

# People, Safety and Environment Committee Charter

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The People, Safety and Environment Committee (**Committee**) is a committee of the Board of CS Energy Limited (**CSE**).

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

## Role of the Committee

The Committee assists the Board to discharge its responsibilities in setting the strategic direction, monitoring performance and ensuring compliance with legislation and shareholder expectations for safety, environment, people and organisational effectiveness.

The Committee is a Board committee and not an executive committee. As such it must not perform any management functions or assume any management responsibilities and will have an objective, independent role. However, the Board has delegated specific and general authority for the Committee to make decisions on behalf of the Board as detailed in Authority and Delegation below.

The Committee's primary role is to ensure that Management has effectively implemented a culture, initiatives, policies, practices and systems to:

### Safety and Environment

- Comply with Health, Safety and Environment legislation;
- Monitor and continually improve health, safety and environment performance; and
- Strive for Zero Harm, and zero environmental incidents.

### People

- Comply with employment legislation, relevant government policy and Enterprise Agreement (**EA**) obligations.
- Meet shareholding Ministers' and the Board's expectations for industrial relations and remuneration;
- Align individual performance with CSE's objectives, values and Code of Conduct;
- Appropriately engage and remunerate employees and reward good performance; and
- Plan for succession of key positions.

### Organisational Effectiveness

The Committee may also from time to time consider matters in relation to organisational effectiveness<sup>1</sup>.

## Key Responsibilities

### Safety and Environment

The Committee will oversight the health and safety culture, initiatives, policies, practices and systems of CSE as well as those that relate to environment. The Committee will:

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<sup>1</sup> Organisational effectiveness includes: human resources; industrial relations; safety, security; environment; and stakeholder relations.

- Review safety initiatives and management systems (including lead and lag indicators, to assess effectiveness) and ensure that they support the approved objectives and strategies of CSE;
- Review safety and environment reporting of incidents and performance targets;
- Review compliance with legislative requirements; and
- Continually challenge Management to strive for Zero Harm, as well as zero environment incidents.

## People

The Committee will oversight the culture, employment, industrial relations, remuneration, retention and reward policies and practices of CSE. The Committee will:

- Advise the Board on the selection, remuneration, contractual terms and role purpose statements of the Chief Executive Officer (**CEO**) and other Senior Executives;
- Review and endorse to the Board the annual performance targets and incentive payments of the CEO;
- Oversight succession planning for CEO and Senior Executives;
- Review remuneration and reward practices for other employees effectiveness and ensure that they support the approved objectives and strategies;
- Review change management initiatives and practices for effectiveness in the development of a change culture and ensure that they support the approved objectives and strategies; and
- Review compliance with legislative requirements.

## Authority and Delegation

The Committee will act in terms of the delegated authority of the Board as recorded in this Charter. It has the power to investigate any activity within the scope of the Charter.

Despite the delegations below, the Committee Chair may determine, at their discretion, that any matter should instead be referred to the Board for the Board's consideration.

## Specific Delegations

The Committee is delegated authority to approve or endorse the following on behalf of the Board:

- Approve, on recommendation from the CEO, the annual performance targets and incentive payments of the Senior Executives;
- Approve, on recommendation from the CEO, annual corporate performance targets and incentive payments to employees who are rewarded for these targets (subject to the Board approved budget);
- Approve CSE policies for Health & Safety, Rehabilitation, Environment;
- Ensure there is a review at least annually of the remuneration of those roles paid below or above the approved remuneration range for their respective positions and approve the outcomes of this review;
- Review and endorse EA bargaining frameworks and in-principle agreements for Government approval; and
- Review and endorse the Employment and Industrial Relations Plan for Government approval.

These specific delegations preclude the CEO (or their sub-delegates) from approving these items, unless the Committee makes a specific sub-delegation in relation to them.

## General Delegations

The Committee may also consider and approve, on behalf of the Board, any matter recommended to it by Management (whether it wholly or partly accepts the Management recommendation, or not), where the matter in the view of the Committee Chair:

- is directly relevant to the **Role of the Committee** or **Key Responsibilities** above;
- is not noted above as one which is recommended to the Board;

- does not more directly rest with another Board Committee; and
- is not reserved to the Board in the Authorities and Delegation Policy or any other policy.

The Committee may direct any special investigations or obtain independent advice where considered necessary to discharge its responsibilities.

In the event of any doubt (raised by Directors or Management) as to whether the Committee has delegation to decide or investigate a matter, the Committee Chair may determine whether the decision is within the delegation of this Committee. The determination of the Committee Chair and the decision is to be reported to the next Board meeting.

These general delegations do not preclude the CEO (or their sub-delegates) from exercising duly delegated authority in these matters

## Composition

The Board will appoint at least three non-executive Directors to the Committee.

The Committee Chair will be a member of the Committee, other than the Chair of the Board of Directors, appointed by the Board.

## Quorum

A quorum consists of two Committee members entitled to be present at the meeting. Where only one Committee member is available, then any other Board Director may attend to constitute a quorum.

If the Chair is not available within five minutes of the scheduled start time of a meeting then the committee will elect an interim Chair from among the members for that meeting.

## Term of Membership

The term of membership will endure whilst each member remains a Director of CSE or until such time as the Board determines otherwise.

The Board will review membership of the Committee and its performance and effectiveness on an ongoing basis.

Vacancies on, or absences from, the Committee will be addressed by the Board as required.

## Meetings

The Committee will determine the frequency of regular meetings and such additional meetings as the Chair decides to fulfil its duties. The Committee will meet as frequently as required, but at least 3 times per year .

The Committee Chair may call a specific Committee meeting if requested to do so by the Board, any Director of the Board.

## Secretariat

The Company Secretary is the Secretary of the Committee, and will be jointly responsible with the Executive Group Manager, People & Safety for settling the agenda which will be agreed with the Chair and circulated to Committee members, prior to a meeting.

The Secretary will be responsible for keeping the minutes of the meetings of the Committee. Draft minutes will be prepared by the Secretary who will use best endeavours to circulate them to the Committee Chair within five working days of the date of the meeting for comment and then to all Committee members within a further five working days. Following receipt of any comments, the updated minutes will be provided to the Committee Chair for consideration prior to formal acceptance at the subsequent Committee meeting.

## Access

The Committee has authority to seek any information it requires from any officer or employee of CSE.

The Committee will have reasonable access to CSE's records, facilities and any other resources necessary to discharge its duties and responsibilities.

The Committee may invite or direct any party, including senior executives, to attend meetings or not, for particular agenda items and participate in discussions concerning specific issues.

The Committee has the authority to consult independent experts for advice, as it reasonably considers necessary to execute its duties and responsibilities.

## External Advice

To the extent that a Director requests independent professional advice on particular matters under the scope of this Charter, the provisions of the Board Charter may be relied upon to seek that advice.

## Committee Reporting Process

The Chair will report the findings and recommendations of the Committee to the Board of Directors after each Committee meeting.

The Committee may refer GRC or audit matters to other Board Committees where this falls within the scope of their Charter.

## Committee Reporting and Self Evaluation

A summary of the role of the Committee may be included in CSE's annual report. Committee self evaluation will be conducted as part of the full board evaluation and self assessment processes.

## Review of Committee Charter

The Committee will review this Charter at least annually and recommend any changes to the Board.

## Conflicts and Conduct

Committee members will comply with the Board and CSE's standard and procedures in relation to management of conflicts of interest. Directors are expected to abide by the CSE [Code of Conduct](#).

The Board of CSE has also elected to adopt the [Director Code of Conduct](#) from the Australian Institute of Company Directors.