



Stanmore Sustainability Policy

Stanmore recognises the broad ranging implications of its operations in terms of actual and potential environmental, social and economic impacts. As a result, to improve and enhance environmental, social and economic outcomes for all of its stakeholders, Stanmore is committed to embedding sustainability across the entire organisation and operations.

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1. TERMS AND DEFINITIONS

In this Policy:

ESG	means Environment, Social and Governance
Executive Leadership	means CEO and Direct Reports
GRI	means Global Reporting Initiative
IFRS	means International Financial Reporting Standards
TCFD	means Task Force on Climate-Related Financial Disclosures
SASB	Means Sustainability Accounting Standards Board
Stanmore	means Stanmore Resources Limited

2. PURPOSE

Stanmore recognises the broad ranging implications of its operations in terms of actual and potential environmental, social and economic impacts. As a result, to improve and enhance environmental, social and economic outcomes for all of its stakeholders, Stanmore is committed to embedding sustainability across the entire organisation and operations.

The purpose of this Policy is to:

- Outline the sustainability principles that underpin current and future decisions with respect to our organisation and our sustainability reporting efforts;
- Define the Framework for the integration of ESG factors into Stanmore's operational processes and practices, and investment decisions;
- Empower leaders with a clear set of sustainability principles to promote across Stanmore, and
- Build a workforce which has an awareness and understanding of sustainability and ESG.

3. SCOPE

This Policy applies to all Stanmore's employees, visitors and any workers (unless otherwise specified) engaged under the direct management of Stanmore (for example, contractors, consultants, agency resources, casual workers and volunteers).

Sustainability and associated ESG factors impact all areas of Stanmore's business, and Stanmore's operations have actual and potential impacts on the environment, society and economy. Additionally, Stanmore recognises that climate and sustainability-related risks may affect the achievement of strategic objectives. As a result, this Policy applies to all of Stanmore's activities and operations.

4. PRINCIPLES

To achieve Stanmore's overall strategic objectives and to improve our sustainability performance, the below set of principles have been established to underpin and guide our decision-making processes and business activities:

- Understanding the sustainability-related risks and opportunities that impact upon the achievement of our strategic objectives and incorporating strategies to take advantage of opportunities, and mitigate and address risks, into our strategic planning processes;
- Reducing the greenhouse gas emissions intensity of our operations to contribute to the global transition to a lower carbon economy and mitigate overall impacts of climate change;
- Conserving and enhancing the natural resources and biodiversity of the areas in which we operate (e.g. responsible water and waste management);

- Leveraging our assets and capabilities through our subsidiary, Stanmore Green, to participate in the future commercialisation of sustainability projects to create value for Stanmore and our stakeholders, and to assist Stanmore's emissions reduction efforts;
- Providing a safe, inclusive, and supportive workplace for our people through strengthening our health and safety, including mental health and wellness, systems and processes;
- Engaging and collaborating with local communities and Traditional Custodians to understand their needs, provide support and create value to leave a positive impact and legacy;
- Respecting and supporting the rights, heritage and livelihood of Traditional Custodians in the areas in which we operate by progressing existing plans and agreements and making more opportunities to create value;
- Maintaining strong governance frameworks and systems to ensure ethical business conduct and regulatory compliance as a minimum;
- Communicating and promoting the importance of sustainability and sustainable practices to our workforce and wider stakeholder groups;
- Reporting in a transparent and honest manner with respect to our ESG and sustainability commitments, activities and performance; and
- Establishing systems and processes for the continual improvement of sustainability practices and performance.

5. MATERIALITY ASSESSMENTS

Understanding and determining our material sustainability topics through the conduct of materiality assessments ensures that we are disclosing the environmental, social and economic issues that matter the most to our stakeholders.

Having an understanding of the significance of the actual and potential impacts of our operations on our economy, environment and people also guides our strategic planning processes and informs focus areas for the investment and development of targeted initiatives and projects design to improve performance.

Reviewing Stanmore's material topics on a regular basis, particularly when there are any major organisational changes or when there are changes in the external environment in which Stanmore operates.

In assessing and reviewing our material topics, we have regard to:

- the disclosure topics set out in voluntary reporting frameworks including GRI and SASB for the coal sector;
- consultation with internal and external stakeholders;
- benchmarking against industry and like organisations;
- the of conduct employee surveys;
- consulting with the Board and Sustainability Committee for input and approval.

6. REPORTING

Stanmore recognises the importance of transparent and timely Sustainability Reporting to meet the expectations of our investors and stakeholders. To facilitate this reporting, we shall continuously monitor and measure our sustainability performance and track progress against goals and specific actions, programs and initiatives.

We report on our progress and performance both internally and externally throughout the year.

6.1 Internal Reporting

Internally, progress against defined actions and information on sustainability performance is formally reported to the Sustainability Committee. Other updates and developments in relation to ESG and sustainability, such as legislative reforms, policy and regulatory updates and advancements in Australian and global frameworks, are also discussed at the Committee.

6.2 External Reporting

Stanmore is committed to transparency in the disclosure of our sustainability journey and performance. Stanmore reports annually on the outcomes of our sustainability activities and associated ESG metrics through the publishing of a formal Sustainability Report.

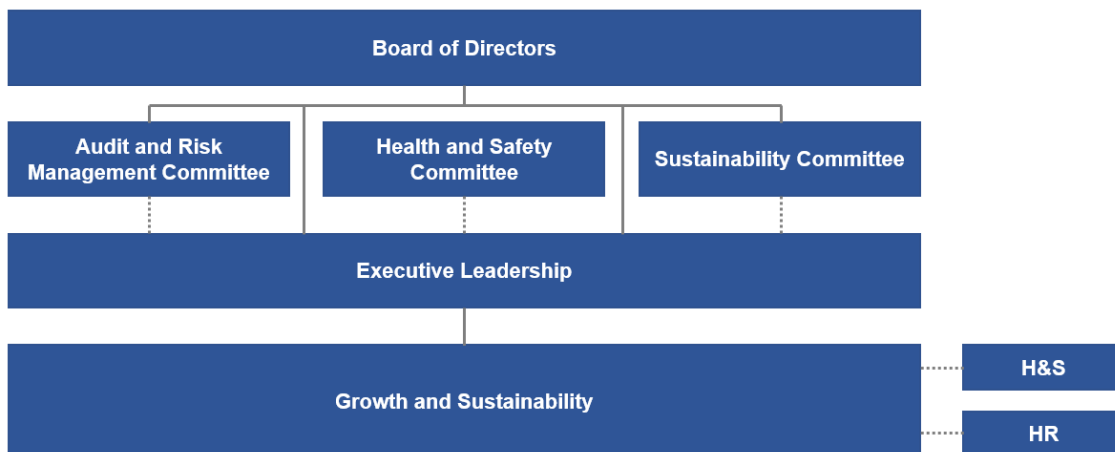
In preparing our annual Sustainability Report we take guidance from, and report with reference to the GRI Standards (both the Universal Standards and the Coal Sector Standard). We also utilise the recommendations of the TCFD Framework with respect to reporting on climate-related risks and opportunities.

Stanmore is also preparing for mandatory reporting based on the International Sustainability Standards Board (ISSB)'s climate standard, IFRS S2 in our Annual Report. This reporting incorporates and builds upon the framework of TCFD.

7. GOVERNANCE STRUCTURE

Stanmore recognises the successful integration and effective management of sustainability at its organisation requires having committed leadership, clear direction, and strategic influence, which requires a robust sustainability governance structure.

Our governance structure allows Stanmore to implement its sustainability strategy across its business, manage sustainability systems and processes, strengthen relations with internal and external stakeholders, and ensures overall accountability. The following diagram demonstrates how sustainability is embedded throughout Stanmore's corporate structure and operational teams:



8. ROLES, RESPONSIBILITIES AND ACCOUNTABILITIES

Ultimate responsibility for the oversight of sustainability matters lies with the Board of Directors. Specific responsibilities are delegated by the Board to sub-committees (including the Sustainability Committee, Audit and Risk Management Committee and the Health and Safety Committee), as required. Day-to-day management of sustainability is the responsibility of the Chief Development Officer and the Development Team who drive the specific initiatives, programs and activities.

Position	Responsibility
Board of Directors	<ul style="list-style-type: none"> Be involved in discussions around sustainability matters and ensure that the Sustainability Policy and procedures are adhered to, reviewed annually and updated as required.

	<ul style="list-style-type: none"> • Approve and monitor ESG metrics and sustainability reporting. • Provide leadership and set strategic objectives for the company in relation to sustainability matters.
Sustainability Committee	<ul style="list-style-type: none"> • Provide the necessary focus and guidance on sustainability matters and, with the use of benchmarking, assist management in improving the sustainability and ESG performance of Stanmore. • Oversee and advise the Board with respect to the development and implementation of sustainability strategies, initiatives, objectives, targets and goals as well as advising on sustainability matters, risks, issues and performance. • Monitor and advise the Board on sustainability issues and trends, including those relating to sustainability reporting, climate and other ESG matters. • Review, identify and monitor sustainability risk management and compliance systems, processes and frameworks in relation to sustainability and ESG matters.
Audit and Risk Management Committee	<ul style="list-style-type: none"> • Identifying and monitoring Stanmore’s material exposure to environmental, social and other sustainability risks and making recommendations to the Board regarding appropriate mechanisms to manage those risks. • Overseeing and ensuring the development and implementation of an appropriate risk management policy framework that will provide guidance on risk management practices to be used across Stanmore (including for climate and sustainability-related risks). • Identify and determine if Stanmore’s internal control systems are sufficient to ensure reliability, accuracy and completeness of ESG and sustainability-related data.
Health and Safety Committee	<ul style="list-style-type: none"> • Review health and safety policy and strategy statements to ensure compliance with sustainability-related disclosures. • Implement and monitor progress of key environmental and health and safety strategies, initiatives and activities against the overarching sustainability strategy, targets and goals.
Executive Leadership	<ul style="list-style-type: none"> • Implement the policies and strategies set by the Board regarding ESG and sustainability matters. • Manage Stanmore in accordance with the strategy, plans and policies approved by the Board to achieve objectives agreed by the Board in relation to all sustainability matters.
Chief Development Officer	<ul style="list-style-type: none"> • Implement the policies and strategies set by the Board regarding sustainability matters. • Manage Stanmore in accordance with the strategy, plans and policies approved by the Board to achieve objectives agreed by the Board in relation to sustainability matters. • Support with research and tools to drive enhanced integration of sustainability matters into strategical and operational processes.
Growth Team	<ul style="list-style-type: none"> • The Growth Team are responsible for the day-to-day management of sustainability and ESG-related matters. The team is responsible for various key areas in relation to Sustainability: • <u>Sustainability and Environment</u>: Develop, drive and deliver Stanmore’s sustainability initiatives, programs, targets and goals and ensure compliance against sustainability reporting obligations. • <u>Environmental Approvals</u>: Develop and embed approval requirements, regulations and standards into relevant sustainability and environmental monitoring and compliance activities.

	<ul style="list-style-type: none"> • <u>Growth and Business Development</u>: Ensure the development, growth and alignment of Stanmore’s Growth Strategy with Stanmore’s long-term sustainability commitments and objectives. • <u>Projects and Water</u>: Develop and implement sustainability considerations into project planning and design phases.
Stanmore Leadership (SLT and Manager level)	<ul style="list-style-type: none"> • Maintain and actively promote awareness of sustainability and ESG-related matters and issues and undertake relevant training as required. • Ensure sustainability is a consideration in business decision making.
Stanmore Green	<ul style="list-style-type: none"> • Identify, develop and invest in projects, opportunities and initiatives which have a sustainability focus in order to add value to Stanmore’s operations and provide positive environmental and social value.
Stanmore Employees, Contractors Consultants & Visitors	<ul style="list-style-type: none"> • Maintain awareness of sustainability and ESG-related matters and issues and undertake relevant training as required. • Compliance with this policy.

9. COMPLIANCE AND REVIEW

The Sustainability Committee has been established to assist the Board in fulfilling its responsibilities by monitoring, assessing and reviewing Stanmore’s compliance and progress with regards to sustainability and ESG-related matters.

The Policy is to be reviewed annually and is subject to change, as necessary. Changes to the frequency of review may occur if deemed appropriate.

Any material changes to this Policy are to be provided to the Board for approval.

DOCUMENT NOTES

Document Accountability

TERM	DEFINITION	POSITION/NAME
Document Approver	Accountable for approval and has authority to implement or significantly change the system.	Stanmore Board
Document Owner	Accountable for monitoring the application of the system and advising the owner of the monitoring outcomes	CEO

Document Version Control

REVISION	DATE	AUTHOR	CHANGE DESCRIPTION	APPROVED BY
1	23-Feb-24	Manager Sustainability and Environment	Original version	Board

Related Documents

TYPE	DOCUMENT TITLE
Tier 1: Policy	Risk Management Policy
Tier 2: Procedure/Plan	Materiality Assessment Procedure Enterprise Risk Management Procedure Climate Risk Procedure
Tier 3: Instruction/Form/ Template/Checklist	Nil
Other	Reflect Reconciliation Action Plan (2023-2024)