

## Risk Management Committee charter

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### 1 Standing rules

The standing rules for Committees<sup>1</sup> apply to the Risk Management (**Risk**) Committee subject to this charter.

### 2 Purpose of Risk Committee

The Risk Committee's role is to review State Gas's risk management framework and policies and monitor their implementation.

### 3 Scope of responsibility

The Risk Committee is responsible for:

- (a) assessing corporate risk (including economic, environmental and social sustainability risks) and compliance with internal controls;
- (b) overseeing business continuity planning and risk mitigation arrangements;
- (c) reviewing reports on the adequacy of insurance coverage;
- (d) monitoring compliance with relevant legislative and regulatory requirements (including continuous disclosure obligations) and declarations by the Secretary about those requirements; and
- (e) making recommendations to the Board on appropriate risk management policies and procedures.

### 4 Powers

- 4.1 The Risk Committee has an advisory role, to assist the Board with matters set out in paragraph 3 and does not have any power to commit the Board to any recommendation or decision made by it.
- 4.2 The Risk Committee has unrestricted access to management and to internal audit personnel as well as to the external auditors (with or without management present) to carry out its function.
- 4.3 Subject to Board approval, the Risk Committee is able to engage independent consultants to assist and advise on matters associated with the Risk Committee's responsibilities.

### 5 Risk reporting

- 5.1 If the Risk Committee identifies a significant business risk, it should report that risk to the Board immediately following the relevant Risk Committee meeting.

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<sup>1</sup> See State Gas Ltd Corporate Governance Charter



## **6 Proceedings**

- 6.1 Meetings are held at least three times during each year and more often as required.
- 6.2 The Executive Chairman and the CFO should be invited to attend meetings, or specific parts of meetings, at the discretion of the Risk Committee.