

Risk and Compliance Committee Charter

November 2022



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1. PURPOSE

The Risk and Compliance Committee (**Committee**) is a committee of the Board of Energy Queensland Limited (**EQL**) and the entities it controls (**the Group**).

The Charter outlines the role and responsibilities of the Committee as well as the composition and meeting requirements of the Committee.

2. ROLE AND RESPONSIBILITIES OF THE COMMITTEE

The Committee assists the Board in fulfilling its oversight responsibility of the Group's Risk Culture, Policy, Framework and Approach, and the Group's Compliance Culture, Policy, Framework and Approach.

The role and responsibility of the Committee is to oversee, review and make recommendations to the Board as appropriate on matters including:

- Embedding a dynamic, risk aware, ethical culture.
- The adequacy and effectiveness of the Risk Management and Compliance Management Policies, the Enterprise Risk Management Framework and the Enterprise Compliance Management Framework, including:
 - processes for identifying, monitoring, and managing both financial and non-financial risks and opportunities; and
 - processes for identifying and managing legislative obligations and change to ensure EQL achieves its strategic objectives.
- Monitoring EQL's risk and compliance performance, including whether EQL is operating within the risk appetite set by the Board.
- Portfolio Risk profiles including controls and response performance, material changes to these profiles, incident trends and learnings, emerging risks and opportunities, and the effectiveness of relevant risk and compliance management programs.
- Adequacy and effectiveness of EQL's Resilience & Continuity Framework, including business continuity, cyber risk, disaster, and emergency management plans and recovery processes.
- Insurance strategy, approach, and coverage
- Risks associated with wholesale markets and trading strategy and oversight of the financial market risks managed by Ergon Energy Queensland Pty Ltd and compliance with AFSL licences.

3. MEMBERSHIP OF THE COMMITTEE

Members of the Committee are appointed by the Board. Membership of the Committee will consist of a minimum of two Directors to be appointed from time to time by the Board.

The members of the Committee are responsible for ensuring the efficient and effective operation of the Committee and taking the appropriate steps to ensure that they have the requisite knowledge and training to undertake their role.

4. CHAIR

The Committee Chair is appointed by the Board and shall not be the Chair of the Board.

If the Chair is absent from any meeting of the Committee, the members of the Committee present at that meeting will appoint a Chair for that meeting.

5. COMMITTEE MEETINGS

5.1 Circulation of agendas and Committee papers

The Company Secretary, in conjunction with the Chair, will be responsible for drawing up and circulating the agenda (supported by explanatory documents) to the Committee in advance of each meeting.

Committee papers are expected to be provided seven days in advance of meetings.

5.2 Attendance

Committee members may not substitute a representative to attend on their behalf.

The Chief Executive Officer may attend Committee meetings at the standing invitation of the Committee to provide advice, information and recommendations to the Committee as required.

The Committee Chair may request Group officers, or external parties to attend a meeting of the Committee.

Any Director may attend as a visitor at Committee meetings from time to time.

5.3 Quorum

The quorum for a meeting of the Committee will be a minimum of two Committee members.

5.4 Conflicts of Interest

In accordance with the Board's Conflict of Interest Policy, Committee members must disclose any business or other relationship that, in the reasonable opinion of the Board or Committee, would materially interfere with the exercise of his or her independent judgement as a member of the Committee.

The Committee member must disclose any actual, potential or perceived conflict of interest arising at a Committee meeting or may provide a standing declaration of interests to the Committee. The Company Secretary must note all declarations of interest in the Committee meeting minutes.

Where a member is deemed to have a real or perceived conflict of interest, they will absent themselves from the meeting while that matter is discussed.

5.5 Minutes

The Company Secretary will be responsible for recording and keeping the minutes of meetings of the Committee and circulating them to the Committee members, the Board members and the CEO as appropriate.

5.6 Frequency of meetings

The Committee will hold at least four meetings each year and such additional meetings as determined by the Committee to fulfil its duties. In addition, the Company Secretary (in consultation with the Committee Chair) is required to call a meeting of the Committee if requested to do so by at least two Committee members.

5.7 Access to management and information

The Committee will have access to senior management and all documents, reports and records in pursuit of its objectives. Committee members should direct all access related enquiries to the Company Secretary.

6. ENGAGEMENT OF CONSULTANTS

The Committee has the power to engage independent external consultants as necessary for meeting its obligations in relation to its role, subject to Board approval.

7. REPORTING TO THE BOARD

The Committee reports to the Board. The Committee Chair will provide a report to the Board following each meeting to advise the Board about Committee activities, including its findings and recommendations.

8. OTHER COMMITTEES

The Committee will interact cooperatively with the other committees established by the Board where required to provide effective oversight recommendations to the Board, according to the Roles set out in each committee's Charter.

9. ASSESSING COMMITTEE PERFORMANCE

The Committee will complete a self-assessment process in accordance with the approach approved by the Board.

10. REVISION OF CHARTER

The Committee will review this Charter at least annually to ensure its relevance and effectiveness of the Committee, and make recommendations for any amendments to the Board for approval.

This Charter will be made available on EQL's website.

Approved by the Board on 17 November 2022.