

# Rio Tinto

## PEOPLE & REMUNERATION COMMITTEE

### TERMS OF REFERENCE

Adopted by the Board of Rio Tinto plc and Rio Tinto Limited on 9 December 2025

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#### 1. Purpose

The objective of the People & Remuneration Committee (**Committee**) is to assist the Board by providing an objective review and oversight of the Group's people, culture and remuneration policies, frameworks and practices and outcomes to ensure they:

- align with the Group's values, strategy, performance and risk management framework;
- contribute to achieving the Group's objectives, i.e., people and safety first; delivering operational excellence; excelling in development and maintaining strong sustainability and social licence credentials;
- comply with legal and regulatory requirements; and
- remain relevant and appropriate to changing market conditions and best practice.

#### 2. Scope

The Committee shall have oversight of the following areas:

- a) People:
  - Reviewing talent, succession and development plans for the key, value-adding roles within the Group;
  - Strategic workforce planning;
  - Leadership Development; and
  - Oversight of the Board's workforce engagement plan and implementation.
- b) Culture / Behaviour:
  - Strategies to implement the Groups Values and monitor progress against the Everyday Respect report recommendations;
  - Strategies, initiatives and performance measures around organisational culture and desired behaviours, including engagement metrics and other indicators of organisational culture; and
  - Diversity and inclusion.
- c) Remuneration:
  - Remuneration strategy, policy and framework;
  - Chair remuneration;
  - Executive director remuneration;
  - Remuneration of other members of the executive committee;
  - Leaving entitlements of the executive directors and members of the executive committee;
  - Incentive and equity-based plans;
  - policies regarding pension and superannuation arrangements and other

benefits;

- Annual Remuneration Report and shareholder engagement on remuneration policy and implementation, and other related matters;
- Reviewing workforce remuneration and related policies and the alignment of incentives and rewards with culture, taking these into account when setting the policy for executive director remuneration; and
- Engagement and independence of external remuneration advisers.

### **3. Membership**

- 3.1. The Committee shall comprise at least three independent non-executive directors.
- 3.2. The Chair of the Board may be a member of, but not chair of the Committee, if they were considered independent upon appointment.
- 3.3. The Committee Chair shall be an independent non-executive director appointed by the Board. In the Committee Chair's temporary absence, one of the other non-executive Committee members, either nominated by the Committee Chair or elected by the Committee, will act as Committee Chair.
- 3.4. Only members of the Committee have the right to attend Committee meetings. However, other individuals may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- 3.5. Members of the Committee shall be appointed by the Board, on the recommendation of the Nominations & Governance Committee and in consultation with the Committee Chair.
- 3.7. Non-executive directors should have sufficient skills and experience to manage the remuneration setting process and should have served on a remuneration committee for at least a year before being appointed as Committee Chair.

### **4. Secretary**

The Group Company Secretary, or a nominee, shall be the secretary of the Committee.

### **5. Quorum**

- 5.1. A quorum of the Committee shall comprise any two Committee members.
- 5.2. Members of the Committee may attend in person or participate by other means, including teleconference or video conference.

### **6. Meetings**

The Committee shall meet not less than four times a year and at other such times as any member, or the secretary of the Committee, shall require.

### **7. Notice of Meetings**

- 7.1. Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee Chair.
- 7.2. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee. Supporting papers shall (where appropriate) be sent to Committee members and to other attendees, as appropriate, at the same time,

unless the Committee Chair (acting upon the advice of the Group Company Secretary), determines that it would be inappropriate for any one or more individuals to receive them.

## **8. Reporting procedures**

- 8.1. The Committee Chair shall report to the Board after each meeting on the matters discussed and the minutes of each Committee meeting shall be received by the full Board (as appropriate).
- 8.2. The Committee will report to the Board on its work in discharging its responsibilities during the year and the outcomes of its formal evaluation and provide a summary report on these matters for inclusion in the Group's Remuneration report.
- 8.3. The Committee Chair (or another Committee member nominated by the Committee Chair) will attend the annual general meetings of the companies to respond to any shareholder questions on the Committee's activities or the Remuneration report.

## **9. Delegation**

- 9.1. The Committee has the delegated authority of the Board in respect of the functions and powers in these Terms of Reference. The Committee may sub-delegate any or all of its powers and authority as it thinks fit, including, without limitation the establishment of sub-committees to analyse particular issues or themes and to report back to the Committee.
- 9.2. Where appropriate to ensure the ongoing operating efficiency of the Committee, the Committee may delegate responsibility to the Committee Chair to execute decisions on its behalf. In these instances, the Committee Chair would, where appropriate, solicit the views of fellow Committee members.

## **10. Resources**

- 10.1. The Committee shall have full authority and resources to investigate all matters falling within its Terms of Reference and, accordingly, the Committee may:
  - a) obtain, at the Group's expense, any external independent professional or expert advice, as it considers necessary in connection with its purpose and, if required, secure the attendance of such advisors at its meetings;
  - b) have such direct access to the Group's resources as it may reasonably require, including access to Management; and
  - c) oversee the provision of an induction programme following the appointment of members and determine the ongoing training and development of members, taking into account individual requirements.

## **11. Review and Evaluation**

The Committee will undertake a formal annual review of its effectiveness, including the role and responsibilities of the Committee, its organisation and effectiveness. This shall include a review of these Terms of Reference.

## **Appendix - Committee Responsibilities**

### **People**

- Reviewing and monitoring talent and development programmes for senior management. For the avoidance of doubt, succession planning, including development, for executive directors and other members of the executive committee will continue to fall within the scope of the Nominations & Governance Committee.
- Reviewing and monitoring people strategies and workforce planning to support and promote group strategy, including the Group's four objectives, i.e., putting people and safety first; delivering operational excellence; excelling in development and maintaining strong sustainability and social licence credentials, through attracting, retaining and developing talent.
- Oversight of the Board's workforce engagement plan and its implementation, as well as formulating recommendations to the Board for any actions arising from such engagements.
- Oversight of the leader development and experience as a critical enabler of the Group's four objectives and culture shift required.
- Monitoring developments relating to industrial relations regulations in jurisdictions Rio Tinto operate in and ensuring compliance with the regulatory requirements.

### **Culture**

- Seeking assurance that the Group's strategies and initiatives to promote and embed the desired culture are effective, including by reference to employee engagement surveys and other indicators of organisational culture;
- Monitoring performance against the Everyday Respect report recommendations and their impact on the organisation, including by reference to regular reports from the Group's Business Conduct Office (and metrics such as reporting rates, time to resolve cases, retention of people who have raised a report, consequences for substantiated cases), as well as to engagement surveys, diversity representation and relevant training completion;
- Reviewing reports on, and having oversight of initiatives relating to, organisational culture and making recommendations to the Board on actions the Committee considers desirable to help management instill, or reinforce, the desired organisational culture;
- Reviewing the creation of effective performance indicators and other metrics and milestones to measure progress against the Group's culture objectives, and assessing progress in implementing these and the Group's values.
- Assessing the effectiveness of the Group's inclusion and diversity policies and measurable diversity objectives and metrics, and recommending these to the Board for approval.

### **Remuneration:**

#### **a) Remuneration Policy:**

- Determining the policy for executive director remuneration and setting remuneration for the executive directors and the executive committee. The framework and policies should support the Group's strategy and promote the long-term, sustainable success of the Group, while aligning executive remuneration to the company's purpose and

values, and the successful delivery of the company's long-term strategy.

- When determining policy and practices in relation to the executive directors and the executive committee, to address the objectives:
  - that remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce;
  - that remuneration arrangements should avoid complexity and their rationale and operation should be easy to understand;
  - that remuneration arrangements should ensure that the following risks are identified and mitigated: reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans;
  - that the range of possible values of rewards to individual directors and any other limits or discretions should be identified and explained at the time of approving the policy;
  - that there should be a clear link between individual awards, the delivery of strategy and the long-term performance of the Company and outcomes should not reward poor performance; and
  - that incentive schemes should drive behaviours consistent with the Company's purpose, values and strategy.
  - Ensuring that employment conditions in the Group generally and Management's approach to developing future leaders are taken into consideration in determining future policy and that such policy is regularly reviewed as being fit for purpose.

#### **b) Chair Remuneration**

- Setting remuneration for the Chair of the Board. For the avoidance of doubt, setting remuneration for non-executive directors, within any limits approved by shareholders, is a matter for the Chair of the Board and the executive directors, and will be reviewed by them periodically, having regard to the remuneration framework.

#### **c) Terms of appointment**

- Reviewing and approving the terms of service upon appointment and any subsequent changes, including the total individual remuneration package, for:
  - the Chair;
  - each member of the executive committee; and
  - any other employee if, in the opinion of the Chief Executive, it is appropriate.

No individual should be involved in deciding their own remuneration outcome.

#### **d) Leaving entitlements**

- Determining contractual notice periods and termination commitments and approving any retention, termination and non-compete arrangements for the executive directors and the executive committee members and any other employee if, in the opinion of the Chief Executive, it is appropriate (the Committee having delegated authority for the provision of 'good leaver' status for other employees to the Chief Executive with power to sub-delegate).
- Ensuring that contractual terms on termination, and any consequent payments made to the executive directors and the members of the executive committee are fair to the

individual and the Group and consistent with the remuneration policy.

**e) Pension and superannuation arrangements**

- Reviewing and approving the policy for, and scope of, the pension and superannuation arrangements for the executive directors and the members of the executive committee, including considering pension contribution rates when compared with workforce arrangements and that only basic salary should be pensionable.

**f) Incentive and equity-based plans**

- Approving the use of short and long term incentive plans for the executive directors and the members of the executive committee.
- Overseeing the operation of the Group's short and long term incentive plans as they relate to the executive directors and the members of the executive committee, including the review and approval of awards, setting of performance criteria, where applicable, and approval of any vesting, recovery, withholding of awards and holding periods, as appropriate, including the development of formal policies for post-employment shareholding requirements encompassing both vested and unvested shares.
- Reviewing and approving the rules, and where appropriate awards (and exercise of malus and claw-back or suspension) under the Group's long term incentive plans.

**g) General**

- In determining the remuneration matters, exercise independent judgment and discretion, taking account the remuneration policy, company and individual performance and wider circumstances utilizing the Consequence Management Framework employed as necessary.
- Give due consideration to laws, regulations and any published guidelines or recommendations regarding the remuneration of directors (and senior executives) of listed companies and formation and operation of share schemes including but not limited to the provision of the local law, regulations and, where appropriate, guidelines, within the relevant jurisdictions, as well as guidelines published by the significant investor bodies and shareholder groups as appropriate.

**h) Annual Remuneration Report**

- Ensuring that provisions regarding disclosure of information are fulfilled and produce a Remuneration Report for Rio Tinto plc and Rio Tinto Limited in line with local law, regulations and, where appropriate, guidelines, in the relevant jurisdictions and ensure that it is included in the annual report and, where relevant, put to shareholders for approval at the annual general meetings.

**i) Workforce Pay**

- Reviewing workforce remuneration and related policies and the alignment of incentives and awards with culture, taking these into account when setting the policy for executive director remuneration.
- Reviewing reports from Management on major changes in benefits for the all-employee population.
- Annually reviewing reports from Management regarding compliance with standards on employment policies, including remuneration by gender.

**j) External remuneration advisers**

- Establishing the criteria for the selection and appointment of, the remit for, and compensation of any remuneration advisers to the Committee, and ensure that such engagement and any provision of advice is directly with the Committee and independent of Management in accordance with any laws and governance requirements as applicable from time to time.

### Approvals History

<b>Date</b>	<b>Version</b>	<b>Approved By</b>	<b>Details</b>
10/02/2015	1.0	The Board of Directors	
01/08/2017	2.0	The Board of Directors	Inclusion of substantive changes agreed by the Remuneration Committee on 6 February 2017 and format change for consistency across all Committee Terms of Reference
26/02/2019	3.0	The Board of Directors	Revisions to incorporate new 2018 UK Code
15/12/2021	4.0	The Board of Directors	Revisions to clarify the scope of the Committee
25/10/2022	5.0	The Board of Directors	Revisions to incorporate the expanded scope of the Committee to include People and Culture
09/12/2025	6.0	The Board of Directors	Revisions to align with Group's objectives.