



**Energean Oil & Gas PLC (the “Company”)**  
Terms of Reference of the Health, Safety and Environment Committee  
(the “Committee”)

(approved by the board of directors (the “Board”) with effective upon admission on 21 March 2018)

**1. Introduction**

- 1.1 These terms of reference have been produced to identify and formalise the roles and responsibilities of the Committee.
- 1.2 The Committee shall make available these terms of reference (as appropriate), explaining its role and the authority delegated to it by the Board.

**2. Membership**

- 2.1 Members of the Committee shall be appointed by the Board, from amongst the directors of the Company, in consultation with the chairman of the Board and shall be made up of at least three members. Members of the Committee shall possess an adequate level of awareness of health, safety, security, social and environmental affairs.
- 2.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive, and, if applicable, representatives of environmental, health, safety, security and social responsibility functions within the Company and external advisers may be invited to attend all or part of any meeting, as and when appropriate.
- 2.3 In deciding chairmanship and membership of the Committee, the value of ensuring that Committee membership is refreshed and that undue reliance is not placed on particular individuals should be taken into account.
- 2.4 All appointments to the Committee shall be for a period of up to three years.
- 2.5 The Board shall appoint the chairman of the Committee (the “Committee Chairman”) who should be either the chairman of the Board or an independent non-executive director.

**3. Secretary**

- 3.1 The company secretary or their nominee shall act as the secretary of the Committee and shall attend all of its meetings and shall prepare and circulate to members and all other non-executive directors (and invitees as appropriate) all information and papers in a timely manner to enable them to be give full and proper consideration to the issues.
- 3.2 The secretary shall keep a record of:
  - (a) the membership of, and the dates of any changes to the membership of, the Committee; and
  - (b) any person who, or firm which provides search consultancy services to or otherwise materially assists the Committee.

#### **4. Quorum**

The quorum necessary for the transaction of business shall be two members. 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. All reasonable efforts shall be made to give notice of meetings of the Committee to all members and invitees and to arrange such meetings so that all members and invitees are able to attend. No member of the Committee shall attend or form part of the quorum in relation to any appointment in which he/she has a personal interest.

#### **5. Frequency of Meetings**

The Committee shall meet as frequently as the Committee Chairman shall require and also at regular intervals to deal with routine matters and, in any event, not less than once in each financial year. Any member of the Committee may request a meeting if he/she considers that one is necessary or expedient.

#### **6. Notice of Meetings**

6.1 Meetings of the Committee shall be summoned by the secretary of the Committee at the request of the Committee Chairman or any member of the Committee.

6.2 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, any other person required to attend and all other non-executive directors, 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.

#### **7. Committee Chairman**

In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of their number to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board. The Committee Chairman (or chairman of the relevant meeting) shall have a casting vote on all matters in the event of an equality of votes.

#### **8. Minutes of Meetings**

8.1 The company secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

8.2 The company secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

8.3 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee and the chairman of the Board and, once agreed and finalised, to all other members of the Board, unless it would be inappropriate to do so.

#### **9. Formal Reporting to the Board**

The Committee Chairman shall report formally to the Board on its proceedings after each meeting of the Committee on all matters within its duties and responsibilities.

## **10. Annual General Meeting**

The Committee Chairman shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

## **11. Duties**

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

11.2 The Committee shall:

- (a) evaluate the effectiveness of the group's policies and systems for identifying and managing environmental, health and safety risks, as well as risks related to security, equality and diversity, business ethics and conduct and any matter relating to corporate social responsibility, each in connection with the group's operations;
- (b) assess the policies and systems within the group for ensuring compliance with regulatory requirements and/or applicable international standards and guidelines in connection with environmental, health and safety, as well as security, equality and diversity, business ethics and conduct and corporate social responsibility (including any community related projects undertaken by the group);
- (c) assess the performance of the group with regard to the impact of decisions relating to the environment, health, safety, security, equality and diversity, business ethics and conduct and corporate social responsibility (including any community related projects undertaken by the group) and any related actions upon employees, communities and other third parties. It shall also assess the impact of such decisions and actions on the reputation of the group;
- (d) on behalf of the Board, receive reports from management concerning all fatalities and serious accidents within the group and actions taken by management as a result of such fatalities or serious accidents;
- (e) evaluate and oversee, on behalf of the Board, the quality and integrity of any reporting to external stakeholders concerning matters relating to the environment, health, safety, security, equality and diversity, business ethics and conduct and corporate social responsibility (including any community related projects); and
- (f) review the results of any independent audits of the group's performance in regard to any matters related to the environment, health, safety, security, equality and diversity, business ethics and conduct and corporate social responsibility (including any community related projects) and review any strategies and action plans developed by management in response to issues raised and, where appropriate make recommendations to the Board concerning the same.

## **12. Reporting Responsibilities**

12.1 The Committee Chairman shall report to the Board with complete transparency on its proceedings, findings and decisions after each meeting on all matters within its duties and responsibilities.

12.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

12.3 The Committee shall be responsible for the Health, Safety and Environment Report and shall also produce a

report on Committee activities to be included in the Company's Annual Report.

- 12.4 The Committee shall ensure that, if information from experts or specialists is included in any of their reports, the name of that expert or specialist and their relationship with the Company are included in such report.

### **13. Other Matters**

- 13.1 The Committee shall have access to sufficient resources in order to carry out its duties, including access to professional technical expertise in the areas within its remit and the assistance of the Company secretariat as required.
- 13.2 The Committee shall 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.
- 13.3 The Committee should consider such other matters as the Board may from time to time refer to it and give due considerations to applicable laws and regulations. This shall include the rules and regulations which apply to the Company arising from the listing of its securities on any stock exchange, and the UK Corporate Governance Code.
- 13.4 At every level of the organisation, line managers are responsible for environmental, health, safety and security matters, and the implementation of any policies relating to corporate social responsibility (including community related projects and business ethics and conduct). Ultimate responsibility for such matters will remain with the Board.
- 13.5 The Committee shall oversee any investigation of activities which are within its terms of reference.
- 13.6 The Committee shall be responsible to the Board for its work without prejudice to the Boards' responsibility for such work or the duties and authority of the Committee.
- 13.7 The Committee shall arrange for periodic reviews of its own performance and, at least annually, review its 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.

### **14. Authority**

The Committee is authorised:

- 14.1 by the Board to investigate any activity within its terms of reference;
- 14.2 to seek any information it requires from any employee or director of the Company, or any consultant or other provider of services to the Company in order to perform its duties. All employees, directors, consultants and other service providers of services are directed to co-operate with requests for information made by the Committee including requests to attend meetings of the Committee;
- 14.3 to obtain, at the Company's expense, outside legal or other independent professional advice on any matter within its terms of reference;
- 14.4 to call any employee to be questioned at a meeting of the Committee as and when required; and
- 14.5 to have the right to publish in the Company's Annual Report details of any issues that cannot be resolved between the Committee and the Board.

Although the Committee can seek the advice and assistance of the executive management, it must ensure that this role is clearly separated from their role within the business.

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