

Yancoal Australia Ltd

Health, Safety and Environment Committee

Approved on 7 October 2018

The Health, Safety and Environment Committee's objective is to assist the Board to:

- fulfil its responsibilities in relation to the health, safety, environment, social and governance (collectively **HSE**) matters arising out of the activities of the Company;
- consider, assess and monitor whether or not the Company has in place the appropriate policies, standards, systems and resources required to meet the Company's HSE commitments; and
- provide necessary focus and guidance on HSE matters across the Company.

The Committee makes recommendations to the Board. It does not have any power to commit the Board or management to the recommendations.

The Committee

Composition and quorum

The Committee will consist of a minimum of three directors. The Board may appoint additional directors to the Committee or remove and replace members of the Committee by resolution.

The Board will appoint the Chair of the Committee.

A Committee quorum will comprise a majority of the Members of the Committee.

Removal or resignation

Members of the Committee may withdraw from membership by written notification to the Board. The Board may appoint additional directors to the Committee or remove and replace members of the Committee by resolution. If a Committee member retires, is removed or resigns from the Board, that member ceases to be a member of the Committee. The Board will appoint the successor.

Participation by non-Committee members

The Committee, if considered appropriate, may invite any senior executive officers or other individuals (including advisers and other specialists) to attend Committee meetings.

Secretary

The [Company Secretary](#) will be the secretary of the Committee.

Meetings

Frequency

The Chair will convene at least four meetings of the Committee each year and any additional meetings that the Chair considers necessary or appropriate to carry out the Committee's responsibilities.

Calling meetings and notice

Any Committee member or, at the request of a Committee member the [Company Secretary](#), may call a meeting of the Committee. A notice of each meeting confirming the date, time, venue and agenda will be forwarded to each Committee member together with relevant supporting documents.

Advice

The Committee will have access to Company employees and external advisers. A request for external advice must be made through the Company Secretary.

Report to the Board

The Chair of the Committee or his / her delegate must report to the Board at the Board meeting following each meeting of the Committee.

Minutes

Minutes of Committee meetings will be kept by the secretary. Minutes will be distributed to all Committee members and the chair of the Board. Minutes of Committee meetings will be tabled at a subsequent Board meeting.

The register of minutes will be kept by the [Company Secretary](#) and be open for inspection by any director.

Minutes

Minutes of proceedings and resolutions of Committee meetings will be kept and prepared promptly by the Company Secretary following the Committee meeting.

Minutes of Committee meetings shall record in sufficient detail the matters considered by the Committee and decisions reached, including any concerns raised by Members or dissenting views expressed.

Draft and final versions of minutes of such meetings will be distributed to all Committee members and the chair of the Board for their comment and records within a reasonable time after such meetings.

Minutes of Committee meetings will be tabled at a subsequent Board meeting for noting.

The register of minutes will be kept by the Company Secretary and be open for inspection on reasonable notice by any Member of the Committee and any Director.

Functions and responsibilities

Functions

The Committee will monitor, assess, and/or make recommendations on the implementation, maintenance and effectiveness of HSE:

- policies;
- strategies;
- compliance;
- management systems;
- risks;
- performance; and
- training.

The Committee reports to the Board and is accountable to the Board for its performance.

The Board:

- has overall responsibility for the Company's HSE strategy and reporting; and
- is responsible for evaluating and determining the Company's HSE-related risks, and ensuring that appropriate and effective HSE risk management and internal control systems are in place.

The Executive Committee is required to provide a confirmation to the Board on an annual basis, on the effectiveness of the HSE systems in place.

Responsibilities

The Committee will:

- consider and adopt HSE policies and, as it considers necessary, review the HSE policies and recommend changes to those policies;
- seek and consider reports on industry best practice in relation to HSE matters;
- monitor the Company's compliance with approved HSE policies;
- monitor and assess the Company's HSE performance;
- oversee the development of appropriate HSE training programs for directors, staff and contractors of the company;
- make recommendations for managing HSE risks;
- monitor compliance by the Company with applicable HSE legislation;
- monitor compliance throughout the Company against HSE recommendations made by it;

- receive and assess reports concerning any HSE incidents within the Company, and monitor the implementation of remedial action;
- consider HSE issues that may have strategic, business and reputational implications for the Company; and
- assess whether the Company has any material exposure to environmental and social sustainability risks. If it does, the Committee must review and evaluate how the Company is managing those risks. In this context:
 - 'environmental sustainability' refers to the ability of the Company to continue operating in a manner that does not compromise the health of the ecosystems in which it operates over the long term;
 - 'social sustainability' refers to the ability of the Company to continue operating in a manner that meets accepted social norms and needs over the long term; and
 - 'material exposure' means a real possibility that the risk in question could substantively impact the listed entity's ability to create or preserve value for security holders over the short, medium or long term.

Report by Board

The Board must prepare a HSE report on an annual basis incorporating the information set out in the HKEX Listing Rules.

Review

The Board will conduct an annual review of the Charter to ensure that it remains consistent with the Board's objectives and responsibilities. The Board must approve any amendments to the Charter arising from the review.

This Charter was approved on 7 October 2018¹.

Publication of the Charter

A copy of this Charter will be available to all directors and staff of the Company on request from the Company Secretary, the Yancoal intranet and on the Company's website.

¹ Approved by the Board on 7 October 2018 effective from the date that fully paid ordinary shares in the capital of the company are listed on the Main Board of the Hong Kong Stock Exchange on 6 December 2018.