

TERMS OF REFERENCE FOR THE HEALTH, SAFETY AND SUSTAINABILITY COMMITTEE

I. PURPOSE

- A. The main purposes of the Health, Safety and Sustainability Committee (the “**Committee**”) are to assist the board of directors (the “**Board**”) of Valeura Energy Inc. (the “**Corporation**”) in:
- i) its oversight of the Corporation’s approach to health, safety, security, environment, climate action and emissions reduction, water usage and protection, biodiversity protection, energy transition, community relations, human rights and workforce protection among other relevant sustainability topics (“**Health, Safety and Sustainability**”) and any Health, Safety and Sustainability risks, opportunities and considerations for itself and its subsidiaries (except where expressly allocated to the Board or another Board committee);¹
 - ii) developing, reviewing and monitoring the Corporation’s Health, Safety and Sustainability policies and strategy;
 - iii) carrying out its responsibilities by having responsible persons to ensure that the Corporation’s activities are conducted in an environmentally and socially responsible manner and in a manner that respects the communities in which the Corporation works; and
 - iv) to ensure the Corporation maintains the integrity of its Health, Safety and Sustainability policies and practices.

The Corporation is committed to ensuring that it conducts its activities in a manner that will protect the health and safety of its employees, contractors, the environment and its other stakeholders.

II. COMPOSITION AND OPERATIONS

- A. The Committee shall be composed of not fewer than two directors and not more than five directors, a majority of whom shall be independent directors.
- B. The Committee shall operate in a manner that is consistent with the Committee Guidelines outlined in the Board Manual.
- C. The Committee shall meet as often as necessary to fulfill its mandate and responsibilities described herein and, in any event, at least two times per year. The Chair may call additional meetings as required.
- D. The Committee, through its Chair, may contact directly any employee in the Corporation as it deems necessary, and any employee may bring before the Committee on a confidential

¹ This will generally apply to the operations of the Corporation and its subsidiaries, subject also to the oversight of the boards of directors of the operating subsidiaries.

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basis any matter involving the Health, Safety and Sustainability practices of the Corporation.

III. HEALTH, SAFETY AND SUSTAINABILITY DUTIES AND RESPONSIBILITIES

Policies, Materiality Assessments and Strategic Plan

- A. Develop and monitor the Corporation's strategic plans and initiatives related to Health, Safety and Sustainability initiatives, including materiality mapping and assessments and determination of short term, mid-term and long-term priorities, objectives, commitments and related key performance indicators.
- B. Develop and periodically, review the Corporation's Health, Safety and Sustainability policies, and if appropriate, make recommendations to the Board.
- C. Ensure that the Corporation's Health, Safety and Sustainability policies, strategic plans, commitments, procedures and key performance indicators are consistent and integrated with other Board committees where applicable and align with the Corporation's business objectives and strategies.
- D. Review procedures designed to identify, evaluate and prioritize Health, Safety and Sustainability related risks to the Corporation, advise the Board of any significant risks and ensure incorporation in the Corporation's Enterprise Risk Management Framework and Risk Register.

Health, Safety and Sustainability Performance

- E. Regularly review corporate Health, Safety and Sustainability activities and performance, including:
 - i) any contravention of an existing regulation or corporate policy or procedure;
 - ii) any event or potential event that would, in the opinion of management, constitute a significant Health, Safety and Sustainability occurrence;
 - iii) any community issue that could potentially threaten the Corporation's social license to operate;
 - iv) compliance with applicable laws and regulations and any non-compliance issues;
 - v) decisions regarding abandonment and reclamation matters;
 - vi) significant external or internal audits or reports;
 - vii) Health, Safety and Sustainability practices and trends that impact the Corporation, its investors or its partners;
 - viii) ensuring that the Corporation operates in a manner respecting the communities in which it works and properly addresses community related issues that could impact the Corporation's business;

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- ix) readiness for legislative and regulatory changes including policy proposals and modifications in relevant markets that could materially impact the Corporation or its business; and
 - x) outstanding investigations or litigation as they relate to Health, Safety and Sustainability matters.
- F. Review and monitor on at least an annual basis the Corporation's performance and results against the established short-term, mid-term and long-term plans, commitments and targets and key performance indicators related to Health, Safety and Sustainability matters. Make recommendations to the Governance, Nominating and Compensation Committee and Board regarding such key performance indicators and results under the corporate performance scorecard.
- G. Review the organizational structure and adequacy of resources and funding responsible for Health, Safety and Sustainability matters.
- H. Advise and make recommendations to the Board as appropriate on matters relating to Health, Safety and Sustainability, including any related shareholder proposals and any investigations into activities related to Health, Safety and Sustainability.
- I. Review proposed legislation and emerging Health, Safety and Sustainability trends, public opinion and disclosure requirements that could be expected to impact the Corporation's business activities, plans, strategies or reputation, and where significant, recommend appropriate responses to the Board.
- J. At the request of the Board, undertake such other Health, Safety and Sustainability initiatives as may be necessary or desirable to contribute to the success of the Corporation.

Reporting and Disclosure

- K. Review the Corporation's methods of communicating regarding Health, Safety and Sustainability values and its Health, Safety and Sustainability policies and procedures, as well as its communications with stakeholders on Health, Safety and Sustainability matters.
- L. Ensure that appropriate monitoring and reporting procedures are established relating to Health, Safety and Sustainability matters by management to ensure adequate reports are made to the Committee and/or the Board on a regular basis.
- M. Meet *in-camera* with the management person(s) responsible for Health, Safety and Sustainability if desired.
- N. Review the Corporation's disclosure and external reporting related to Health, Safety and Sustainability strategies and performance, including oversight of the report's preparation, assumptions, targets, data integrity, evaluation processes, results and key performance indicators, with consideration to emerging disclosure requirements and trends and the performance of the Corporation's peers.
- O. Review and report to the Board on the findings of any management review or report of regulatory agencies, external consultants or internal/external auditors or ratings agencies

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concerning the Corporation's performance in the areas of Health, Safety and Sustainability matters, and any corrective measures.

- P. Assist the Board or any other Committee of the Board in responding to any governance-related matters, complaints, investigations or litigation related to Health, Safety or Sustainability matters.

IV. HEALTH, SAFETY AND SUSTAINABILITY RISK MANAGEMENT

- A. The Committee shall review management's assessment and advise the Board of the principal Health, Safety and Sustainability risks and opportunities to the Corporation (including its personnel and properties) and evaluate:
- i) whether existing policies, procedures and precautions are appropriate to mitigate such risks and realize on such opportunities, including management systems for monitoring the Health, Safety and Sustainability policies, practices and procedures;
 - ii) whether existing strategies, plans, policies, procedures and precautions are effectively developed and implemented, comply with applicable law and conform to industry standards and good governance practices;
 - iii) whether the security situation in the Corporation's areas of operation, including any indications of increased civil strife, political instability, acts of terrorism or war; and
 - iv) whether such risks are being properly identified and addressed under the Corporation's Enterprise Risk Management Policy, Enterprise Risk Management Framework and Risk Register.

The Committee will make recommendations to the Board regarding such matters.

- B. The Committee shall review the insurable risks related to Health, Safety and Sustainability issues and evaluate cost/insurance benefits associated with those risks. The Committee shall consult with and make recommendations to the Audit Committee concerning insurance coverage and related matters.

V. OUTSIDE EXPERTS AND ADVISORS

The Committee may retain, and set and pay the compensation to, any outside expert or advisor, including but not limited to Health, Safety and Sustainability experts and advisors, and legal, accounting, financial or other consultants, at the Corporation's expense, in order to permit the Committee to carry out its duties and responsibilities hereunder. The Committee will assure itself as to the independence from management of any outside expert or advisor. The Committee will notify the Chairman of the Board prior to the engagement of any outside expert or advisor hereunder.

VI. ACCOUNTABILITY

- A. The Committee Chair has the responsibility to make periodic reports to the Board, as requested, on Health, Safety and Sustainability matters relative to the Corporation.

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- B. The Committee shall report its discussions to the Board by maintaining minutes of its meetings and providing an oral report at the next Board meeting.

VII. COMMITTEE TIMETABLE

The timetable on the following pages outlines the Committee's schedule of activities.

HEALTH, SAFETY AND SUSTAINABILITY COMMITTEE CHECKLIST

	Task	Meeting ⁽¹⁾	
		Q1	Q4
A.	Review the Corporation's Health, Safety and Sustainability activities and performance	x	x
B.	Review, on an annual basis, the Corporation's performance and results against the established short-term, mid-term and long terms plans, commitments and targets and key performance indicators related to Health, Safety and Sustainability	x	
C.	Review the Organization structure and adequacy of resources and funding responsible for Health, Safety and Sustainability matters.		x
D.	Review proposed legislation and emerging Health, Safety and Sustainability trends, public opinion and disclosure requirements.	As applicable	
E.	Review the Corporation's methods of communication regarding Health, Safety and Sustainability values and matters.	x	x
F.	Review and report to the Board on the findings of any management review or report of regulatory agencies, external consultants or internal/external auditors or rating agencies concerning the Corporation's performance in the areas of Health, Safety and Sustainability.	As applicable	
G.	Review the development and implementation of Health, Safety, and Sustainability policies that are aligned to the Corporation's business objectives.	Ongoing.	
H.	Evaluate management reports & recommendations for managing Health, Safety and Sustainability contributions to the corporate scorecards.	x	x
I.	Review management's assessment and advise the Board of the principal Health, Safety and Sustainability risks and opportunities to the Corporation.	x	x
J.	Review procedures to identify and prioritize insurable and non-insurable Health, Safety and Sustainability risks.		x
K.	Review the insurable risks related to Health, Safety and Sustainability and evaluate the cost/insurance benefits associated with those Risks.		x
L.	Meet <i>in-camera</i> with management persons responsible for Health, Safety and Sustainability matters and reporting.	As applicable	
M.	Review terms of reference for the Health, Safety and Sustainability Committee and make recommendations to the Board.		x

Note:

(1) Pursuant to the Terms of Reference for the Health, Safety and Sustainability Committee, the Committee is required to meet at least twice annually. Additional meetings will be convened as necessary.