

# Risk Committee Charter

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## 1. Purpose

The Board has responsibility for establishing a framework of risk management across Stockland.

The purpose of the Risk Committee is to assist the Board to discharge its responsibilities in relation to:

- assessing the effectiveness of Stockland's overall risk management framework; and
- supporting a prudent and risk aware approach to business decisions across Stockland.

The Risk Committee will work with the Audit Committee, Sustainability Committee and People and Culture Committee to assist the Board in fulfilling its responsibilities for ensuring sound management of risk and compliance across Stockland.

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## 2. Committee Membership and Meetings

Members of the Committee are appointed by the Board. The Committee will consist of at least three independent non-executive directors.

All members must have a sufficient understanding of the business of Stockland and the financial, operating and legal issues which affect Stockland.

The Committee will meet at least four times per year with additional meetings convened as necessary at the request of any member. The quorum for all Committee meetings is two members. All other non-executive directors of the Board are invited to attend all meetings as observers. The Committee may extend an invitation to any person to attend all or part of any meeting of the Committee which it considers appropriate.

The Committee has unrestricted access to executive management, all employees and all Stockland records, tax and financial advisers, legal advisers, and internal and external auditors.

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## 3. Roles and Responsibilities

### 3.1. Risk Policies and Controls

The Committee must:

- oversee the establishment and implementation of Stockland's risk management framework, appropriate risk policies and mitigation plans for managing material risks, review and approve any variations to the risk management framework, and recommend any variations of the policies for approval by the Board;
- review and monitor whether Stockland operates within the risk appetite statement and risk policy approved by the Board;
- monitor and make recommendations to the Board in relation to material and emerging risks;
- assess Stockland's risk culture and report any significant or systemic issues or concerns to the Board
- review statements by Stockland to external stakeholders regarding Stockland's risk appetite statement and risk policy.

### 3.2. Risk Environment

The Committee must:

- review and monitor Group Risk's annual program of work against material risks that may affect Stockland's ability to achieve its corporate objectives;
  - review and monitor the establishment and maintenance of Stockland's business continuity and disaster recovery plans;
  - review any material incidents involving a break down of Stockland's risk controls and any lessons learned from such incidents;
  - review and monitor Stockland's compliance with regulatory and legislative requirements;
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- review and monitor Stockland's engagement with customers including but not limited to the management and resolution of disputes;
- review issues relating to business integrity, ethics and conduct risk including the appropriate resolution of such matters;
- review and monitor the adequacy and effectiveness of management of Stockland's operational risks;
- review and monitor the adequacy of Stockland's insurance program and arrangements on an annual basis; and
- review and monitor the adequacy and effectiveness of management of Stockland's data and information technology risks including but not limited to the appropriate capture, storage, use and destruction of data and, cyber security.

### **3.3. Management**

The Committee must:

- review and monitor management's performance in addressing risk management procedures recommended through Stockland's risk review functions; and
- review the structure and performance of Stockland's risk review functions and provide input into the appointment or termination of the Group Risk Officer (and provide input into the objectives and appraisal as appropriate).

### **3.4. Work, Health and Safety (WHS)**

The Committee must:

- Review and monitor Stockland's WHS program including policies designed to promote the safety of employees, tenants, residents, contractors and visitors to Stockland's properties; and
- consider proposals and reports from management and monitor compliance with Stockland's policies and guidelines relating to health, safety and the environment and management's progress in implementing agreed initiatives.

### **3.5. Other**

The Committee must:

- undertake such further investigations which the Committee considers necessary or may be requested by the Board; and
- carry out an annual review of the ongoing appropriateness of this Charter and recommend any amendments to the Board; and
- review its performance on an annual basis and report the findings of that review to the Chairman. The performance evaluation will have regard to, amongst other matters, the extent to which the Committee has met its responsibilities under this Charter.

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## **4. Reporting to the Board**

The Chair of the Committee (or a person nominated by the Chair of the Committee for that purpose) must report to the Board at the Board's next meeting on any matters relevant to the Committee's duties and responsibilities.