

Serica Energy plc

Health, Safety and Environment ('HSE') Committee

Terms of Reference

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## **1. Constitution**

- 1.1 The HSE Committee (the 'Committee') is constituted as a committee of the Board of Serica Energy plc (the 'Board')
- 1.2 The Committee's terms of reference may be amended at any time by the Board.
- 1.3 The Committee may from time to time investigate, discuss or review matters outside its terms of reference if required to do so by the Board.

## **2. Membership**

- 2.1 Members of the Committee shall be appointed by the Board on the recommendation of the Committee if appropriate.
- 2.2 The Committee must comprise of a minimum of three members from the Directors of the Company, the majority of whom shall be independent, non-executive directors who meet the independence requirements of the regulatory bodies to which the Company may be subject to.
- 2.3 Appointments to the Committee shall be for a period of up to one year, which may be extended, provided the director still meets the criteria for membership of the Committee.
- 2.4 The Board may at any time remove or replace any member of the Committee and may fill any vacancy within the Committee.

## **3. Chairman**

- 3.1 The Board shall appoint the Chairman of the Committee.
- 3.2 If the Chairman is not present at a Committee meeting, the members of the Committee may designate a chair by majority vote of the Committee.

## **4. Secretary**

- 4.1 The Company Secretary or Assistant Company Secretary shall be the secretary of the Committee. The secretary of the Committee shall attend meetings of the Committee to take minutes.

## **5. Notices of Meetings**

- 5.1 Meetings of the Committee shall be summoned by the secretary of the Committee at the request of any of its members.
- 5.2 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, and to any other person required to attend within a reasonable time prior to the date of the meeting. Any member of the Committee shall be entitled, by notice to the secretary of the Committee, to include other matters relevant to the functions of the Committee in the agenda of a Committee meeting.

## **6. Quorum**

- 6.1 The quorum necessary for the transaction of business of the Committee shall be two members.

## **7. Frequency of Meetings**

- 7.1 The Committee shall meet at four times annually and when deemed necessary at such times and locations as may be requested by the Chairman. Any member of the Committee may request a meeting if he/she considers that one is necessary.

## **8. Attendance at Meetings**

- 8.1 Members of the Committee may attend meetings of the Committee either in person or through other electronic means of communication.
- 8.2 Apart from the members of the Committee, other members of the Board, management, employees and external advisers may be invited to attend for all or part of any meeting as and when appropriate.

## **9. Minutes of Meetings**

- 9.1 The secretary of the Committee in attendance at the meetings of the Committee shall minute in sufficient detail the proceedings and resolutions of all such meetings, including the names of those present and in attendance.
- 9.2 Draft minutes of Committee meetings shall be agreed with the Committee Chairman and then circulated promptly to all members of the Committee.

## **10. Purpose**

- 10.1 The Committee shall ensure that management of the Company has designed and implemented effective HSE and ESG risk programs, controls and reporting systems and to report to the Board. For the avoidance of doubt, the extent

that the Committee shall consider ESG risks shall be limited to the Environmental and Social elements.

## **11. Duties**

11.1 The overall duties and responsibilities of the Committee shall be as follows:

The Committee is responsible for ensuring that:

- The Company achieves its objectives of safeguarding the health of its employees, contractors and the public.
- The Company conducts its operations without incident while maintaining safety as its goal.
- The Company conducts its business in a clean, transparent and sustainable manner.
- The Company maintains an appropriate level of engagement in industry HSE and ESG initiatives.
- Leadership is proactively engaged in HSE and ESG management.
- The HSE and ESG organisation is properly resourced and has clear accountabilities.
- HSE and ESG performance is to be measured, benchmarked and linked to the Company bonus scheme.

11.2 The Committee shall:

- Review and report to the Board on the effectiveness of the Company's HSE and ESG programs.
- Ensure that the standards and procedures adopted for its operations will meet the requirements of the laws and guidelines of local jurisdictions.
- Ensure that in designing its operations, health and safety hazards and environmental and social impacts have been fully assessed and appropriately mitigated.
- Ensure that all personnel, including contractors employed by the Company, are fully aware of their HSE and ESG responsibilities and have been properly trained. The commitment to, and ability to adhere to, the above objectives will be a key factor in selecting and awarding contracts to third parties.
- Undertake regular monitoring, audit and reporting of its operational and corporate activity to identify the necessary compliance with its HSE and ESG objectives and adopting targets to achieve continuous improvement in HSE and ESG performance.

- Review and report to the Board the Company's efforts to develop and maintain beneficial relationships with governments, especially regarding legislative and regulatory matters.
- Perform any other activities consistent with these Terms of Reference and governing law, as the Committee deems necessary or appropriate.
- Report to the Board on significant results of foregoing activities.

## **12. Committee Authority**

The Committee shall be authorised to obtain advice and assistance from internal and external legal, accounting or other advisors as the Committee requires for the performance of its duties; advising the Board of its selection of outside experts and reporting to the Board the findings of those experts.

## **13. Reporting to the Board**

The Committee shall report to the Board any other environmental, occupational health, safety and social matters which the Committee considers suitable, or the Board may specifically direct.