



Risk and Sustainability Committee Charter

August 2019

1. Purpose & Responsibilities

- 1.1 The purpose of the Committee is to assist the Board fulfil its responsibilities in relation to risk management, ethics and compliance, legal proceedings, corporate governance, sustainability and insurance.

2. Matters delegated to the Committee

The Board has delegated to the Committee responsibility to:

2.1 Risk management

- a) Review and approve the risk management framework, and to recommend to the Board the risk management policy and overall risk appetite of the Group.
- b) Review and report to the Board on the soundness of the risk management framework and monitor the Group's performance against its risk appetite.
- c) Review and monitor new and emerging sources of risk and the risk controls and mitigation measures that management has put in place to deal with those risks.
- d) Review and recommend to the Board the disclosure of material business risks in the directors' report.

2.2 Ethics and compliance

- a) Review and recommend to the Board policies, or changes to policies, in relation to business conduct including the Guide to Business Conduct, anti-bribery and corruption, conflict of interest, privacy, political donations, competition and consumer protection, and whistle-blowers, collectively these policies and supporting processes comprise the ethics and compliance framework.
- b) Review and monitor the effectiveness of the ethics and compliance framework including the effectiveness of training programs and material breaches or allegations reported under the framework.

2.3 Legal proceedings

- a) Review and monitor the approach to managing material disputes, litigation and regulatory investigations.
- b) Oversee the conduct specific investigations and legal proceedings where requested by the Board

2.4 Corporate governance

- a) Review significant developments in the law and practice of corporate governance and recommend to the Board changes to existing structures or practices (recognising other Committees may also make such recommendations to the Board on matters within their remit).
- b) Review and recommend to the Board the Group's annual corporate governance statement.

2.5 Sustainability

- a) Review and recommend to the Board long-term targets and aspirations for environmental, social and governance performance, and monitor progress towards these goals.
- b) Review and recommend to the Board the Group's annual sustainability report.

2.6 Insurance

- a) Review and approve the Group's insurance program, except for Credit Insurance which is the responsibility of the Audit Committee and the Directors' and Officers' Liability insurance which is the responsibility of the Board.

2.7 Oversee specific categories of risk delegated by the Board in relation to matters within its remit

Review and approve the risk appetite and tolerance measures, review the Group's performance against the risk appetite and review high rated internal audit findings associated with the following categories of risk delegated to it by the Board:

- a) Corporate governance, including compliance with ASX Listing Rules, Corporations Act and similar applicable laws and regulations;
- b) Business conduct, ethics and compliance;
- c) Litigation and regulatory investigations;
- d) Systems, technology and cyber security;
- e) Business continuity and crisis management;
- f) Supply chain, safety and environmental targets, aspirations and external reporting; and
- g) Other matters that may materially impact the reputation of the Group.

3. Composition

- 3.1 The Committee will have at least three members and will comprise only Non-Executive Directors, with a majority of the members being assessed as independent by the Board.
- 3.2 The Chair of the Audit Committee will be a member of the Committee.
- 3.3 The members of the Committee will appoint one of their number to be the Committee Chair provided that:
 - a) the Committee Chair must be assessed as independent by the Board,
 - b) the Chair of the Board cannot be the Committee Chair
- 3.4 In the absence of the Committee Chair, the members will elect one of their number as Committee Chair for that meeting.
- 3.5 The Committee Secretary will be a Company Secretary, or their delegate.

4. Exercise of powers

- 4.1 The Committee and the Committee Chair must exercise the powers delegated to them in accordance with any directions of the Board.
- 4.2 The Committee has authority to perform any function delegated to it by the Board and may make recommendations to the Board in relation to all matters within its responsibility.
- 4.3 The Committee may delegate any of its responsibilities to one or more members of the Committee or to any director or executive officer of the Group, subject to conditions and on any terms the Committee determines.
- 4.4 The Committee may exercise its powers:
 - a) by resolution passed by a majority of directors who vote on the resolution at a meeting of the Committee; or
 - b) by a resolution in writing signed by a majority of the members of the Committee entitled to vote on the resolution.

5. Access to resources and independent advice

- 5.1 The Committee is to have access to adequate internal and external resources, and may obtain independent professional advice to assist it in the proper exercise of its powers and responsibilities, with the cost to be borne by the Group.
- 5.2 The Committee is entitled to rely on employees of the Group or professional advisers or consultants engaged by the Group or the Committee where there are reasonable grounds to believe that the employee, adviser or consultant is reliable and competent; and the reliance was made in good faith and after making an independent assessment of the information.
- 5.3 Each member of the Committee, with the consent of the Committee Chair, may attend seminars and training seek independent professional advice at the expense of the Group on any matter connected with the discharge of his or her responsibilities. The consent of the Committee Chair will not be unreasonably withheld.

6. Meetings

- 6.1 The Committee will meet regularly, at the times determined by the Committee Chair, but at least four scheduled times a year.
- 6.2 A member of the Committee, Board Chair or MD&CEO may request that a meeting of the Committee be convened.

7. Quorum

- 7.1 Two members, present in person or by using any technology, will constitute a quorum.

8. Attendance

- 8.1 The MD&CEO may be invited by the Committee Chair to attend meetings of the Committee.
- 8.2 The Committee may invite any other person to attend for all or part of any meeting as it considers appropriate.
- 8.3 Non-executive Directors have a standing invitation to attend meetings except when the Committee Chair determines otherwise.

9. Conflicts of interest

- 9.1 Conflicts of interest will be managed in accordance with the Procedure for Managing Directors' Outside Interests.

10. Equality of votes

- 10.1 The Committee Chair will not have a second or casting vote.

11. Committee papers

- 11.1 The Committee Secretary will distribute in advance of a meeting of the Committee an agenda and any related papers to each member of the Committee and, unless directed by the Committee Chair, each other Director.

12. Committee minutes

- 12.1 The Committee Secretary will prepare minutes of meetings and have them approved by the Committee Chair.
12.2 Approved Committee minutes will be placed in the Minute Register within one month of the meeting.
12.3 Minutes of meetings will be confirmed at the next meeting of the Committee.

13. Reporting

- 13.1 The Committee chair will immediately report to the Chairman of the Board any matter that could materially impact reputation of the Group.
13.2 The Committee Chair will provide an oral report to the next Board meeting as to any material matters arising out of the Committee meeting.
13.3 Where a material matter arises at a Committee meeting which relates to the responsibilities of a different sub-committee then the Committee Chair will discuss the matter with the relevant Chair.
13.4 Minutes of each meeting will be provided to the Board.

14. Knowledge and Understanding

- 14.1 The Committee members will participate in a program of induction, training and development.

15. Review

- 15.1 The Committee will evaluate its performance each year having regard to the purpose, responsibilities and other requirements of its Charter including assessing the effectiveness of knowledge sharing with other Committees in the fulfilment of its responsibilities.
- 15.2 The Committee will, at least once in each year, assess the adequacy of this Charter and recommend to the Board any necessary or desirable amendments to ensure it remains consistent with the Board's objectives, current law and best practice.