

Terms of Reference – Group Health and Safety Committee

1. Constitution

- 1.1 The Group Health and Safety Committee (the "**GHSC**" or the "**Committee**") was established as a committee of the board of directors (the "**Board**") of St. Modwen Properties PLC (the "**Company**" or the "**Group**").
- 1.2 The Committee has the delegated authority of the Board in respect of the functions and powers set out in these terms of reference.
- 1.3 The Committee may sub-delegate any or all of its powers and authority as it thinks fit, including, without limitation, the establishment of sub-committees which are to report back to the Committee.
- 1.4 The activity of the Committee, or any sub-committees established by the Committee, does not relieve the executive or non-executive Board directors of their individual legal responsibilities for health and safety matters.
- 1.5 For the purposes of these Terms of Reference, the term "Health and Safety" encompasses health, safety, environmental and wellbeing matters arising as a result of the business activities of the Group.
- 1.6 The role of the Committee is to:
 - 1.6.1 assist the Board to satisfy itself of the overall adequacy and effectiveness of the Group's health and safety strategy, management system and compliance with legal and regulatory requirements;
 - 1.6.2 assist the Board in monitoring management's performance against H&S targets and its implementation of the Group's health and safety strategy;
 - 1.6.3 encourage and assist the Executive Committee ("**ExCom**") in its commitment to develop and maintain a positive health and safety culture across the Group;
 - 1.6.4 to support the Health and Safety Committee ("**HSC**") in achieving and maintaining an internationally recognised standard for occupational health and environmental management; and
 - 1.6.5 to review the Group's key H&S risks identified and challenge the appropriateness of control measures that have been implemented.
- 1.7 The Committee has no executive powers in relation to its recommendations.

2. Membership

- 2.1 The Committee shall comprise at least two members, one whom shall be an independent non-executive director. The Chair of the Board may also serve on the Committee as an additional member if he or she was considered independent on appointment as Chair.
- 2.2 Appointments to the Committee shall be made by the Board on the recommendation of the Nomination Committee in consultation with the Chair of the Committee.

- 2.3 The Chair of the Committee shall be appointed by the Board on the recommendation of the Nomination Committee. The Chair of the Board shall not be Chair of the Committee. In the absence of the Committee Chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.
- 2.4 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Finance and Operations Officer, members of the ExCom and other senior managers and external advisers may be invited to attend for all or part of any meeting as and when appropriate.
- 2.5 The HSC Chair and Group Health and Safety Manager shall be invited to attend the meetings of the Committee on a regular basis.
- 2.6 The Secretary of the Committee shall be the Company Secretary or his or her nominee or such person as shall be appointed from time to time by the Committee. The Secretary should ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

3. Quorum & Voting Arrangements

- 3.1 The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 3.2 Each Committee member shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending a Committee meeting whether in person or by electronic methods of communication.
- 3.3 If a matter that is considered by the Committee is one where a Committee member, either directly or indirectly has a personal interest, that member shall not be permitted to vote on that matter at the meeting.
- 3.4 Except where there is a personal interest, the Committee Chair shall have a casting vote.

4. Frequency of Meetings

- 4.1 The Committee shall meet at least twice a year and at such other times as the Chair of the Committee shall require.
- 4.2 Meetings may be conducted by electronic methods of communication and decisions made by such means shall be appropriately recorded and shall have the same effect as those conducted in person.

5. Notice of Meetings

- 5.1 Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Chair of the Committee.
- 5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no later than three working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees, as appropriate, at the same time.

6. Minutes of Meetings

- 6.1 The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.

- 6.2 The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- 6.3 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once approved, to all members of the Board, unless in the opinion of the Chair of the Committee it would be inappropriate to do so.

7. Annual General Meeting

The Chair of the Committee shall attend the Annual General Meeting to respond to any shareholder questions on the Committee's activities and matters within the scope of the Committee's responsibilities.

8. Duties

The Committee shall:

- 8.1 review and, if necessary, challenge the Group's health and safety systems, policies, procedures and practices and obtain assurance that they meet or exceed legal obligations and business objectives. This includes recommending to the Board a Group Health and Safety Policy for adoption and, as the Committee deems necessary, recommending changes to that policy with an annual review;
- 8.2 review and, if necessary, challenge the Group's health and safety strategy and plan, ensuring that it adequately addresses the key health and safety risks of the Group, is appropriate for its size and the complexity of the business and is appropriately resourced in relation to people and budget requirements. Recommend the Group's health and safety strategy to the Board for approval;
- 8.3 review and, if necessary, challenge the health and safety governance, managerial structure and resource within the Group and seek assurance that it remains fit for purpose;
- 8.4 consider the significant areas of corporate and individual risk for the Group in relation to health and safety matters and assess (through challenge, where necessary) the management of these risks by the HSC and ExCom to ensure it is effective;
- 8.5 review the scope of any health and safety inspection audits (or other reviews) carried out by the Group or an independent body to assess compliance with its strategies, policies, systems and practices. Consider the ExCom's response to the findings of such audits/reviews, support them to identify appropriate corrective action to raise performance where required, and check that recommended actions have been implemented in a timely and appropriate manner;
- 8.6 identify any health and safety issues which arise as a result of wider business decisions discussed by the Board and highlight these to the Board for consideration;
- 8.7 receive reports on incident trends and any high potential or significant incidents, consider the major findings of investigations (either internal or by an external regulator), assess the response from the ExCom and ensure that learnings are shared across the Group;
- 8.8 report any key health and safety messages from the Board to the ExCom for further downwards communication as appropriate;
- 8.9 make recommendations to the Board on steps to be taken where the Committee considers action or improvements are necessary for the Group as a whole; and
- 8.10 report to the Board on the work of the Committee and ensure that directors are kept informed of their health and safety responsibilities and duties.

9. Reporting Responsibilities

- 9.1 The Committee shall receive, in advance of each Committee meeting, a report from the Group Health and Safety team in respect of health and safety related matters and performance covering the period since the previous meeting and the minutes of any Health and Safety Committee meetings held in that period.
- 9.2 The Committee Chair shall report to the Board at a subsequent Board meeting on the Committee's proceedings on all matters within its duties and on how it has discharged its responsibilities. It will, as a matter of urgency, notify the ExCom and HSC of any issues which it considers are worthy of urgent consideration as appropriate.
- 9.3 The Committee shall make any recommendations to the Board it deems appropriate on any area within its remit where action or improvement is deemed necessary.

10. Other Matters

The Committee and its members shall:

- 10.1 have access to sufficient resources to carry out its duties, including access to the Company Secretary for assistance as required;
- 10.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- 10.3 where reasonably practicable, attend, either individually or as a Committee, a minimum of two site visits per year. Such visits would usually include site visits undertaken in the context of the Board programme of site visits;
- 10.4 consider, on a regular basis, whether training, meetings with Company employees and Committee site visits to the Company's facilities and/or developments should also be organised for the purpose of furthering the members' understanding of health and safety issues within the Company and observing business operations. Any site visits thus organised may also, where appropriate, be held at locations where incidents have occurred to assist the members' understanding of any relevant issues;
- 10.5 give due consideration to laws, regulations, and any other applicable rules as appropriate;
- 10.6 oversee any investigation of activities which are within its terms of reference; and
- 10.7 review annually its composition, its terms of reference and its own effectiveness and recommend any changes it considers necessary to the Board for approval.

11. Authority

The Committee is authorised:

- 11.1 to seek any information it requires from any employee of the Company in order to perform its duties;
- 11.2 to obtain, at the Company's expense, independent legal or other professional advice on any matter within its terms of reference when the Committee reasonably believes it necessary to do so; and
- 11.3 to call any director or employee to be questioned at a meeting of the Committee as and when required.