

# Performance Committee Charter

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## Role

The Performance Committee (**Committee**) assists the Board to discharge its duties in relation to establishing and monitoring CS Energy's (**CSE**) health, safety and environment frameworks, plant reliability, and associated operational risks.

## Responsibilities

### Safety and Environment

- HSE Update: The Committee is updated on relevant HSE information including risk and impact management practices, initiatives, legislation, codes and other external requirements.
- HSE Objectives and Performance: The Committee reviews and endorses CSE's HSE performance objectives and targets having regard to historical company performance, HSE risks and/or impacts and industry benchmarking. It monitors CSE's HSE performance against its targets.
- HSE Risk Management: The Committee understands and considers key HSE risks and/or impacts including those specifically assigned to it by the Enterprise Risk Committee. It reviews key HSE risks and/or impacts, and receives information relating to processes and resources to manage those HSE risks and/or impacts.
- HSE Management Systems: The Committee periodically reviews CSE's HSE Policies and key components of the HSE Management System ensuring it clearly states and supports CSE's commitment to manage HSE matters effectively.
- HSE Compliance: The Committee monitors CSE's compliance with HSE legal and internal HSE Management System requirements. It reviews relevant HSE regulatory non-compliance, penalties and enforcement actions raised against CSE by external parties.
- HSE Culture: The Committee monitors HSE culture including management commitment and behavioural-based initiatives, supporting the effective management of HSE risks and/or impacts.
- HSE Verification: The Committee periodically verifies the effectiveness of HSE Objectives and Performance, HSE Risk Management, HSE Management Systems, HSE Compliance and HSE Culture.

### Reliability

- Monitor plant performance across CSE's plant portfolio;
- Ensure Management responds to technical issues affecting or likely to affect plant performance in a timely and prudent manner;
- Monitor the management and governance of overhauls and major capital work projects;
- Review strategic asset management plans, including plant operating mode and asset life planning; and
- Consider other significant technical matters, particularly matters related to plant capability and reliability being undertaken or addressed by the Company.

### Operational Risks

- Monitor operational risks relating to CSE's operations, including HSE and plant related risks.

## Authority and Delegation

The Committee:

- is a Board committee and not an executive committee;

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- must not perform any management functions or assume any management responsibilities and will have an objective, independent role.
- will act in terms of the delegated authority of the Board as recorded in this 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 Board has delegated specific and general authority for the Committee to make decisions on behalf of the Board to approve CSE policies for Health & Safety, Rehabilitation and Environment.

Specific delegations preclude the CEO (or their sub-delegates) from approving these matters 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:

- is directly relevant to the Role of the Committee or Responsibilities above;
- does not more directly rest within another Board Committee's delegated authority; 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 who, in the opinion of the Board:

- Are independent of the Company management and free from any relationship that, in the business judgment of the Board, would interfere with the exercise of their independent judgment as a member of the Committee; and
- Members will be appointed to the Committee for as long as they remain a Director of CSE or until such time as the Board determines otherwise.

The Committee Chair will be a member of the Committee, as appointed by the Board. All Directors have a standing invitation to attend meetings of the Committee.

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

The Secretary of the Performance Committee will be the Company Secretary, or such other person as nominated by the Board.

## Procedures

The Committee will meet as frequently as required, but at least four 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.

If the Committee 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.

The Committee Secretary is jointly responsible with the Chief Executive Officer for settling the agenda which will be agreed with the Chair prior to a meeting. The Secretary is responsible for keeping the minutes of the meetings of the Committee which will be prepared and circulated to the Committee Chair and then to the Committee and Board after each meeting.

The Committee Chair should report to the Board after each Committee meeting, including recommendations on any specific decisions or actions the Board should consider and other matters relevant to the Committee's role and responsibilities.

The Committee may have access to adequate internal and external resources, including seeking advice or assistance from external advisors or consultants if required to enable the Committee to fulfil its role. It may also direct any special investigations or obtain independent advice where considered necessary to discharge its responsibilities.

## Committee Reporting and Self Evaluation

A summary of the role of the Committee may be included in the Company 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.