

# Governance, Risk and Compliance Policy

## Policy Statement

### CS Energy will:

- Pursue our objectives and ensure the sustainability of our business by embedding governance, risk and compliance management into everything we do.

## Principles and Objective

### To:

- Govern CS Energy to meet the expectations of Shareholders and stakeholders, in the outcomes we achieve and the manner in which we achieve them through open and transparent communication;
- Promote a performance culture where we focus on our objectives and accept responsibility for recognising, communicating and managing the uncertainty (opportunities and threats) to these objectives;
- Promote an organisational focus on Governance, Risk and Compliance to support the business in effectively integrating governance, risk and compliance into business decision making and business processes.
- Execute timely decisions which create and protect business value having considered the best available information and taking account of uncertainty;
- Understand and comply with our legal, regulatory and other obligations;
- Understand those risks that threaten the ongoing operation of CS Energy, and have in place strategies to minimise business disruption.

## Scope

- This policy applies to all activities of CS Energy.

## Responsibilities

### The Board is responsible for:

- Setting objectives for CS Energy;
- Delegating authority, setting limits of acceptable behaviour through the Code of Conduct and defining risk appetite and tolerance by approving CS Energy Policies; and
- Establishing and monitoring effective governance, risk and compliance management.

### Executive Management (individually and as a team) is responsible for:

- Achieving objectives set by the Board and managing uncertainty in relation to these objectives;
- Promoting a performance culture embedding risk management in decision making and business processes;
- Creating awareness of and ensuring compliance with legal, regulatory and other obligations;
- Keeping the Board informed of risks and compliance issues and endorsing all information provided to the Board;
- Establishing standards and procedures to underpin board approved CS Energy Policies; and
- Making available the necessary resources for effective governance, risk and compliance management.

### All staff (including internal contractors and consultants) are responsible for:

- Actively seeking to understand the objectives, risks, controls and obligations that relate to their activities and participate in governance, risk and compliance management;
- Undertaking activities in compliance with legislation and CS Energy policies and procedures;
- Identifying and reporting risk events and instances of non-compliance; and
- Reporting new risks, risks exceeding tolerance, breaches or weaknesses of controls to their supervisor and as required under CS Energy Policies.

### Governance, Risk and Compliance Team is responsible for:

- Providing expert advice and support in relation to governance, risk and compliance management;
- Establishing an Enterprise Risk Management and Compliance Framework that enables effective risk management and compliance activity to be carried out consistently across CS Energy;
- Ensuring there is an appropriate level of understanding and engagement in risk and compliance management through effective education, reporting, escalation and discussion;
- Establishing a Governance Management Framework which delegates authority, sets limits and describes risk tolerance (e.g. via policies, standards, procedures);
- Establishing a Business Continuity Framework to ensure risks that threaten the ongoing operation of CS Energy are effectively planned for and managed.
- The review and continuous improvement of this policy and governance, risk and compliance management across CS Energy.
- Facilitating the process outlined within the Enterprise Risk Management and Compliance Framework, and ensuring the ongoing reporting of the outcomes of those processes.

## Related legislation, policies, standards and procedures

### CS Energy acknowledges the following policies and standards that relate to this policy:

- *Corporations Act 2001 (Cth)*
- *Government Owned Corporations Act 1993 (Qld)*
- *Corporate Governance Guidelines for (Queensland) Government Owned Corporations.*
- *ISO 31000:2009 Risk management – Principles and guidelines*
- *AS 3806:2006 Compliance programs.*