

# **Ophir Energy plc (the “Company”)**

## **Terms of Reference: HSE Committee**

adopted by the Board of Directors of the Company on 10 March 2011

Reference to “the Committee” shall mean the HSE Committee.

Reference to “the Board” shall mean the Board of Directors.

### **Membership**

- 1.1** The Committee shall be appointed by the Board, on the recommendation of the Nomination Committee and shall be made up of at least three members, the majority of whom must be independent non-executive directors.
- 1.2** The Board shall appoint the Committee Chairman who shall be an independent non-executive director. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of their number present to chair the meeting. The Chairman of the Board shall not be the Chairman of the Committee.
- 1.3** Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chairman of the Board and other directors may be invited to attend all or part of any meeting as and when appropriate.
- 1.4** The Committee shall invite specialists with appropriate technical expertise to attend meetings of the Committee on a regular basis.
- 1.5** 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 director still meets the criteria for membership of the Committee.
- 1.6** If any member of the Committee is unable to act for any reason, the Chairman may appoint another non-executive director of the Company agreed by the other members of the Committee, to act as that member’s alternate.

### **2 Secretary**

The Company Secretary or his or her nominee shall act as the Secretary of the Committee.

### **3 Quorum**

- 3.1** 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.
- 3.2** Subject to the articles of association of the Company, the Committee shall determine its own procedures.
- 3.3** Only members of the Committee are entitled to vote at meetings of the Committee.
- 3.4** The affirmative vote of a majority of the members of the Committee is necessary for the adoption of any resolution.
- 3.5** In the event of equality of votes, the Chairman of the Committee shall have a casting vote.

- 3.6** Members of the Committee may participate in a meeting of the Committee by means of conference call or similar communications equipment.

#### **4 Frequency of Meetings**

The Committee shall meet at least twice a year and at such other times as the Chairman of the Committee shall require.

#### **5 Notice 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, any other person required to attend and all other non-executive directors, no fewer than five working days prior to 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 of the Committee shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.

- 6.2** Draft minutes of Committee meetings shall be circulated promptly to the Chairman of the Committee in the first instance, then all members of the Committee and to the Chairman and, once agreed, minutes shall be promptly circulated to all members of the Board.

#### **7 Annual General Meeting**

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

#### **8 Duties**

The Committee should carry out the duties below for the Company and its group as a whole, as appropriate:

- 8.1** evaluate the effectiveness of the Group's policies and systems for identifying and managing health, safety, social, security and environmental risks within the Group's operations;
- 8.2** assess the policies and systems within the Group for ensuring compliance with health, safety, social, security and environmental regulatory requirements;
- 8.3** assess the performance of the Group with regard to the impact of health, safety, security, social and environmental decisions and 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;
- 8.4** receive, on behalf of the Board, 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;

- 8.5 review material to be placed before shareholders which addresses health, safety, security, social and environmental performance and make recommendations to the Board about their adoption and publication;
- 8.6 evaluate and oversee, on behalf of the Board, the quality and integrity of any reporting to external stakeholders concerning health, safety, social, security and environmental issues; and
- 8.7 review the results of independent audits of the Group's performance in regard to health, safety, social, security or environmental matters, 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.

## **9 Reporting Responsibilities**

- 9.1 The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

## **10 Other Matters**

- 10.1 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 Secretary as required.
- 10.2 The Committee should consider such other matters as the Board may from time to time refer to it.
- 10.3 At every level of the organisation, line managers are responsible for health, safety, social and environmental matters. Ultimate responsibility for health, safety, social and environmental matters will remain with the Board.
- 10.4 The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure that it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

## **11 Authority**

The Committee is authorised to:

- 11.1 seek any information it requires from any employee of the Company in order to perform its duties and all employees shall be directed to co-operate with any request made by the Committee;
- 11.2 call any member of staff to be questioned at a meeting of the Committee as and when required; and
- 11.3 obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference and secure the attendance at its meetings of outsiders with relevant experience and expertise if it considers this necessary.