

SIRIUS MINERALS PLC

TERMS OF REFERENCE FOR THE HEALTH & SAFETY COMMITTEE

(Approved by the Board of Sirius Minerals Plc on 13 December 2018)

1. Constitution

By resolution of the Board of Directors of the Company (the “Board”), it has been agreed to establish a committee of the Board, to be called the Health & Safety Committee (the “Committee”).

2. Duties

2.1 The duties of the Committee shall be:

(a) to assist the Board in overseeing:

- Health and Safety strategy, plans and related risk assessment in the context of the overall business strategy;
- Scope and focus of policies and action plans prepared to support delivery of the Health and Safety strategy including mitigation of related risks;
- Implementation processes, plans, internal performance and controls in relation to Health and Safety strategy, plans and risks;
- Evaluation of major and recurring failures within the Company in terms of Health and Safety governance and performance including, but not limited to, those leading to significant legal action or formal complaints;
- External disclosures relating to Health and Safety; and
- The quality of Health and Safety management and the appropriateness of methods to create appropriate Health and Safety behaviours and decisions, including for example performance appraisal indicators.

(b) to consider the position of the Company with respect to best practice for Health and Safety and emerging legal requirements on Health and Safety including relevant corporate governance developments.

(c) to advise the Board, Committees of the Board and Executive Management on such matters. The Committee will communicate directly with other Committees, as required.

3. Membership

3.1 Members of the Committee shall be appointed by the Board and shall be made up of at least three members, the Chief Executive, two independent non-executive directors of the Company and the Chief Development Officer. If any independent non executive director member of the Committee is determined by the Board no longer to be independent that director shall cease to be a member of the Committee.

- 3.2 Only members of the Committee have the right to attend Committee meetings. However other individuals, such as the Safety Manager, may be invited to attend all or part of any meeting as and when appropriate and necessary.
- 3.3 Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods, provided the director remains independent or provided the relevant member remains part of Executive Management.
- 3.4 The Board shall appoint one member of the Committee to act as its chairman ("**Chairman**"). In the absence of the Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting. The Chairman shall not have a casting vote.
- 3.5 The Chairman and members shall be listed each year in the Company's annual report.
- 3.6 If any member of the Committee is unable to act for any reason, the Chairman may appoint another of the independent non-executive directors of the Company agreed by the other members of the Committee to act as that member's alternate.
- 3.7 Each member of the Committee shall disclose to the Committee:
- (a) any personal financial interest (other than as a shareholder) in any matter to be decided by the Committee; or
 - (b) any potential conflict of interest arising from a cross-directorship.

Any such member shall abstain from voting on resolutions of the Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions and (if so requested by the Board) shall resign from the Committee.

4. Quorum and Voting

- 4.1 The quorum necessary for the transaction of business shall be two members.
- 4.2 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.
- 4.3 If a matter to be considered by the Committee involves a member of the Committee, either directly or indirectly, that member will not be permitted to be involved in the deliberations of the Committee, or to vote when the matter is considered.

5. Notice of Meetings

- 5.1 The Committee shall meet (in person or by telephone conference call and/or as permitted by the articles of association) as often as may be deemed necessary and as may be agreed by the members and at such other times the Chairman shall require for the Committee to effectively satisfy its duties on an on-going basis, however, the Committee shall meet at least two times per year.
- 5.2 Meetings of the Committee shall be called by the Secretary at the request of any of its members.

- 5.3 Unless otherwise agreed by all Committee members, notice of each meeting confirming the venue, time and date and dial-in details (if required), together with an agenda of the items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend as soon as practicable and in any event no later than two 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.
- 5.4 All proceedings of the Committee shall be conducted in accordance with the Company's articles of association.

6. Secretary

- 6.1 The Company secretary or such person as the Company secretary nominates shall act as the secretary of the Committee ("**Secretary**").
- 6.2 The Secretary will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.
- 6.3 The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- 6.4 The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- 6.5 Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed, to all members of the Board, unless a conflict of interest exists.

7. Reporting Responsibilities

- 7.1 The Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 7.2 The Committee shall make such recommendations to the Board it deems appropriate on any area within its remit where action or improvement is desirable.
- 7.3 The Committee shall make a statement in the Company's Annual Report about its activities.
- 7.4 The Chairman shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

8. Other Matters

The Committee shall:

- (a) have access to sufficient resources in order to carry out its duties, including access to the Company secretariat for assistance as required;
- (b) 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;
- (c) give due consideration to laws and regulations, including the general duties of directors set out in applicable legislation, the provisions of the UK Corporate Governance Code and the

requirements of the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules, as appropriate;

- (d) oversee any investigation of activities which are within its terms of reference;
- (e) work and liaise as necessary with all other Board committees; and
- (f) at least once a year, review its own performance, constitution and terms of reference to ensure it is operating effectively and recommend any changes it considers necessary to the Board for approval.

9. Authority

The Committee is authorised by the Board to:

- (a) undertake any activity within its terms of reference;
- (b) seek any information that it requires from any employee of the Company or its subsidiaries (collectively, the "Group") in order to perform its duties;
- (c) obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference and to invite those persons to attend at meetings of the Committee;
- (d) call any Group employee to be questioned at a meeting of the Committee, as and when required; and
- (e) delegate any of its powers to one or more of its members or the Secretary.