

# UK COAL PLC

## TERMS OF REFERENCE FOR THE HEALTH AND SAFETY COMMITTEE

### MEMBERSHIP

- The Board shall appoint the Committee of at least two members from amongst the independent Non-Executive Directors of the Company together with such other members as the Non-Executive members of the Committee shall decide.
- The quorum for meetings should be at least two members.
- The Board shall appoint the Chairman of the Committee.
- The Chairman of the Committee, and the other independent Non-Executive member(s), shall be appointed for a period of up to three years, extendable by no more than two additional three-year periods.

### ATTENDANCE AT MEETINGS

- The Chairman, Chief Executive, Finance Director, Non-Executive Directors who are not members of the Committee, the Group Health and Safety Manager and any other member of the Executive Committee or senior manager that the Committee wishes to discuss matters with shall attend meetings at the invitation of the Committee.
- The company secretariat shall provide the Secretary of the Committee.

### FREQUENCY OF MEETINGS

- Meetings shall be held not less than two times a year. The Group Health and Safety manager may request a meeting if he considers that one is necessary.

### AUTHORITY

- The Board authorises the Committee to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Committee.
- The Board authorises the Committee to obtain outside legal or other independent advice, and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The Company will meet the cost of such advice or attendance.

## DUTIES

The duties of the Committee shall be:-

- to assist the Board in ensuring that the Company complies with its health and safety obligations;
- to recommend to the Board the adoption of strategic health and safety policies and performance standards applicable to the Group's operations;
- to monitor the Group's compliance with its health and safety policies;
- to assess the Group's compliance with current and proposed health and safety legislation;
- to receive and review internal and external investigation reports of significant accidents/incidents within the Group;
- to consider accidents and/or incidents and work related ill health statistics in order to identify any emerging trends or patterns;
- to consider and adopt as appropriate reports and recommendations from the Group Health and Safety manager and other specialist managers and staff;
- to assess the health and safety culture that exists within the Group as part of determining an appropriate health and safety audit programme;
- to monitor the Group's arrangements for developing health and safety competencies for managers and employees and receive feedback on the progress made to identify training needs and deliver training programmes;
- to consider health and safety issues that may have strategic, business and reputational implications for the Group and to recommend appropriate measures and responses.

## REPORTING PROCEDURES

- The Secretary shall circulate the minutes of Committee meetings to all members of the Board.