

# Health, Safety, Environmental and Social Committee Terms of Reference

7 December 2023

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## **1. Membership**

- 1.1 The committee shall comprise at least two directors.
- 1.2 Appointments to the committee are made by the board on the recommendation of the Nomination, Governance and Remuneration Committee in consultation with the chair of the committee and shall be for a period of up to three years, which may be extended for up to two additional three-year periods, provided the member still meets the criteria for membership of the committee.
- 1.3 Only members of the committee have the right to attend committee meetings. However, other individuals such as the Chair, CEO, Head of HSES, CRO and CSIO and external advisers or other individuals may be invited to attend for all or part of any meeting, as and when appropriate.
- 1.4 The board shall appoint the committee chair. In the absence of the committee chair, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the board.

## **2. Secretary**

- 2.1. The company secretary, or their nominee, shall act as the secretary of the committee and will ensure that the committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

## **3. Quorum**

- 3.1. The quorum necessary for the transaction of business shall be three.

## **4. Frequency of meetings**

- 4.1. The committee shall meet at least three times a year and otherwise as required.

## **5. Notice of meetings**

- 5.1. Meetings of the committee shall be called by the secretary of the committee at the request of the committee chair or 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 any other person required to attend no later than five working days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees, as appropriate, at the same time.

## **6. Minutes of meetings**

- 6.1. The secretary shall minute the proceedings and decisions of all committee meetings, including recording the names of those present and in attendance.
- 6.2. Draft minutes of committee meetings shall be circulated to all members of the committee. Once approved, minutes should be made available to all other members of the board and the company secretary unless, exceptionally, it would be inappropriate to do so.

## **7. Conflicts of Interest**

- 7.1. It is each member's responsibility to disclose any interests that could constitute an actual or perceived conflict of interest and, in such circumstances, they may absent themselves from voting. If the committee chair decides in consultation with the other members (if necessary) that a member has an actual or perceived conflict of interest, the chair may determine that the member absent themselves from a particular committee business and/or that a recommendation should be made to the board that such member be removed as a member. Any decision of the chair (and/or of the board) shall be final and binding.

## **8. Engagement with Owners**

- 8.1. The committee chair should attend the Annual Owners Meeting to answer any questions on the committee's activities.

## **9. Duties**

- 9.1. The committee shall (unless required otherwise by regulation) carry out the following duties for the PIDG Group as a whole:
  - 9.1.1. Review and provide advice and guidance regarding the development of the HSES Framework for the PIDG Group.
  - 9.1.2. Review the HSES risk management methodology and regularly review Group HSES risks.
  - 9.1.3. Monitor the HSES performance, including monitoring regulatory non-compliance, of the PIDG Group companies in the implementation of its HSES policies, standards and procedures.
  - 9.1.4. Promote a common standard for HSES across the PIDG Group companies that is recognised as best practice.
  - 9.1.5. The committee shall review and monitor PIDG Group companies' processes for ensuring project contractors and sub-contractors comply with the PIDG Group's HSES requirements and standards.

- 9.1.6. Set out periodic HSES audit schedules and assessments of projects.
- 9.1.7. For all significant, high rated incidents and accidents, review incident investigation reporting outcomes and:
  - 9.1.7.1. review the investigation report as required (whether commissioned by a PIDG Group company or a third party);
  - 9.1.7.2. review the final classification of the incident for PIDG purposes;
  - 9.1.7.3. review a lesson learnt alert; and
  - 9.1.7.4. decide whether the incident should be discussed with other external stakeholders.
- 9.1.8. Review the results of any internal or independent audits regarding health, safety, environmental and social performance matters, reviewing any strategies; and action plans developed by PIDG Group companies in response to issues raised and, where appropriate, making recommendations to the board.
- 9.1.9. Ensure all PIDG Staff and consultants are supported by robust HSES management with particular focus on corporate international travel safety protocols and in country medical and security support.
- 9.1.10. Give due consideration to new HSES laws and regulations, updates or changes to HSES best practice such as IFC Performance Standards and the Sustainable Development Goals (or equivalent) and any other applicable rules, as appropriate and agree how such laws, regulations, updates or changes should be adopted and/or implemented by the PIDG Group (if applicable).
- 9.1.11. Review practical tools and guidelines to advance HSES performance.
- 9.1.12. At least annually, identify and acknowledge any PIDG companies, project(s), and/or individual(s) with exemplary HSES performance; and
- 9.1.13. Carry out such other duties as may be delegated to it by the board.

## **10. Reporting responsibilities**

- 10.1. The committee chair shall report to the board after each meeting on the nature and content of its discussion, recommendations and action to be taken.
- 10.2. The committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed, and that adequate time should be made available for board discussion when necessary.
- 10.3. The committee shall compile a report of its activities to be included in the company's annual report, describing the work of the committee.

## **11. Other matters**

The committee shall:

- 11.1. Have access to sufficient resources in order to carry out its duties, including access to the company secretariat for advice and assistance as required.
- 11.2. Be provided by PIDG Ltd with appropriate funding to obtain advice and assistance from internal or external legal, accounting, or other advisors at PIDG Ltd's expense, without the prior approval of the board up to a maximum cost of £10,000.
- 11.3. 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.
- 11.4. Give due consideration to all relevant laws and regulations, the provisions of the UK Corporate Governance Code and associated guidance and any other applicable rules, as appropriate.
- 11.5. Ensure that a periodic evaluation of the committee's own performance is carried out.
- 11.6. At least annually, review the committee's terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the board for approval.

## **12. Authority**

12.1. The committee is authorised to:

- 12.1.1. Seek any information it requires from any employee of the company in order to perform its duties.
- 12.1.2. Call any employee to be questioned at a meeting of the committee as and when required.
- 12.1.3. Delegate any matter or matters to another committee or person(s) as it deems appropriate.
- 12.1.4. Publish in the PIDG Ltd.'s Annual Report details of any issues that cannot be resolved between the committee and the board.