



**GENEL ENERGY PLC (the *Company*)**

**HEALTH, SAFETY, SECURITY AND ENVIRONMENT COMMITTEE  
TERMS OF REFERENCE  
adopted by the Board on 4 December 2019**

**1. BACKGROUND**

- 1.1 The board of directors of the Company (the *Board*) has established a health, safety, security and environment (*HSSE*) committee (the *Committee*). These terms of reference replace any previous terms of reference for any health, safety, security and environment committee and any community-related committees of the Board.

**2. DUTIES OF THE COMMITTEE**

- 2.1 The Committee should carry out the duties below for the Company, major subsidiary undertakings and the group as a whole, as appropriate:

- (a) to assist the Board in overseeing:
- (i) HSSE strategy, plans and related risk assessment in the context of the overall business strategy of the Company;
  - (ii) scope and focus of policies and action plans prepared to support delivery of the HSSE strategy including mitigation of related risks;
  - (iii) group policies and position statements relevant to its scope including human rights statement and the corporate social responsibility (CSR) policy;
  - (iv) implementation processes, plans, internal performance and controls in relation to HSSE strategy, plans and risks (including emergency preparedness and spill response plans which shall be reviewed periodically);
  - (v) scope and outcomes of social investment programmes and social development partnerships;
  - (vi) evaluation of major and recurring failures within the Company in terms of HSSE governance and performance including, but not limited to, those leading to significant legal action or formal complaints;
  - (vii) integration of HSSE into major business processes including major capital programmes, exploration programmes, mergers and acquisitions and expansion into new markets;
  - (viii) external disclosures relating to HSSE; and
  - (ix) the quality of HSSE management and the appropriateness of methods to create appropriate HSSE behaviours and decisions, including for example performance appraisal indicators;



- (b) to consider the position of the Company with respect to international best practice for HSSE and emerging legal requirements on HSSE including relevant corporate governance developments; and
- (c) to advise the Board, committees of the Board and executive management on such matters. The Committee will communicate directly with other committees, in particular the remuneration committee and audit committee, as required.

### **3. COMPOSITION**

- 3.1 The Committee shall have a minimum of two members, who shall be appointed by the Board. All members of the Committee shall be independent non-executive directors. If any member of the Committee is determined by the Board no longer to be independent, that director shall cease to be a member of the Committee.
- 3.2 The Board shall appoint one member of the Committee to act as the chairman of the Committee (the *Committee Chairman*). In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting. No Committee Chairman, deputy or person elected under this paragraph 3.2 shall have a casting vote.
- 3.3 Only members of the Committee have the right to attend Committee meetings. However, other individuals will be encouraged to attend all or part of any meeting as and when appropriate and necessary, including the Chief Executive Officer (who shall be invited to attend all meetings of the Committee), other members of the Board, and in particular members of the audit committee of the Company, from time to time.
- 3.4 Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods, provided the relevant director remains independent.

### **4. QUORUM**

- 4.1 The quorum necessary for the transaction of business shall be two members of the Committee.
- 4.2 A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

### **5. MEETING ADMINISTRATION**

- 5.1 The Committee shall meet as often as may be deemed necessary and as may be agreed by the members, and at such other times the Committee Chairman shall require for the Committee to effectively satisfy its duties on an ongoing basis.
- 5.2 Meetings of the Committee shall be called by the secretary of the Committee (the *Committee Secretary*) at the request of the Committee Chairman.
- 5.3 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, any



other person required to attend and all other non-executive directors, no later than five working days before the date of the meeting unless otherwise agreed. Supporting papers shall be sent to committee members and to other attendees, as appropriate, at the same time.

## **6. COMMITTEE SECRETARY**

- 6.1 The Company Secretary or such person as the Company Secretary nominates shall act as the Committee Secretary.
- 6.2 The Committee Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- 6.3 The Committee Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- 6.4 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed, minutes of meetings of the Committee shall promptly be made available to all members of the Board promptly unless a conflict of interest has been identified.

## **7. COMMITTEE EFFECTIVENESS**

- 7.1 The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval. This can be satisfied by participation in any wider Board evaluation process.

## **8. REPORTING RESPONSIBILITIES**

- 8.1 The Committee Chairman shall report to the Board on its proceedings after each meeting of the Committee to elaborate on any issues arising, or with regard to any other matters within its duties and responsibilities.
- 8.2 The Committee shall make such recommendations to the Board as it deems appropriate on any area within its remit where action or improvement is necessary or desirable.
- 8.3 The Committee shall make a statement in the Company's Annual Report about its activities on all matters that the Committee Chair deems appropriate.
- 8.4 The Committee Chairman shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.



## **9. OTHER MATTERS**

The Committee shall:

- (a) have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required;
- (b) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- (c) give due consideration to laws and regulations, including the general duties of directors set out in applicable legislation, the requirements of the UK Corporate Governance Code, and the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules, as appropriate;
- (d) oversee any investigation of activities which are within its terms of reference; and
- (e) have regard to the prevailing market conditions in carrying out its role.

## **10. AUTHORITY**

The Committee is authorised by the Board to:

- (a) undertake any activity within its terms of reference;
- (b) seek any information which it requires from any group employee or external provider of services to the group in order to perform its duties;
- (c) call any employee and/or other representative of a service provider to be questioned at a meeting as and when required;
- (d) obtain at the Company's expense, outside legal or other professional advice in pursuance of its duties (and persons providing such professional advice shall be permitted to attend meetings of the Committee, but shall not be members of it); and
- (e) delegate any of its powers to one or more of its members.