



## MS-CH-03: Safety, Health, Environment & Risk Committee Charter

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### Version History

Version	Date	Modification
1.0	Sep 17	Approval of SHERC Charter
1.1	Dec 19	Update of SHERC Charter (revised format and minor wording changes)

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## 1 Purpose

The Safety, Health, Environment & Risk Committee (SHERC) will assist the Board to discharge its duties for maintaining the highest standards for STL's workplace health and safety, environmental protection and risk management.

## 2 Responsibilities

### 2.1 Work Health & Safety

The SHERC will provide:

- a. Oversight and understanding of the work health and safety program that will enable Directors, officers and employees to exercise due diligence to ensure that they meet their respective obligations under the work health and safety legislation, which includes taking reasonable steps to:
  - i. acquire and keep up to date knowledge of work health and safety matters;
  - ii. gain an understanding of the nature of the operations of STL and its contractors/service providers and generally of the hazards and risks associated with those operations;
  - iii. ensure STL and its contractors/service providers have available for use, and use appropriate resources and processes to eliminate or minimise risk to the health and safety of work carried out;
  - iv. ensure STL and its contractors/service providers have appropriate processes for receiving and considering information regarding incidents, hazards and risks and responding in a timely way to the information;
  - v. ensure STL and its contractors/service providers have and implement processes for complying with any duty or obligation under the work health and safety legislation; and
  - vi. verify the provision and use of the resources and processes referred to at subparagraphs 2.1.a.iii to 2.1.a.v.
- b. The Board with additional focus and guidance on work health and safety matters.

### 2.2 Environmental matters

The SHERC will provide:

- a. Oversight and understanding of environmental matters, as they may affect employees, contractors and the broader community in which STL and its contractors/service providers operate;
- b. Oversight and understanding of the strategy, framework and policies that support STL and its contractors/service providers, its officers and employees in:
  - i. complying with their obligations under environmental legislation;
  - ii. meeting their due diligence duties under such laws;
- c. The Board with additional focus and guidance on key environmental matters.

## 2.3 Risk Management

The SHERC will provide:

- a. Assurance that an appropriate overall risk management framework is in place with regular reporting to the Board;
- b. Review of the risk management framework biennially, or as required, so it is consistent with the Company's strategic direction;
- c. Evaluation of the overall effectiveness of and assurance of key controls;
- d. Evaluation of the company's exposure to fraud, including establishing processes for the prevention, detection and investigation of fraud or malfeasance;
- e. Assist in the identification and evaluation of the risk appetite of the company and review against this the risk profile of the company and other major projects that involve the company;
- f. Assurance that key risks are being identified and appropriately managed and where necessary reported to the Board;
- g. Review of the company's business continuity processes; and
- h. Review of the adequacy of the company's insurance program at least annually having regard to the company's business and insurable risks.

## 3 Membership

Membership of and attendance at meetings of the SHERC will be as follows:

- a. A minimum membership of three non-executive Directors of which the Chairperson must be an independent Director.
- b. Each member should have the skills and experience appropriate to the Committee's business and be encouraged to explore relevant skills development opportunities when they occur.
- c. Each member must have a reasonable understanding of the operations of the business.
- d. The Board will be responsible for appointment of the Committee members and the secretary of the Committee.
- e. The Chairperson of the Committee will be appointed by the Board and be other than the Board Chairman.
- f. Other attendees at Committee meetings will, subject to the discretion of the Committee, ordinarily comprise the Chief Executive Officer and Chief Finance Officer.
- g. The composition of the Committee will be reviewed every two years.

## 4 Authority

The SHER Committee is established under Article 22.9 of the STL constitution which provides the Board with the authority to establish Board Committees.

The Board authorises the SHERC, within the scope of its responsibilities, to:

- a. Obtain any information it requires from management, contractors, employees or external parties;
- b. Obtain expert advice where necessary following consultation with the Board Chairman; and
- c. Ensure the attendance of company officers at meetings as deemed appropriate.

## 5 Independence

The SHER committee has no executive powers in relation to the operations of the Company. Rather, it functions in an oversight and review role on behalf of the Board and will make recommendations for Board decision/approval when required.

## 6 Ethical Practices

No member of the Committee shall have a personal financial interest in the Committee's decisions, findings or recommendations to the Board.

## 7 Meetings

Meetings should following guidelines:

- a. A quorum for any meeting of the SHERC will be two Committee members.
- b. Should the Committee Chairperson be absent from the meeting, the members of the Committee present at the meeting have the authority to choose one of their number to Chair that particular meeting.
- c. The SHERC may invite such other persons to its meetings as it deems necessary, including persons to provide expert advice as considered necessary by the Committee. Committee members may not appoint an alternate to attend on their behalf. Any Board member may attend any meeting of the Committee.
- d. Meetings shall be held not less than four times a year. Special meetings may be convened as required.
- e. The Committee Secretary in conjunction with the Committee Chairperson shall determine an agenda and business papers for each Committee meeting and circulate the agenda to all Directors at least one week prior to each meeting.
- f. A copy of the SHERC papers and draft minutes of each meeting shall be made available to all Board members prior to the next Board meeting. All matters referred to the Board will appear as an agenda item at the next applicable Board meeting.

## 8 Review Cycle

The SHER Committee's Charter will be reviewed no less than every two years and if changes are made, they must be approved by the Board.

## 9 Review of Committee Performance

The SHERC will annually evaluate its performance against its responsibilities as set out in the Charter. This evaluation should include obtaining feedback from other Directors, the CEO and CFO.

An external evaluation of the SHERC performance will occur no less than every three years, as part of a broader review of Board performance.