

## **Board Risk Committee Charter**

### **1. Function**

The Risk Committee's function is to:

- 1.1 Recommend to the Board for approval the Risk Management Policy;
- 1.2 Review alignment of the Risk Management Framework and risk profile with the Eraring Business Plan;
- 1.3 Review the risk profile of Eraring on a six monthly basis ensuring all significant risks are addressed;
- 1.4 Oversee the integration of risk management with the business of Eraring including specialist risk areas such as: Trading, Insurance and Treasury; and
- 1.5 Provide advice to the Board in relation to:
  - (a) monitoring management and advising the Board on whether there is an effective risk management framework in place across Eraring Energy,
  - (b) reviewing emerging risks identified by either the Risk Committee, or management,
  - (c) undertaking a review of major risk factors, and
  - (d) ensuring that risks are appropriately addressed, including mitigating actions, such as business continuity plans and routine testing.

### **2. Powers**

In discharging its responsibilities, the Committee is authorised by the Board to:

- 2.1 Obtain external professional advice (including legal);
- 2.2 Seek information from any employee who shall cooperate with the Committee;
- 2.3 Seek information from parties outside of Eraring Energy or its subsidiaries;
- 2.4 Require attendance of Eraring Energy officers at meetings of the Committee; and
- 2.5 Request the Board of subsidiaries to provide information.

### **3. Structure and Operations**

#### 3.1 Membership

- (a) The Committee will be comprised of no less than three non-executive directors.
- (b) The Board will determine the Committee Chair.
- (c) The quorum for meetings shall be two members.
- (d) The Board shall nominate the Secretary of the Committee.

#### 3.2 Meetings

- (a) Executives, including the Managing Director, may be invited to attend meetings of the Committee as appropriate.
- (b) The Committee shall meet at least four times a year and minutes of all meetings shall be promptly provided to the Board.

### **4. Responsibilities**

The Committee is responsible for:

#### 4.1 General

- (a) Maintaining the charter of the Committee and seeking Board approval for enhancements, and reviewing the Committee's performance.

#### 4.2 Risk

- (a) Monitoring that management has an effective business risk management framework in place across Eraring Energy and has aligned the Framework with the Eraring Energy Business Plan;
- (b) Reviewing and recommending to the Board for approval the risk management policy;
- (c) Monitoring that management identifies and appropriately manages major business risks;
- (d) Reviewing the annual Risk Register;
- (e) Making recommendations to the Board concerning Eraring Energy's risk appetite and particular risks or risk management practices of concern to the Committee;

- (f) Promotion of awareness of the need to manage risk and the achievement of a balance between risk minimisation and review for risks accepted;
- (g) Reviewing the risk profile of Eraring on a six monthly basis ensuring all significant risks are addressed; and
- (h) Overseeing the integration of risk management with the business of Eraring including specialist risk areas such as: Trading, Insurance and Treasury.