

## **SHERRITT INTERNATIONAL CORPORATION**

### **MANDATE OF THE RESERVES, OPERATIONS AND CAPITAL COMMITTEE**

#### **1. Mandate**

The mandate of the Reserves, Operations and Capital Committee (the “Committee”) of the Board of Directors (the “Board”) of Sherritt International Corporation (the “Corporation”) is to assist the Board in fulfilling its oversight responsibilities with respect to: (a) the estimation of reserves and resources by management and the review of the mineral reserves and resources information prior to its publication; (b) production and related activities of the Corporation; and (c) the Corporation’s capital expenditures and (d) environment, health and safety, security and other sustainability policies, programs and targets..

The Committee shall also assist the Board in carrying out its governance and oversight responsibilities in relation to the Corporation’s identification and management of Environment, Social and Governance (ESG) matters including:

- Health & Safety, including worker safety, product safety, asset integrity and crisis management;
- Environment & Sustainability, including climate related issues, air quality, and ecological impacts; and
- Social Capital and contribution, including community engagement, social investment, social impact and human rights.

#### **2. Duties and Responsibilities – Reserves, Operations & Capital**

To carry out its oversight responsibilities, the Committee will:

##### **(a) Reserves and Resources**

in carrying out its responsibility to assist the Board in overseeing the reserves and resources activities of the Corporation, the Committee will:

- (i) receive and review, on an annual basis, a report prepared by the Corporation’s legal counsel regarding the quality and integrity of the process used to prepare National Instrument 43-101- Standards of Disclosure for Mineral Projects (“NI

43-101”) technical reports (collectively, the “Technical Reports”). Such report shall also address counsel’s assessment regarding regulatory compliance of the Technical Reports and the Corporation’s proposed disclosure in connection with the Technical Reports;

- (ii) review the selection criteria and the appointment of the Corporation’s designated qualified person(s) both independent and internal, as such term is defined by applicable securities laws, (the “qualified person(s)”) for estimating the Corporation’s reserves and resources and for disclosure of scientific and technical information, in accordance with applicable securities laws and regulations;
- (iii) prior to publication of new reserves and resources estimates and prior to the disclosure of the Corporation’s annual reserves and resources information, receive and review the reserves and resources information and the report of the qualified person(s) thereon. Determine whether there have been any restrictions or interference which may have affected the ability of the qualified person(s) to report on the reserves and resources data. Obtain the qualified person’s and management’s confirmation on the reliability of the reserves and resources information and confirmation that the reserves and resources have been estimated and will be published in accordance with applicable laws and regulations;
- (iv) review an annual reconciliation of reserves to mine production;
- (v) review the Corporation’s internal controls and disclosure controls and procedures relating to reserves and resources estimation and the report of the qualified person(s) thereon;
- (vi) receive internal reports from management on all material matters related to reserves and resources estimation, including internal and independent technical reports required pursuant to NI 43-101;
- (viii) review with the qualified person(s) the Corporation’s material and/or major mineral reserves and resources risk exposures and the steps management has taken to monitor and control such exposures;
- (IX) conduct such other reviews and take such other actions as are appropriate to carry out its mandate.

## **b) Operations**

in carrying out its responsibility to assist the Board in overseeing the production and related operating activities of the Corporation, the Committee will:

- (i) review, monitor and oversee the ongoing, production and related operations of the Corporation to enhance alignment with the Corporation's strategic objectives and initiatives and in the Committee's discretion make recommendations to the Board for consideration in relation to the foregoing;
- (ii) in connection with (i) above, receive such reports regarding production and operating activities of the Corporation as the Committee shall from time to time determine; and
- (iii) perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to the Corporation's operations and production;
- (iv) all with the dual purpose of providing oversight by the Board of, and providing support, guidance and assistance to management on behalf of the Board in respect of the continuing development and operations of the Corporation's assets.

## **c) Capital Expenditures**

in carrying out its responsibility to assist the Board in overseeing the capital expenditures of the Corporation, the Committee will:

- (i) review, monitor and oversee management of the Corporation's major capital projects and expenditures on a worldwide basis which have or may have a material impact on the Corporation;
- (ii) in connection with (i) above, receive such reports as the Committee shall from time to time determine, including regarding the status of any particular major project or expenditure in terms of organization, personnel, schedule for completion, actual expenditures against budget and any issues of significance that have arisen with respect to the particular capital project or expenditure and how these issues are being addressed;
- (iii) make such recommendations to the Board as it considers to be appropriate in relation to the Corporation's major capital projects and expenditures; and

- (iv) perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to the Corporation's major capital projects or expenditures.

### **3. Duties and Responsibilities – Environment, Health, Safety and Sustainability**

To carry out its oversight responsibilities, the Committee will:

- (a) review and make recommendations to the Board regarding the scope of environment, health and safety, security and sustainability risks to the Corporation's operations and future growth and the adequacy and effectiveness of the Corporation's management systems and controls to mitigate these risks and attendant liabilities;
- (b) review and make recommendations to the Board on compliance with legal and regulatory requirements and any voluntary commitments the Corporation has made related to environment, health and safety, security and sustainability with a focus on continuous improvement and ensuring consistent practice across the Corporation and its divisions;
- (c) ensure that the Corporation monitors trends and reviews current and emerging legislation and regulation, international norms, stakeholder expectations and industry best practices on the environment, health and safety, security and sustainability, and evaluate their actual or potential impact on the Corporation and its stakeholders;
- (d) regularly review management reports on environment, health and safety, security and sustainability performance, and assess the Corporation's performance against goals, objectives and targets in these areas and make recommendations for improvement, where appropriate;
- (e) review Sherritt's annual sustainability report for external audiences;
- (f) review corporate-level audits and management responses/plans in the areas of environment, health and safety, security and sustainability;
- (g) review the Corporation's corporate-level crisis management plan and other plans relating to emergency and disaster response and assess actions related to significant and/or material incidents and the remedial measures taken;
- (h) ensure alignment with the Audit Committee on the assessment and adequacy of controls to manage environment, health and safety, security and sustainability risks;

- (i) monitor environment, health and safety, security and sustainability risks and actual performance in connection with the Corporation's current or future capital projects;
- (j) ensure adequate and effective tailings management systems are in place and utilized and compliance is monitored, (including through external verification on such periodic basis as the Committee considers to be appropriate), and offer advice and/or recommendations to the Board in connection herewith; and
- (k) perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time.

#### **4. Roles and Responsibilities – ESG Matters**

To carry out its oversight responsibilities, the Committee will:

- (a) consider and recommend policies, practices, approaches and disclosures that conform with the Corporation's strategy with respect to ESG matters;
- (b) identify issues and trends in respect of the ESG matters that could impact the Corporation's ability to create long-term value for stakeholders;
- (c) ensure that the management of ESG issues is integrated throughout the wider Corporation, and ensure that different functions within the Corporation are prepared to take advantage of new opportunities in respect of the ESG Matters;
- (d) review, monitor and report to the Board on the performance, policies and activities of the Corporation and its subsidiaries on ESG matters;
- (e) review, monitor and report to the Board on actions and initiatives undertaken by the Corporation to prevent, mitigate and manage risks related to ESG Matters which may have the potential to adversely impact the Corporation's business, operations, performance, or reputation or are otherwise pertinent to the Corporation and its stakeholders;
- (f) review and monitor any critical incidents respecting the Corporation's assets or operations involving: a fatality or a life-threatening injury to a person, or any incidents involving personnel and public safety, property damage, environmental damage or physical security that have the potential to severely and adversely impact the Corporation's reputation and or business continuity;

- (g) review, monitor and report to the board on the findings of any significant examination or audit by regulatory agencies concerning ESG matters;
- (h) consider climate-related issues when reviewing and guiding strategy and management plans of action, and in considering risk management policies; and
- (i) consider climate-related issues when: reviewing annual budgets and business plans; overseeing major capital expenditures, acquisitions, and divestitures; and setting organizational performance objectives.

As a matter of Board policy it is inevitable that ESG matters need to be considered as part of any discussions and the Committee will ensure that these considerations are included when appraising operational decisions, including assessments of reserves.

## **5. Composition and Chair**

The members of the Committee shall, subject to appointments made as a result of resignations or retirements, be appointed annually by the Board on the recommendation of the Nominating and Corporate Governance Committee.

The Committee shall consist of not less than three directors, each of whom shall be “independent” as determined under applicable Canadian securities laws. The requirements for qualification of Committee members shall be determined and interpreted by the Board from time to time based upon recommendations by the Nominating and Corporate Governance Committee.

One or more committee members shall have experience, training and knowledge of sustainability management in the mining business.

The Board shall annually designate a Committee Chair from among the Committee members on the recommendation of the Nominating and Corporate Governance Committee. If, in any year, the Board does not appoint a Chair, the Committee members shall appoint a Chair from their number.

## **6. Meetings**

The Committee shall meet as often as the Committee determines is necessary to fulfill its responsibilities.

Notice of every meeting will be given to each member. The Committee shall receive a written executive summary from the Chief Operating Officer at each meeting highlighting the issues for specific discussion at the meeting.

A majority of the Committee members will constitute a quorum. No business may be transacted by the Committee except at meetings at which a quorum is present.

Any Board member not currently sitting on the Committee shall have a standing invitation to attend and participate in all Committee meetings.

The Committee may invite such members of management or such outside advisors as it may see fit from time to time to attend its meetings and assist in the discussion and consideration of any matter.

A meeting of the Committee may be convened by the Chair or any two members of the Committee.

An in-camera session will be held at each regularly scheduled Committee meeting.

## **7. Reporting**

The Committee will:

- regularly report to the Board on all significant matters that are within its responsibilities; and
- oversee the preparation of any disclosure required under applicable Canadian securities laws with respect to matters that are within its responsibilities.

## **8. Annual General Meeting of Shareholders**

The Committee Chair will make themselves available at each annual meeting of shareholders to answer any questions shareholders may have with respect to the Committee's duties and responsibilities.

## **9. Resources and Authority of the Committee**

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve the fees and other retention terms of special counsel or other experts or consultants, as it deems appropriate, provided that if the fees and expenses of any such special counsel or other experts or consultants retained by the Committee exceed, or are expected to exceed C\$150,000, the approval of the full Board will be obtained.

The Committee may engage outside experts to provide education relevant to the mandate of the Committee.

The Committee must pre-approve any experts or consultants retained by the Corporation if such experts or consultants are currently or have previously been retained by the Committee.

## **10. Tenure**

Each member shall hold office until his or her term as a Committee member expires or is terminated.

## **11. Removal and Vacancies**

Any Committee member may be removed and replaced at any time by the Board and shall cease to be a Committee member upon ceasing to be a director. The Board shall fill vacancies in the Committee by appointment from among the members of the Board. If a vacancy exists on the Committee, the remaining members shall exercise all of the Committee's powers so long as a quorum remains in office.

(Reviewed, July 2024)