
Yancoal Australia Ltd

Health, Safety and Environment Committee

Approved on 27 February 2015

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

- fulfil its responsibilities in relation to the health, safety and environment (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.

Functions and responsibilities

Functions

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

- policies;
- strategies;
- compliance;

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- management systems;
 - risks;
 - performance; and
 - training.

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

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.

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 27 February 2015.

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 Management System and on the Company's website.