



REFINING NZ

HEALTH, SAFETY, ENVIRONMENT AND OPERATIONS COMMITTEE CHARTER

The Board is accountable for approving this Charter and any amendments to it.
This Charter was approved by the Board in February 2018.

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1. INTRODUCTION

- 1.1** The Health, Safety, Security, Environmental and Operations (HSE&O) Committee is established as a committee of the Board of Directors.
- 1.2** This Charter sets out the roles and responsibilities, authorities, membership and structure of the Committee.

2. ROLE OF THE COMMITTEE

- 2.1** The role of the committee is to assist the Board to provide leadership and policy in discharging its HSE&O responsibilities within Refining NZ.
- 2.2** HSE&O risks include all risks that could cause harm to people, physical assets or the environment arising out of Refining NZ's operations and activities. This covers all activities at the Refinery site, the Jetty and the Refinery to Auckland pipeline. It does not include financial risks or other risks addressed by the Audit, Risk and Finance Committee. Note: "Health and Safety" at Refining NZ covers Occupational Health, Process Safety and Personnel Safety risks.

3. DUTIES AND RESPONSIBILITIES

- 3.1** The Committee is responsible for:
 - (a) Reviewing, monitoring and making recommendations to the Board on Refining NZ's health, safety, environment and operational (HSE&O) risk management framework and policies to ensure that the Company has clearly set out its commitments to manage HSE&O matters effectively.
 - (b) Reviewing and making recommendations for Board approval on strategies for achieving HSE&O objectives.
 - (c) Reviewing and recommending for Board approval targets for HSE&O performance and assessing performance against those targets.
 - (d) Monitoring the Company's compliance with applicable laws, regulations and policies.
 - (e) Ensuring that the systems used to identify and manage HSE&O risks are fit-for-purpose, being effectively implemented, regularly reviewed and continuously improved. This includes ensuring that the Board is properly and regularly informed and updated on matters relating to HSE&O risks.
 - (f) Seeking assurance that the Company is effectively structured and resourced to manage HSE&O risks. This includes having competent staff and supervision, adequate organisational capacity, the required procedures and appropriate culture.
 - (g) Reviewing selected HSE&O related incidents and considering the appropriateness of actions to minimise the risk of recurrence.
 - (h) Making recommendations to the Board regarding the appropriateness of resources available for supporting the HSE&O management systems.
 - (i) Reviewing management's emergency response and crisis management preparedness.
 - (j) Reviewing independent and internal reviews and audits of HSE&O matters within the business, including assurance with respect to the HSE&O culture.

- (k) Reviewing Management responses to assurance recommendations and, where agreed actions arise from such recommendations, ensuring that these are implemented.
- (l) Any other duties and responsibilities which have been assigned to it from time to time by the Board.

3.2 All members of the committee both individually and collectively will undertake site visits through the year for the purpose of assessing the site implementation of the Company's HSE&O policies, plans and HSE&O culture.

4. AUTHORITY OF THE COMMITTEE

4.1 The Committee has the authority of the Board to obtain any information and to investigate any matter within its terms of reference.

4.2 The chairperson of the committee has the authority of the Board to obtain independent legal or other professional advice and research and to engage such advisors and involve such consultants (at the expense of the organisation) as the committee considers necessary to carry out its responsibilities.

4.3 The Committee does not have the authority to make a decision in the Board's name or on its behalf. The Committee will make recommendations to the Board on all matters requiring a decision.

4.4 The Company shall provide appropriate funding, as determined by the committee, for payment of compensation to any advisors or auditors employed by the committee.

4.5 All employees are directed by the Board to respond cooperatively with any request made by the Committee.

5. MEMBERSHIP

5.1 The HSE&O Committee shall comprise of every Board member.

5.2 A quorum of members of the committee shall be three Directors.

5.3 The Board will appoint the Committee Chairperson.

5.4 Management should only attend Committee meetings at the invitation of the Committee Chairperson.

6. SECRETARY OF THE COMMITTEE

6.1 The secretary of the Committee shall be the Company Secretary or such other person as nominated and agreed by the Board.

7. MEETINGS OF THE COMMITTEE

7.1 Meetings of the Committee shall be held as required to perform its duties, and no fewer than four times a year. Further meetings shall be convened by the Committee Chairperson at his or her discretion, or if requested by any member of the Committee or Chief Executive.

7.2 Management will provide the meeting agenda, papers and recommendations to the Committee at least five working days before the meeting.

7.3 The Committee may invite to its meetings any Management, including the Chief Executive Officer (CEO) and Health, Safety, Security and Environmental Manager, or other personnel of the Company, or any third parties, as it deems appropriate to carry out its responsibilities.

- 7.4** Committee members may participate in, or conduct a meeting of the Committee through the use of any means of communication by which all members participating can hear each other during the meeting and participation by such means shall constitute presence in person at the meeting.
- 7.5** The procedural requirements for the Committee meetings, including those relating to the keeping of minutes, shall be the same as those detailed in the Constitution of the Company for a meeting of the Board. Minutes of the meeting will be agreed by the Committee and Chairperson prior to distribution to all Directors.

8. REVIEW OF THE COMMITTEE

- 8.1** The Committee will review its performance annually against this Charter by means of a self-assessment.
- 8.2** The Committee will review this Charter annually and recommend any proposed amendments to the Board for approval.
- 8.3** The HSE&O committee charter will be posted on the Company's website.