

## **TERMS OF REFERENCE**

### **BOARD HEALTH, SAFETY & ENVIRONMENT GOVERNANCE COMMITTEE (HSEGC)**

The Health, Safety & Environment Governance Committee (the “Committee”) is a standing committee of the Board of Port Taranaki Limited (the “company”). These terms of reference have been adopted to provide a framework for operation of the Committee.

#### **1. BACKGROUND**

##### **1.1 Health and Safety**

As defined in Section 44 of the Health and Safety at Work Act 2015, officers (Directors) are required to actively engage in health and safety matters and exercise due diligence. These terms of reference seek to ensure the Board’s obligations are being achieved.

##### **1.2 Environmental Management**

While there is no specific legislation in relation to environmental duties of Directors other than the general Directors Duties as prescribed in the Companies Act 1993, and the Resource Management Act 1991, these terms of reference seek to assist the Board in exercising due diligence over environmental matters.

#### **2. COMMITTEE PURPOSE**

The purpose of the committee is to exercise due diligence of health and safety and environmental matters.

#### **3. COMMITTEE RESPONSIBILITIES**

##### **3.1 Health and safety due diligence**

The Committee shall take reasonable steps to:

- (a) Acquire, and keep up to date, knowledge of work health and safety matters.
- (b) Gain an understanding of the nature of the operations of the business or undertaking of the person conducting a business or undertaking (PCBU) and generally of the hazards and risks associated with those operations.
- (c) Ensure that the PCBU has available for use, and uses, appropriate resources and processes to eliminate or minimize risks to health and safety from work carried out as part of the conduct of the business or undertaking.
- (d) Ensure that the PCBU has appropriate processes for receiving and considering

information regarding incidents, hazards and risks and for responding in a timely way to that information.

- (e) Ensure that the PCBU has, and implements, processes for complying with any duty or obligation of the PCBU under health and safety legislation; and
- (f) Verify the provision and use of the resources and processes (as outlined in (a)–(e)) are being delivered in practice.

### **3.2 Review of health and safety improvement plan and targets**

- (a) Review the health and safety improvement plan (and any associated operational targets and measures) prior to it being submitted to the Board for approval.
- (b) The review shall ensure that any material issue identified during due diligence is being appropriately addressed in the plan.

### **3.3 Environmental due diligence**

The Committee shall take reasonable steps to:

- (a) Acquire, and keep up to date, knowledge of environmental matters.
- (b) Gain an understanding of the environmental risks associated with those operations.
- (c) Ensure the environmental control are effective and appropriate for managing the risk in line with the Board approved risk appetite.
- (d) Ensure that all environmental incidents are responded to appropriately and effectively.
- (e) Oversee all environmental consents and legislation; and
- (f) Ensure that the provision and use of the resources and processes (as outlined in (a)–(e)) are being delivered in practice.

### **3.4 Review of environmental improvement plan and targets**

- (a) Review the environmental improvement plan (and any associated operational targets and measures) prior to it being submitted to the Board for approval.
- (b) The review shall ensure that any material issue identified during due diligence is being appropriately addressed in the plan.

### **3.5 Work plan**

- (a) The Committee shall prepare its own work plan to achieve its responsibilities as set out in 3.1 to 3.4.

### **3.6 Communication with Board**

- (a) The Committee shall report to the Board following each meeting, including on any material matter identified during due diligence

## **4. MEMBERSHIP**

The Chair and membership of the Committee shall be appointed by the Board and shall comprise at least three Directors of the company inclusive of the Committee Chair position.

The membership of the Committee shall be reviewed at least every two years.

A quorum for the committee shall be two members of the Committee.

The GM People and Safety shall act as the Secretary of the Committee. The Secretary, in consultation with the Committee Chair and Chief Executive, shall draw up an agenda to be distributed, together with applicable papers, to the members at least five days prior to each meeting.

## **5. FREQUENCY OF MEETINGS**

At least three Committee meetings shall be held in each calendar year.

Where a serious harm accident, or an environmental incident risk rated at high or above occurs, the Chief Executive and/or GM People and Safety and/or GM Infrastructure will report the event to the Committee as soon as possible. The Chair of the Committee will determine whether a Committee conference call or Committee meeting will be required.

Additional meetings may be convened upon request of the Chair of the Committee, any member of the Committee or by request of the management team, or by directive from the Board.

## **6. AUTHORITY**

The Committee is authorised to investigate, or seek information on, any activity relating to health, safety, and environmental management that it deems appropriate.

The Committee has authority to require actions on management to meet company objectives within the delegation of authorities approved by the Board.

The Committee does not have the authority to commit to capital expenditure.

## **7. REPORTING**

The Chair of the Committee shall be responsible for providing feedback and reporting to the Board.

## **8. REVIEW OF THE TERMS OF REFERENCE**

The terms of reference for the Committee will be reviewed at least every two years,

making recommendations to the Board to improve relevance and effectiveness in fulfilling the health, safety and environmental management responsibilities of the Board.

The Committee shall review its own performance against the Terms of Reference annually. The Committee Chair will report the performance review outcomes to the Board and make any recommendations for improvement where appropriate.

*Adopted by the Board 15 April 2021*