

Governance, Risk and Compliance Policy

Policy statement

CS Energy will:

- Pursue our strategic objectives by embedding governance, risk and compliance management into everything we do.

Objectives

To:

- Ensure the health and safety of workers and eliminate or reduce safety risks so far as is reasonably practical
- Govern CS Energy to meet the expectations of Shareholders, stakeholders and customers;
- Foster a culture of active risk management and compliance throughout the organisation;
- Promote the integration of 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 capacity, appetite and tolerance by approving CS Energy Policies;
- Establishing and monitoring effective governance, risk and compliance management; and
- Approving the Risk Appetite Statement and ensuring that CS Energy's risks are managed within this appetite.

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 culture of effective governance, active risk management and compliance;
- Creating awareness of and ensuring compliance with legal, regulatory and other obligations;
- Ensuring that risk management and compliance information presented to the Board is timely, accurate and complete;
- 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 compliance obligations that relate to their activities;
- 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 Teams are responsible for:

- Providing expert advice and support in relation to governance, risk and compliance management;
- Maintaining and continuously improving 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;
- Maintaining a Governance Management Framework which delegates authority, sets limits and describes risk tolerance (e.g. via policies, standards, procedures);
- The review and continuous improvement of this policy and governance, risk and compliance management across CS Energy; and
- Facilitating the process outlines within the Enterprise Risk Management and Compliance Framework and ensuring the ongoing reporting of the outcomes of those processes.

Related legislation, policies, standards and regulations

CS Energy acknowledges the following that relate to this policy:

- *Corporate Act 2001 (Cth)*
- *Governance Owned Corporations Act 1993 (Qld)*
- *Corporate Governance Guidelines for (Queensland) Government Owned Corporations 2009*
- *ISO 31000:2018 Risk Management – Principles and Guidelines*
- *AS 19600-2015 Compliance Management - Guidelines*

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