

**TERMS OF REFERENCE  
HUMAN RESOURCES COMMITTEE**

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**1. PURPOSE**

The Human Resources Committee is established as a sub-committee of the Board of Directors in achieving its human resources obligations in ensuring that the Company is able to attract and retain a professional, motivated and competent workforce. To this end, the Committee shall review and make recommendations to the Board of Directors for their review and approval on the following issues:

**2. RESPONSIBILITIES AND OBJECTIVES**

2.1 The Human Resources Committee shall:

- a. Advise the Board on:
  - i. Benefits and compensation
  - ii. Key position and recruitments
  - iii. Succession plan
  - iv. Performance appraisal
  - v. Training and development
  - vi. Promote transparency and accountability in all human relations activities
  - vii. Quality life and well being
  - viii. Industrial relations issues which may affect the Company including but not limited to its reputation, financial performance, continuity and ability to supply fuel.
- b. Annually review and contribute to the development of the HR Strategic Plan.
- c. Monitor and review the implementation of the HR Strategic Plan to ensure it conforms with the Corporate Strategic Plan.
- d. Recommend mechanism for continuous improvement in the industrial and employee relations.
- e. Review human resources development, organizational structure (at the supervisory level and above) and compensation principle and practices and recommend any significant changes to the Board.
- f. Lead the annual performance evaluation of the General Manager including a review of annual objectives against which performance is to be measured and report outcome to the Board.
- g. Review and concur with the General Manager on the hiring, promotion and compensation of senior officers reporting directly to the General Manager.
- h. Review and report to the board at least annually, on the succession planning process for the General Manager and other senior officers reporting to the General Manager and any other key positions considered critical to the functioning of the Company.
- i. Review performance incentive scheme annually and make recommendations to the Board.
- j. Review non-unionized employees compensation plans and recommend changes to such plans to the board ensuring fair and equitable treatment for all parties.
- k. Provide guidance to the General Manager in union issues and negotiations including reviewing with the General Manager and Manager HRD & A any policy grievances under the collective agreement and reporting these to the board for consideration.
- l. Reviews and revises all HR related policies.

### **3. MEMBERS' APPOINTMENT PROCESS**

3.1 The Committee Members shall be nominated by the Board of Directors.

3.2 The Board from time to time shall review the composition of the Committee to ensure that members of the Committee have the required skills and capabilities to effectively discharge their responsibilities, and the appropriate expertise or access to such expertise, to enable them to understand the risks and principles that underpin the preparation of human resources policies and procedures.

### **4. MEMBERSHIP & COMPOSITION**

4.1 The Committee shall be comprised of not less than three (3) members.

4.2 Officers of Petrojam may be called upon to participate in meetings as resource personnel as required, or to make representations. In addition, the General Manager and Manager HRD & A shall be invited to attend each meeting.

### **5. PRINCIPAL OFFICERS**

#### **5.1 Chair**

The Chair of the Committee shall be appointed by Board of Directors.

#### **5.2 Secretary**

The Secretary of the Committee shall be the Corporate Secretary.

### **6. TENURE**

The Human Resource Committee tenure is two (2) years.

### **7. MEETINGS**

#### **7.1 Notices**

At least seven (7) days written notice shall be given to each member of the Committee. The notice shall contain, inter alia, an agenda identifying in reasonable detail the matters to be discussed at the meeting and copies of any relevant papers to be discussed at the meeting.

#### **7.2 Venue**

The venue shall be at the Corporate Offices of Petrojam Limited, unless otherwise agreed.

#### **7.3 Frequency**

The Committee shall meet every other month either in person or by electronic means. Additional meetings will be scheduled as necessary to consider matters for approval.

#### **7.4 Quorum**

A quorum is a majority of committee members established as sixty percent (60%) rounded up to the nearest whole number.

#### **7.5 Voting**

- i. Only Committee members are entitled to vote at meetings.
- ii. Matters arising at any Committee meeting shall be determined by a majority of votes.
- iii. In case of an equality of votes, the Chairperson shall have a second or casting vote.

#### **7.6 Minutes**

The Secretary shall be responsible for drafting the minutes of each meeting and circulating them for approval by the attending Members.

The minutes shall be signed by the Chairperson and the Secretary, after same have been approved by all attending members to the Committee meeting.

### **8. ACCOUNTABILITIES**

8.1 The Committee shall make recommendations or submit reports at each board meeting on the principal activities that have been considered and executed by the Committee to the Board.

8.2 The Committee shall **not** have power to bind the Board unless power to do so in respect of a specific matter is delegated by a resolution of the Board.

- 8.3 The Human Resources Committee shall keep detailed records of its meetings and such records shall be made available to the external Auditor and or any other examiner during any external audit or examination.
- 8.4 Except in the abovementioned circumstances, minutes and documents of the Human Resources Committee are held confidential and not for redistribution by Committee Members.
- 8.5 The Human Resources Committee is accountable to the Board of Directors.
- 8.6 Members of the Committee shall comply with the approved conflict of interest and ethics guidelines.