rigorous corporate governance standards	1	9	10
Global experience, including multinational and geopolitical experience			
Experience working in multiple global locations, exposed to a range of cultural, business, regulatory and political environments and/or in-depth understanding of public policy and government relations	1	9	10
Relevant country/regional expertise			
Knowledge of countries or regions of strategic relevance to the Group	7	1	8
Downstream customer markets			
Understanding of value chain development, including consumers, customers and marketing demand drivers	5	3	8
ESG			
Experience of issues associated with environmental and social responsibility, including communities and social performance, government relations, workplace health and safety and stakeholder engagement	6	6	12
Energy transition			
Knowledge and experience of managing climate-related threats and opportunities including climate science, the low-carbon transition and public policy	8	1	9
Industrial technology and innovation			
Experience of nurturing and harnessing research, development and innovation, including digital technology and cybersecurity	5	2	7
Mergers and acquisitions and private equity/investing			
Experience of mergers, acquisitions, disposals, joint ventures, private equity and investing	7	1	8

Corporate Governance Statement continued

Skills and attributes	Number of Directors
Mining Senior executive who has deep operating or technical mining experience with a large company operating in multiple countries; successfully optimised and led a suite of large, global, complex operating assets that have delivered consistent and sustaining levels of high performance (related to cost, returns and throughput); successfully led exploration projects with proven results and performance; delivered large capital projects that have been successful in terms of performance and returns; and a proven record in terms of health, safety and environmental performance and results.	3
Global experience Global experience gained from working, managing business units and residing in multiple geographies over an extended period of time, including a deep understanding of and experience with global markets, and the geopolitical and economic environment.	9
Strategy Senior executive who has had accountability for enterprise-wide strategy development and implementation in industries with long cycles and developing and leading business transformation strategies.	10
Commodity value chain and customers End-to-end value or commodity chain experience – understanding of consumers and customers, marketing demand drivers (including specific geographic markets) and other aspects of commodity chain development.	8
Financial acumen Extensive financial experience and the capability to evaluate financial statements and understand key financial drivers of the business, bringing a deep understanding of corporate finance and internal financial controls.	10
Operating risk Extensive experience with the development and oversight of complex frameworks focused on the identification, assessment and assurance of operational workplace health, safety, environment, climate and community risks.	9
Technology Recent experience and expertise with the development, selection, and implementation of leading and business transforming technology and innovation and responding to digital disruption.	8
Capital allocation and cost efficiency Extensive direct experience gained through a senior executive role in capital allocation discipline, cost efficiency and cash flow, with proven long-term performance.	8
Social value, community, and stakeholder engagement Extensive track record of positive external stakeholder engagement including in relation to community issues and social responsibility. In depth understanding of public policy, government relations and the intersection between value generation and corporate reputation.	7
Sustainability and decarbonisation transition Understanding of, and experience with the identification and management of threats and opportunities related to sustainability, and decarbonisation transition.	8
People and talent Extensive experience in talent and capability strategies, including for development, recruitment and retention, and industrial relations, managing workforce transitions and upskilling workforce during periods of rapid change.	8

4.6 Diversity

BHP has adopted an Inclusion and Diversity Position Statement, which sets out our diversity policy and our priorities to accelerate the delivery of a more inclusive work environment and to enhance overall workplace diversity.

BHP's Inclusion and Diversity Position Statement is available at bhp.com/careers/inclusion-diversity and is summarised in OFR 8.8

Our aspiration is to achieve gender balance within our employee workforce globally by the end of CY2025. We define gender balance as a minimum 40 per cent women and 40 per cent men, in line with the definitions used by entities such as the International Labour Organization.

The Board is responsible for approving the measurable objectives for achieving diversity in the composition of the Board, senior executives and workforce generally and assessing the Group's progress in achieving those measurable objectives, which are set out below. The Nomination and Governance Committee reviews and makes recommendations to the Board on the diversity and measurable objectives for achieving diversity in the composition of the Board and reviews the progress in achieving those measurable objectives.

Measurable objectives for FY2024:

1. Increase female employee representation to 40 per cent by the end of FY2025

Progress in FY2024: In FY2024, the Board approved the objective to increase the representation of women across the BHP employee workforce by 3 per cent from the FY2023 objective of 35.2 per cent. During FY2024, BHP increased the representation of women working at BHP by 1.9 percentage points, with women now representing 37.1 per cent of the global employee workforce as at 30 June 2024.¹

2. Maintain balanced representation for the Board and senior executives (defined as ELT and direct reports to the ELT in grade 15 and above roles)

Progress in FY2024: Our Board continued to be gender balanced in FY2024.

Our senior executive ranks remain consistent and represent 40.9 per cent women in FY2024.

For more information on our focus areas for diversity during FY2024 and the respective proportions of men and women on the Board, in senior executive positions and across the employee workforce refer to OFR 8.8

More diversity data is available in the BHP ESG Standards and Databook 2024 available at bhp.com/ESGStandards2024

The Board's composition reflects gender balance and a diversity of experience, education and geographic background.

As at 30 June 2024, 40 per cent of Directors are female and the BHP Board satisfies the target in the UK Listing Rules and the guidance of having at least 30 per cent of Directors of each gender in accordance with the ASX Fourth Edition. BHP also satisfies the UK Listing Rule target of having at least one Director from a minority ethnic background on the Board.

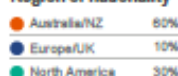
BHP does not currently satisfy the UK Listing Rule target that at least one of the senior positions on the Board (which for BHP is the Chair, Chief Executive Officer and Senior Independent Director) is held by a woman. The UK Listing Rule target also includes the Chief Financial Officer in the category of a senior position on the Board. Vandita Pant was appointed as Chief Financial Officer in March 2024, but, in common with Australian listed company practice, the Chief Financial Officer is not a Director on the Board of BHP. As part of its succession planning, the Board reviews the skills and diversity (including gender, age, personal strengths and social and ethnic

Board tenure and diversity

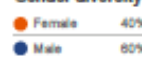
Tenure



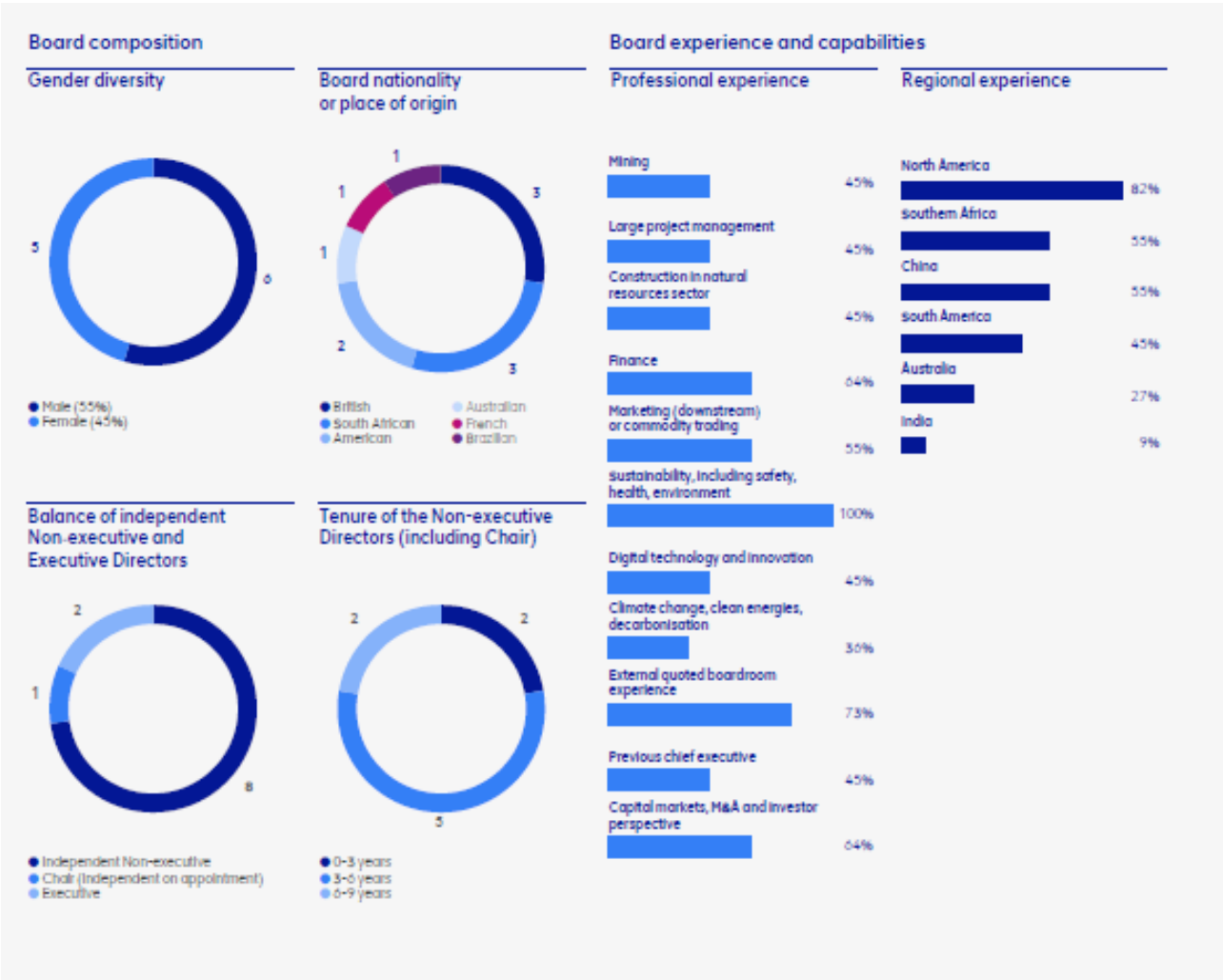
Region of nationality



Gender diversity



1. Progress does not include data from the Dauria and Blackwater mines which were divested during the year.



Vale S.A. Final Nomination Report for the 2025 Annual Shareholders' Meeting. February 21, 2025. Annex I and Annex V.

Critical Competencies Matrix of Vale's Board of Directors

Management experiences		Sector knowledge	Functional knowledge
Relevant Executive Experience Acting as a member of the Executive Committee and/or Board of Directors	Cultural transformation & talent management Experience focused on the culture of value generation with social and environmental responsibility	Mining Preferably in the iron ore and transition metals business	Institutional, governmental and regulatory relations Acting with such instances, as well as in corporate communication
Experience in the Asian business environment Preferably in Vale's area of operation, especially in China	Business Innovation Experience with innovations potentially applicable to Vale and its value chain, including supporting the Company's climate strategy	Steel and metallurgy Including their Value Creation Drivers	Commercial e Trading Understanding of the geopolitical landscape and competitive environment, including current business and industry trends
Finance & portfolio with value orientation and performance accountability In the areas of corporate finance, capital allocation and asset portfolio management in large companies	ESG In socio-environmental and governance areas, in integrity and compliance processes, preferably in natural resources industries. Desirable experience of engagement with society, especially with neighboring communities	Global chain logistics Including Management and optimization of global supply chains	Risk management and security In organizations with a risk profile compatible with that of natural resource companies
Capital Markets Knowledge of the capital market and the relationship with its agents, especially with long-term investors		Oil & gas Including their Value Creation Drivers	

ANNEX V

MAIN QUALIFICATIONS AND EXPERIENCES	1. ANELUSE QUINTÃO LARA	2. DANIEL STIELER	3. FERNANDO BUSO	4. FRANKLIN FEDER	5. HELOÍSA BEDICKS	6. JOÃO FUKUNAGA	7. MANUEL LINO SILVA DE SOUSA OLIVEIRA	8. MARCELO GASPARINO	9. RACHEL MAIA	10. REINALDO CASTANHEIRA	11. SHUNJI KOMAI	12. WILFRED (BILL) THEODOOR BRUIJN	GLOBAL EVALUATION BY COMPETENCE (NEW COLLEGIATE)
MANAGEMENT EXPERIENCES													
RELEVANT EXECUTIVE EXPERIENCE	3	3	3	3	3	3	3	3	3	2	2	3	2,8
EXPERIENCE IN THE ASIAN BUSINESS ENVIRONMENT	2	1	2	2	1	1	2	1	1	2	3	2	1,7
FINANCE & PORTFOLIO WITH VALUE ORIENTATION AND PERFORMANCE ACCOUNTABILITY	3	3	3	3	2	2	3	2	2	3	2	3	2,6
CAPITAL MARKETS	2	3	3	2	2	2	3	3	2	2	2	2	2,3
CULTURAL TRANSFORMATION & TALENT MANAGEMENT	2	3	2	3	3	3	3	3	3	2	2	3	2,7
BUSINESS INNOVATION	3	3	2	2	3	2	3	2	2	2	2	3	2,4
ESG	2	3	2	3	3	3	3	3	3	2	2	3	2,7
SECTOR KNOWLEDGE - MINING													
MINING	1	2	2	3	1	1	3	3	2	3	3	3	2,3
SECTOR KNOWLEDGE - OTHER AREAS	2,0	1,3	1,3	2,0	1,7	1,3	1,7	2,3	1,3	2,0	2,0	1,7	1,7
STEEL AND METALLURGY	1	1	1	3	1	1	2	2	1	3	2	2	1,7
GLOBAL CHAIN LOGISTICS	2	2	2	2	2	2	2	2	2	2	3	2	2,1
OIL & GAS	3	1	1	1	2	1	1	3	1	1	1	1	1,4
FUNCTIONAL KNOWLEDGE													
INSTITUTIONAL, GOVERNMENTAL AND REGULATORY RELATIONS	2	3	2	2	3	3	3	3	2	3	1	2	2,4
COMMERCIAL AND TRADING	2	2	2	2	2	2	2	2	2	3	3	2	2,2
RISK MANAGEMENT AND SECURITY	3	3	3	3	3	2	3	3	3	3	2	2	2,8
GLOBAL EVALUATION PER CANDIDATE	2,3	2,5	2,3	2,5	2,3	2,1	2,7	2,5	2,2	2,4	2,2	2,5	2,4

Area of Expertise												
Age	Gender	Balhuizen	Gowans	Keevil	McLeod-Seltzer	Murray	Power	Price	Schlotz	Snider	Strunk	Yamato
Corporate Governance <i>Sophisticated understanding of corporate governance practices and stakeholder engagement</i>												
Strategic Planning <i>Executive or board experience in strategy development, execution, analysis, and/or oversight</i>												
International Business <i>Executive or board experience with entities operating in multiple jurisdictions with diverse political, cultural, regulatory, and business environments</i>												
Mining or Commodities Business <i>Executive or board experience at a major public or private mining company or other commodities-based business</i>												
Transactions & Projects <i>Experience with acquisitions, divestitures, joint ventures, M&A transactions, or large-scale project execution</i>												
Human Resources & Compensation <i>Experience overseeing compensation practices, talent management and retention, and succession planning</i>												
Finance & Financial Reporting <i>Expertise on financial statements and reporting matters, critical accounting policies, issues related to internal and external audits, and internal controls</i>												
Environment & Sustainability <i>Experience or education on overseeing environmental, climate change, health, community relations, and/or safety policies, and practices</i>												
Legal, Regulatory, & Risk Management <i>Experience advising on or overseeing or education in legal or regulatory compliance matters or risk management for a publicly-traded company or other organization of significant size or complexity</i>												

Freeport-McMoRan Inc. Notice of 2025 Annual Meeting of Stockholders and Proxy Statement. April 2025. Pages 13 and 14.









Board Qualifications, Skills and Experience

Our board believes that it is desirable that the following qualifications, skills and experience are represented on our board because of their particular relevance to our business.

Experience, Qualifications and Skills	Why Is This Important to FCX?	Directors with This Experience, Qualification or Skill
 Natural resources, mining, commodities industry experience	Natural resources, mining, commodities or other extractives industry experience assists the board in understanding business considerations relevant to our global activities, including operational matters and requirements, strategic planning, key risks and competitive environment.	7 of 12 
 CEO experience	Directors with CEO experience have a demonstrated record of leadership and bring valuable perspectives and practical insights on organizations, processes, strategic planning, risk and risk management, maintaining effective, sustainable and safe operations, and driving growth in order to achieve our strategic goals.	8 of 12 
 International business/global affairs	Experience in international business/global affairs or experience related to global economic trends yields an understanding of geographically diverse business environments, regulatory matters, economic conditions and cultural perspectives that informs our global business and strategy and enhances our global operations.	11 of 12 
 Accounting/financial expertise	Experience as an accountant, auditor, financial advisor or other similar experience is critical to oversight of the preparation and audit of our financial statements and compliance with related regulatory requirements and standards. We aim to have several directors who could qualify as audit committee financial experts (as defined by SEC rules).	7 of 12 
 Sustainability	Experience advancing and implementing sustainability strategy and programs supports our responsible production commitments and risk management, including prioritizing the health, safety and well-being of our workforce and host communities where we operate; strengthening our environmental programs, including our commitment to reducing our GHG emissions and enhancing the climate resilience of our business operations; respecting human rights in all of our business practices; and attracting, developing and retaining employees, among other environmental and social priorities.	9 of 12 
 Capital markets/banking	Experience overseeing capital markets and banking transactions and mergers and acquisitions provides the knowledge and skills necessary to evaluate and oversee the company's design and implementation of financing and capital allocation strategies.	9 of 12 
 Government/legal	Government relations, legal, regulatory compliance and/or public policy experience offers valuable insight into the impact of laws, rules, regulations, and other governmental actions and decisions on our company and our industry.	12 of 12 
 Public company board experience	Directors who serve or have served on the boards and board committees of public companies demonstrate a deep understanding of risk oversight, succession planning, corporate governance standards and best practices of public company boards and board committees.	12 of 12 

Director Skills Matrix

Our director nominees represent a range of overall experience and tenures, which contributes to a variety of perspectives and facilitates an effective balance of institutional knowledge and fresh viewpoints and expertise in the boardroom. Our industry and strategic initiatives often have prolonged lifecycles, and it is therefore helpful to have seasoned directors who are familiar with our company, can draw on past experience and share these insights with newer directors. We believe this balanced composition across skills and tenures is in the best interest of our company and our stockholders. Our governance committee remains committed to an ongoing review of the board's composition to ensure that we continue to have the right mix of knowledge, experience and expertise to position the company for long-term success.

	Abney	Adkerson	Donadio	Dudley	Grant	Kennard	Lance	Lewis	McCoy	Quirk	Stephens	Townsend
Experience, Qualifications and Skills												
 Natural resources, mining, commodities industry experience		•	•	•	•		•		•	•		
 CEO experience	•	•		•	•	•	•		•	•		
 International business/global affairs	•	•	•	•	•		•	•	•	•	•	•
 Accounting/financial expertise	•	•	•			•		•		•	•	
 Sustainability	•	•		•	•	•	•		•	•		•
 Capital markets/banking	•	•		•	•		•	•	•	•	•	
 Government/legal	•	•	•	•	•	•	•	•	•	•	•	•
 Public company board experience	•	•	•	•	•	•	•	•	•	•	•	•
Tenure and Age												
Tenure (Years)	4.0	18.5	3.7	4.0	3.3	11.3	3.5	3.7	18.1	2.2	5.5	11.3
Age (Years)	69	78	70	69	67	70	62	57	75	61	65	63

The following table sets out the composition of skills and experience of the Board. The directors' skills, experience and qualifications are set out in the FY24 Annual Report, which is available on our website at [fortescue.com](https://www.fortescue.com).

LEADERSHIP <ul style="list-style-type: none"> • Successful history in business at a senior executive level working in high-performance cultures • Publicly listed company experience • Understanding/influencing organisational culture to ensure alignment with goals and objectives 	INTERNATIONAL EXPERIENCE AND BUSINESS DEVELOPMENT <ul style="list-style-type: none"> • Experience in developing successful and sustainable operations in new geographies • Experience in developing technologies for viable commercialisation • Knowledge and experience in providing oversight and guidance in designing and implementing appropriate operational, financial and governance structures for a multi-jurisdictional business • Experience in and exposure to political, cultural, regulatory and business environments in a range of global locations • Experience in doing business with international business partners, including government agencies, regulators and customers • Experience in navigating procurement and supply chain challenges in high-risk jurisdictions
GOVERNANCE <ul style="list-style-type: none"> • Experience in governance within complex organisations and multi-jurisdictional compliance environments • Commitment to ensuring effective governance structures • Maintaining effective risk management and sophisticated internal controls 	STAKEHOLDER MANAGEMENT <ul style="list-style-type: none"> • Experience with managing issues associated with working with local communities, pastoralists and First Nations people to ensure that positive economic, social and environmental outcomes are delivered for all stakeholders • Executive experience managing complex industrial relations challenges • Experience in dealing with a crisis in an organisation of similar size and complexity • Experience in regulatory policy and government affairs, including implications for corporations
HEALTH, SAFETY AND ENVIRONMENT <ul style="list-style-type: none"> • Experience related to complex workplace health and safety management • Experience with environmental and community issues and frameworks in a large organisation 	INFORMATION TECHNOLOGY AND INNOVATION <ul style="list-style-type: none"> • Knowledge and experience in the use and governance of critical information technology • Understanding of potential cyber risk exposure • Understanding of relevant privacy and data regulation • Leveraging digital technology to support growth and drive competitive advantage
STRATEGY <ul style="list-style-type: none"> • Experience in developing and implementing successful strategy • Experience overseeing budgets that deliver on short-term and long-term strategic imperatives • Ability to provide oversight of management for the delivery of strategic objectives 	SALES AND MARKETING <ul style="list-style-type: none"> • Senior executive experience in sales and marketing • Building long-term, sustainable customer relations across a diverse customer base • Detailed knowledge of Fortescue's strategy, markets, and competitors
MINING, RESOURCES AND INFRASTRUCTURE <ul style="list-style-type: none"> • Experience in developing and operating global scale infrastructure, including some of the world's most complex resources extraction and transportation techniques • Technical and advisory experience in large mining and energy resources organisations • Experience in exploration projects with proven results and performance 	PUBLIC POLICY AND REGULATION <ul style="list-style-type: none"> • Experience in managing how organisations adapt and respond to changing public policy settings • Oversight and management of regulatory frameworks and processes designed to ensure that all regulatory obligations are met • Experience developing and communicating key policy positions on critical issues and regulatory matters, including submissions
CAPITAL PROJECTS <ul style="list-style-type: none"> • Experience in assessing commercial viability of major capital projects • Experience in the delivery of large-scale capital projects • Experience in effective project governance and risk management processes that support the successful delivery of large-scale capital projects 	TAX RISK MANAGEMENT AND COMPLIANCE <ul style="list-style-type: none"> • Understanding of corporate tax requirements and tax risk management • Experience with oversight and application of corporate tax policies and frameworks
FINANCIAL ACUMEN <ul style="list-style-type: none"> • Experience in financial accounting and reporting, corporate finance and internal financial controls • Experience with substantial mergers/acquisitions • Experience in business analysis and financial forecasting 	
CAPITAL MANAGEMENT <ul style="list-style-type: none"> • Experience with equity and debt funding strategies • Understanding of local and overseas capital and debt markets • Experience in capital and debt raising • Experience building a long-term investment case and narrative 	

South32 Limited. Corporate Governance Statement 2024. Pages 14-16.

Skill / Competency	Description	Relevance to South32
Industry continued		
Technology, digital and innovation 	<p>Understanding of the risks and opportunities of technology and innovation, including how related developments may be leveraged to drive transformation and respond to digital disruption.</p>	<p>Directors with knowledge of the risks and opportunities of technology (including digital technology risks such as cyber security and data protection) and innovation (such as artificial intelligence), as they relate to our business and across other industries, support our Board in assessing how we can leverage related developments to implement change, manage risk and realise opportunities.</p>
Commercial capability		
Strategy 	<p>Experience in long-term strategy development, implementation or oversight, including establishing effective capital management frameworks and identifying and responding to strategic risks and opportunities.</p>	<p>Our Board oversees the development and delivery of strategy and that our allocation of capital supports our strategic goals. As we continue to develop our portfolio, we will draw from Directors' previous experience at other companies that face long industry cycles and commodity price volatility.</p>
Financial acumen 	<p>Proficiency in financial accounting and reporting, understanding of key drivers of financial performance and the capability to evaluate the adequacy of financial and risk controls.</p>	<p>Our Directors must be able to understand the financial drivers of our business and evaluate our financial statements and other periodic corporate reports.</p>
Capital projects 	<p>Experience with projects involving large-scale capital outlays and long-term investment horizons in the planning and execution phases.</p>	<p>Our Board needs to consider all project risks and returns in the context of our strategy and capital management framework.</p>
Corporate development 	<p>Experience in business development, equity and debt funding strategies, capital and debt raising and other complex corporate transactions including mergers, acquisitions and divestments.</p>	<p>Directors with experience assessing complex business transactions contribute to our Board's evaluation of corporate development opportunities to support value creation and drive competitive advantage.</p>
Global business experience		
Geographic experience 	<p>Experience working in multiple geographies, understanding of global markets and exposure to diverse political, economic, cultural and regulatory business environments.</p>	<p>Strong knowledge of the markets we operate in now and those we may enter in the future, contributes to our Board's oversight of strategy.</p>
<p>Highly skilled – having or demonstrating a high degree of knowledge or skill; high level of expertise/mastery and experience in work that requires that skill.</p> <p>Skilled – having or showing the knowledge, ability, or training to perform a certain activity or task well; trained or experienced in work that requires that skill.</p> <p>Knowledgeable – well-informed, well conversant in the area in which he or she has gained knowledge and understanding.</p>		

2024 Board skills matrix

Skill / Competency	Description	Relevance to South32
Leadership and culture		
Leadership and corporate governance		
	Senior executive role or substantial board experience in a listed company, with a proven track record of leadership and overseeing culture and a demonstrable understanding of and commitment to high standards of corporate governance.	Demonstrating leadership and overseeing our corporate governance practices are key responsibilities of our Board. Our Board also oversees that our culture aligns with our purpose, values and strategy.
People and remuneration		
	Experience leading large, diverse, geographically distributed workforces, including talent planning, setting remuneration frameworks that attract and retain talent, and promoting diversity, equality and inclusion.	Our people are the foundation of our success, and we need to attract, retain, develop and motivate talent. Our Board oversees that our remuneration and benefits framework aligns with our purpose, strategy and values to drive desired culture and business outcomes and attracts and retains key talent.
Industry		
Mining and metals		
	Senior executive role or substantial board experience in a mining and metals company, from exploration through to the development and operations stages of mining and metals projects. Expertise in geological, engineering or geoscience matters.	Directors with expertise in geology, mining (open pit and/or underground) and the production of our key commodities contribute to our Board's evaluation of risks and opportunities as they relate to our operations, the mining industry and the markets in which we operate.
Smelting and processing		
	Senior executive role or substantial board experience in a company involved in the smelting, refining and/or processing of natural resources. Experience in smelting or extractive metallurgy.	Directors with expertise in smelting and extractive metallurgy contribute to our Board's evaluation of risks and opportunities as they relate to our operations, the mining industry and the markets in which we operate.
Commodity value chain		
	End-to-end commodity value chain knowledge and experience, including understanding of marketing, consumers, market demand drivers (including specific geographic markets) and key aspects of responsible commodity value chain management.	Directors with commodity value chain knowledge and experience, including knowledge of related social and environmental impacts, contribute to our Board's assessment of our response to evolving market conditions.
Highly skilled – having or demonstrating a high degree of knowledge or skill; high level of expertise/mastery and experience in work that requires that skill. Skilled – having or showing the knowledge, ability, or training to perform a certain activity or task well; trained or experienced in work that requires that skill. Knowledgeable – well-informed, well conversant in the area in which he or she has gained knowledge and understanding.		

Skill / Competency	Description	Relevance to South32
Governance and compliance		
Risk management 	Experience implementing or overseeing robust risk management frameworks in large or medium-sized organisations with global operations, and the ability to identify, understand and oversee the management of existing, new and emerging material and strategic risks.	Our Board needs to be able to assess the adequacy of our risk management framework and evaluate management's response to material and strategic risks.
Public policy 	Experience focused on public policy and interacting with regulators.	Our Board needs to know what we can or should do to shape public policy, as well as how public policy changes may impact our strategy.
Regulatory and legal compliance 	Familiarity with legal and regulatory compliance (including security exchanges) and experience monitoring and responding to changing legal and regulatory landscapes.	Our Board oversees our internal controls and systems for monitoring ethical and legal compliance, including our stock exchange listings. Our Board needs to be aware of, and anticipate, legal and regulatory risks that may impact our operations, performance or social licence to operate.
Sustainability		
Health and safety 	Knowledge and experience in physical and psychological health and safety management, performance and governance and building a strong safety culture.	Nothing is more important than the health, safety and wellbeing of our employees, contractors, visitors and communities. Our Board oversees that our approach to health and safety, culture and governance supports our commitment to provide and maintain a safe workplace.
Environment and climate change 	Demonstrable understanding of the key environmental risks and opportunities for a global mining company, including fluency in the implications of climate change.	We recognise the importance of managing climate and nature-related risks and opportunities, and our Board oversees that these factors are integrated into our strategy, including mitigation and adaptation, and the availability and protection of natural resources such as water, air, biodiversity and ecosystems, not only for our business but all relevant stakeholders.
Social performance 	Experience managing or overseeing the social impacts of business operations and partnering with communities and other stakeholders to minimise adverse impacts and create lasting social and economic value.	Working with our communities and other stakeholders to create shared value and achieve our shared goals is integral to our purpose. Our Board oversees that our approach to social performance and related governance is in line with our purpose and supports our objectives to create lasting social and economic value where we operate, preserve cultural heritage and respect human rights.
Highly skilled – having or demonstrating a high degree of knowledge or skill; high level of expertise/mastery and experience in work that requires that skill. Skilled – having or showing the knowledge, ability, or training to perform a certain activity or task well; trained or experienced in work that requires that skill. Knowledgeable – well-informed, well conversant in the area in which he or she has gained knowledge and understanding.		