

# Board Safety, Operations and Environment Risk Committee Charter



# Safety, Operations and Environment Risk Committee

## Introduction

This Charter sets out the role and responsibilities of the Committee to assist the Board in managing operational risks pertaining to Snowy Hydro.

## 1. Role and responsibilities

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The Committee's role is to assist the Board in the effective discharge of its responsibilities in relation to managing operational risks pertaining to:

- (a) workplace health and safety;
- (b) environmental management and sustainability, including emissions footprint;
- (c) production capability and delivery, including asset integrity;
- (d) water operations;
- (e) business continuity and emergency management;
- (f) information and physical security management;
- (g) governance and post-implementation reviews of major projects (other than those overseen by the Board or a dedicated Board Committee; and
- (h) information technology systems.

In carrying out its role, the Committee has authority from the Board to review and investigate any matter within the scope of this Charter and make recommendations to the Board in relation to the outcomes.

The Committee has no delegated authority from the Board to determine the outcomes of its reviews and investigations and the Board retains its authority over such matters.

## 2. Duties

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The Committee has the following duties:

- (a) report to the Board on any issues relating to operational limits which act to constrain the operations of Snowy Hydro and any statutory and legal obligations that impact its day to day activities;
- (b) review the risk management systems associated with the focus areas detailed in Clause 1(a) to (h);
- (c) review and bring to the attention of the Board any material new and significant risks;
- (d) investigate and report to the Board on any matter specifically referred to the Committee by the Board. Where appropriate, refer matters to the Management Safety Operations and Environment Committee for

investigation. Follow up on any recommendations or improvement strategies;

- (e) for areas within the scope of this Charter:
  - (i) review and recommend approval of relevant elements of each annual internal audit plan to the Audit and Compliance Committee of the Board;
  - (ii) review recommendations from the internal auditors and monitor the implementation of recommendations;
- (f) for risks within the scope this Charter:
  - (i) review management's risk management culture;
  - (ii) review the appropriateness of systems and processes developed by management to identify, assess and respond to risks;
  - (iii) review the effectiveness of internal control frameworks; and
  - (iv) follow up on any recommendations or improvement strategies.
- (g) for areas within this Charter, bring to the attention of the Board any actual or potential material breaches of regulatory compliance obligations.

### **3. Membership**

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Members of the Committee will be appointed by the Board and shall consist of:

- (a) at least three Non-Executive Directors, a majority of whom must be Independent Directors.
- (b) an independent, Non-Executive Director as Chair of the Committee.

In the absence of the Committee Chair, Committee members will elect an Independent Director to act as Chair for that meeting.

A quorum will comprise two members of the Committee.

Each member of the Committee will have one vote and questions will be decided by a majority of votes. In the case of an equality of votes, the Committee Chair will have a casting vote, provided more than two of the members present are entitled to vote.

The Company Secretary or their nominee will act as the Secretary to the Committee. The Secretary will keep minutes of proceedings and resolutions of the Committee together with copies of supporting papers. These records will be available to any Board member upon request.

## **4. Meetings and resources**

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The Chair will convene meetings as necessary but not less than four times each year.

Members of the Board may attend meetings of the Committee and, subject to Clause 5.3(c), the Chair of the equivalent Management Committee may attend meetings ex officio. Members of management may attend Committee meetings at the discretion of the Committee Chair.

The Committee may meet without ex officio members present if the Committee Chair or the Committee considers it appropriate. Other persons may attend meetings of the Committee by invitation only, or with prior arrangement with the Committee Chair.

Unless otherwise agreed by all Committee members, notice of each meeting and circulation of supporting papers must be forwarded to each member of the Committee and any person invited to attend, not less than four business days prior to the date of the meeting.

The Committee Chair, or their nominee, will report to the Board after each meeting of the Committee.

The minutes of each Meeting must be included in the papers for the next scheduled Board meeting.

Each member of the Committee will have one vote and questions will be decided by a majority of votes. In the case of an equality of votes, the Committee Chair will have a casting vote, provided more than two of the members present are entitled to vote.

The Committee may seek any information reasonably necessary to discharge its responsibilities from any officer or employee of Snowy Hydro.

The Committee may take advice from external parties at Snowy Hydro's expense as reasonably appropriate to discharge its responsibilities.

The Committee may initiate, after consultation with the Chair and the Board, any investigation that is reasonably necessary to discharge its responsibilities. The costs of any such investigation will be borne by Snowy Hydro.

## **5. Performance and assessment**

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At least once each year the Committee must report on, and the Board will review, the performance of the Committee. This review will incorporate the views of relevant stakeholders.

The Committee must review this Charter annually to ensure its relevance and effectiveness and make recommendations to the Board in relation to any proposed changes.