

# OUR APPROACH TO PARTNERING WITH COMMUNITIES



We are a global business with a local focus, and partnering with the communities where we operate is critical to our success.

At South32, our purpose is to make a difference by developing natural resources, improving people's lives now and for generations to come. We are trusted by our owners and partners to realise the potential of their resources. We believe that building meaningful community relationships based on trust is essential to the way we operate.

## Our commitments

We recognise that communities may be directly or indirectly impacted by the activities of our business. We are committed to building and maintaining trusting, meaningful relationships with these communities, and we are committed to transparent two-way communication that is proactive, responsive and ongoing to:

- Understand the aspirations, interests, expectations and concerns of these communities;
- Understand and appropriately manage potential and actual impacts of our activities on these communities; and
- Identify and realise opportunities to contribute social and economic value.

## Meeting our commitments

The principles that support us to meet our commitments include:

- **Contributing value to society:** We aim to contribute meaningfully to the social and economic development of countries and communities where we operate through the taxes and royalties we pay, employment opportunities we create, suppliers we work with, and social investments we make;
- **Proactive engagement:** We engage proactively and transparently with local stakeholders and undertake local community research to identify, understand and appropriately manage potential and actual impacts from our activities, and seek feedback on our approach;
- **Social investment:** We invest in communities where we operate with the aim of creating shared value and supporting stakeholder and community interests;
- **Promoting local hiring and procurement:** We work to build local workforces that represent the communities where we operate, and to source goods and services from local businesses that meet our requirements, including with respect to health, safety, environmental and social performance;

- **Working with Indigenous, Traditional and Tribal Peoples:** We engage with Indigenous, Traditional and Tribal Peoples with the aim of working collaboratively to understand local cultural heritage and preservation opportunities, and to advance potential opportunities for economic participation and social inclusion;
- **Addressing concerns:** We develop complaints and grievance mechanisms which are activity-specific, locally appropriate and culturally sensitive, and that also support responsive and ongoing two-way communication; and
- **Measuring performance and evaluating effectiveness:** We measure the social impact of our activities and social investments to understand the value created in local communities, and to inform future community engagement, identify economic development opportunities and guide investment decisions.

## Our management approach

Our Approach to Partnering with Communities is centred around understanding community aspirations, interests, expectations, and concerns, and identifying opportunities to work towards the creation of shared value.

We work to identify and understand social impacts, risks and opportunities, including identification of vulnerable, marginalised and at-risk groups through stakeholder engagement and research.

Our work includes:

- Social baseline and impact and opportunity assessments, which are reviewed periodically, to evaluate changes in key characteristics of communities where we operate;
- Engagement forums, such as face-to-face meetings, community consultation committees and workshops, where we discuss community aspirations, interests, expectations and concerns; and
- Community surveys which provide valuable feedback on our relationship with communities and insights into levels of community support and trust, and enhance our understanding of community aspirations, interests, expectations and concerns.

Our community complaints and grievance mechanisms are aligned to the United Nations Guiding Principles on Business and Human Rights Effectiveness Criteria.

We seek to collaborate with communities and other relevant stakeholders at our operations to develop and implement:

- Social investment plans that respond to stakeholder and community aspirations, interests, expectations and concerns, including those of vulnerable, marginalised and at risk groups, and are focused on building community resilience and creating shared value; and

- Economic development plans that aim to promote or support local employment, procurement and business development opportunities, and, where appropriate, regional economic development.

We aim to provide employment opportunities to local communities and create a workforce that represents the diverse communities where we operate.

At our operations we understand that local procurement is a key interest for local communities. Where appropriate:

- We incorporate reviews of local markets into supplier contracting processes to assess for local market presence and capability;
- We engage with prospective local suppliers on our procurement processes and how to work with South32; and
- We monitor performance against internal local procurement targets, which are set annually for our operations.

In Australia, we engage with Aboriginal and Torres Strait Islander businesses across our supply chain and in South Africa, we focus our Enterprise and Supplier Development activities on strengthening local procurement from small, medium, and micro enterprises and supporting supplier development.

We work with local communities at a number of our operations to provide training that aims to upskill historically disadvantaged workforces and provide opportunities for community members to develop skills relevant to industries other than mining.

We measure and evaluate the impact of our social investment and economic development activities using our impact measurement framework. The framework supports the understanding of outcomes over the short-, medium- and long-term, informing shared value creation and providing input into future social investment.

We use a range of metrics to help us track our social impacts and performance. We measure our social performance against performance targets in our annual Business Scorecard, which is a key determinant of the short-term incentive payments we make to eligible employees.

We report on our contribution to social and economic development through our Annual Reporting Suite<sup>1</sup>, in accordance with the International Council on Mining and Metals (ICMM) Social and Economic Reporting Framework and applicable standards published by the Global Reporting Initiative. We regularly review our reporting and disclosure approach to take account of new and evolving standards, initiatives and stakeholder expectations.

## What guides us

Our Approach to Partnering with Communities is driven by our purpose, values and strategy, and guided by relevant international standards such as the ICMM Mining Principles and Performance Expectations.

Our approach is supported by our Board-approved Sustainability Policy and managed through our internal social performance standard. These are supplemented by operational procedures that account for local and regional social performance and regulatory requirements.

## Governance

Our Board has ultimate responsibility for our company's governance and strategic direction. The Sustainability Committee assists the Board in its oversight of our sustainability management, performance, assurance and reporting practices. This includes endorsing our publicly disclosed social performance commitments to the Board for approval and monitoring the adequacy and effectiveness of our management approach.

Management accountability is assigned to our Chief Legal, External Affairs and Sustainability Officer, with responsibility for implementation within the mandate of External Affairs. We periodically undertake internal and independent third-party assurance to assess compliance with our internal social performance standard, as well as the ICMM Mining Principles and associated Performance Expectations, with a view to continually improving our social performance.

## Application

This approach applies to all Directors, management, employees, contractors and third parties who act on behalf of South32. We endeavour to influence our non-operated joint ventures to support the adoption of standards of conduct consistent with ours, as relevant within the limits of the joint venture arrangements.

Our approach will be reviewed as necessary, so it remains relevant and appropriate to South32's partnering with communities. Updates to our approach were approved by our Chief Legal, External Affairs and Sustainability Officer in August 2025.

## To learn more

Further information on how we partner with communities, including performance and progress, can be found on our Sustainability page and in our Annual Reporting Suite at [www.south32.net](http://www.south32.net).

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