

# BOARD RISK COMMITTEE CHARTER

EQT Holdings Limited (ACN 004 031 298)

As part of EQT Holdings Limited's ("the Company") corporate governance framework, the Company's board has a separate Board Risk Committee ("the Committee") which is used as an efficient and effective mechanism to bring the transparency, focus and independent judgement needed to oversee the Company's and its subsidiaries' ("the Group") risk management framework. The Board accepts ultimate responsibility for the Group's risk management framework and for deciding the nature and extent of the risks it is prepared to take to meet the Group's objectives.

## AUTHORITY AND DELEGATION

1. The Committee is subject to the overall authority of the Company's Board ("the Board").
2. The Committee makes recommendations to the Board and has no decision making powers, unless specifically delegated by the Board by resolution or directed in accordance with this Charter.
3. The Committee may only be dissolved by resolution of the Board.

## ROLE AND RESPONSIBILITIES OF THE COMMITTEE

4. The role and responsibilities of the Committee are:
  - a) to oversee the risk profile and risk management of the Group in accordance with the Board's risk appetite;
  - b) to make recommendations to the Board concerning the Group's current and future risk appetite, risk management strategy, and the adequacy of the Group's processes for managing risk;
  - c) to review the Group's risk management and compliance framework at least annually to ensure that it continues to be sound;
  - d) to report to the Board Audit Committee whether the Committee supports Management's declarations attesting to the effectiveness of internal controls and soundness of the Group's risk management systems;
  - e) to review Management's plans to mitigate material risks faced by the Group;
  - f) to oversee Management's promotion of the awareness of a risk-based culture and the establishment of a balance between risk and reward for accepted risks;
  - g) to review and make recommendations to the Board in relation to any incident involving fraud or other material break down of the Group's internal controls;
  - h) to review and make recommendations to the Board in relation to the Group's insurance program;
  - i) to consider the social, ethical, economic and environmental impact of the Group's activities, and monitor the Group's sustainability policies and practices;



- j) to review and adopt or recommend policies to the Board for adoption in accordance with the *Group's Policy Framework*;
  - k) to review Management's assessment of the adequacy and effectiveness of the Group's business continuity, disaster recovery and crisis management plans;
  - l) to review any issues raised by internal or external auditors that may impact the Group's management of risk in conjunction with the Board Audit Committee;
  - m) to maintain and encourage open lines of communication with subsidiary risk committees;
  - n) to refer to the Board's committees any relevant risk matters pertaining to their oversight; and
  - o) to refer any matters importance to the Board for its consideration and attention.
5. In performing its role, the Committee aspires to excellence in governance standards.

## DELEGATION

6. The Committee may delegate its responsibilities to a sub-committee comprised of one or more members of the Committee for a specific purpose. Any such sub-committee shall report directly to the Committee.

## COMMITTEE SIZE AND COMPOSITION

7. The Committee comprises at least three members, a majority of whom are independent directors. At least one member will also be a member of the Board Audit Committee to assist with the linkage between audit and internal control. To assist with the linkage between risk and remuneration, a member of the Committee will also be a member of the Board Remuneration Committee.
8. Member appointment and rotation is at the discretion of the Board.
9. The Committee's members between them are to have the necessary technical knowledge and a sufficient understanding of the industry in which the Group operates, to be able to discharge the Committee's mandate effectively.
10. The Chair will be an independent director.

## PERFORMANCE MONITORING

11. The Committee will undertake a self-assessment of its performance at least annually and provide a summary of the assessment to the Board.

## OPERATION

12. Three members of the Committee form a quorum.
13. Committee meetings take place at least quarterly. Meeting papers are provided to Members sufficiently far in advance of scheduled meetings to permit adequate preparation.
14. Minutes of all meetings of the Committee are to be kept and provided to each subsequent meeting of the Board.
15. The Committee will make its papers available to the Board.



## CONFLICTS OF INTEREST

16. Members are expected to avoid any actual or perceived situation, action, position or interest that conflicts with an interest of the Group or conflicts with his/her duties as a member of the Committee.
17. At each meeting, Members are required to disclose any matters that may give rise to a potential or actual conflict of interest or duty in relation to the business being considered by the Committee and any other conflict of interest or duty as required by the Group's *Conflicts of Interest Policy*.

## POLICY ON INDEPENDENT PROFESSIONAL ADVICE

18. The Company will provide the Committee with sufficient resources to undertake its duties. The Committee may obtain information, interview management and internal and external auditors (with or without management present), and seek advice from external consultants or specialists where the Committee considers that necessary or appropriate. The Company will pay the reasonable expenses associated with obtaining such advice. Approval from the Board Chair is required prior to obtaining such advice.

## DISCLOSURES

19. The Company will make the following disclosures to shareholders:
  - a) this charter, on the Company's website;
  - b) whether a review of the Group's risk management framework has been undertaken and, where appropriate, any insights gained from the review and any changes made to the Group's risk management framework as a result;
  - c) whether the Group has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks;
  - d) the main internal and external risk sources that could adversely affect the Group's prospects for future financial years;
  - e) the relevant qualifications, experience and independence of the Committee's members;
  - f) in relation to each reporting period, the number of times the Committee met throughout the period and the individual attendances of members at those meetings; and
  - g) any insights the Committee gained from the evaluation of its performance and any governance changes it has made as a result.

## REVIEW OF CHARTER

20. This charter will be reviewed by the Board at least every two years.