



# Risk Corporate Governance and Sustainability Committee Charter

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## Purpose

The Board of Beach Energy Limited (**Beach**) shall have a Risk, Corporate Governance and Sustainability Committee (**Committee**). The purpose of the Committee is to assist the Board to:

- ensure there is an appropriate corporate entity risk management framework and process identifies business, operational, financial and regulatory risks and risk mitigation measures.
- articulate and periodically review the risk appetite of the Company.
- ensure Beach has appropriate business conduct and corporate governance policies, standards and practices.
- develop and approve the annual corporate governance statement in accordance with the ASX Listing Rules.
- ensure compliance with all corporate governance requirements.
- develop a business sustainability framework, annual objectives and annual sustainability reporting.
- review the annual reserves audit process.

## Membership

The Committee shall consist of:

- at a minimum, three directors;
  - a majority of independent directors; and
  - an independent director as chairperson,
- who are nominated by the Board.

The Board may add to or replace committee members.

All Committee members shall have a working familiarity with the industry in which Beach operates and the key risk issues facing Beach.

Members of the Committee shall be considered independent so long as they are non-executive directors and meet the definition of an 'independent director' in accordance with the ASX Corporate Governance Council Corporate Governance Principles and Recommendations and Beach's policy on the Independence of Directors.

At the invitation of the Committee chairperson, members of the executive management team and the Head of Corporate Risk are to attend meetings of the Committee as required but must not be appointed as members of the Committee. Other Beach personnel may attend the meeting at the invitation of the Committee chairperson on an as needs basis.

## **Administrative Matters**

The Committee should meet as often as required but not less than three times annually.

The Committee may meet otherwise as determined by the Committee chairperson who shall take into account any request from the Board, any committee member, the Managing Director, Chief Financial Officer or the internal or external auditors.

Two non-executive directors shall constitute a quorum.

The Committee has a right to access management and to seek additional information and explanations where it considers it appropriate, and access to internal and external auditors, without management present.

The Committee may, on obtaining approval of the chairperson of the Board, instruct the managing Director to engage independent professional advisers as the Committee requires to enable it or assist it to discharge its purpose and responsibilities.

The Company Secretary shall attend all Committee meetings as minute secretary. All minutes shall be entered into a minute book in accordance with the Board Minutes procedure, maintained for that purpose and be available at all times for inspection by any director.

## **Role and Responsibilities**

The role and responsibilities of the Committee include:

- Ensure there is an appropriate corporate entity risk management framework and process that identifies business, operational, financial and regulatory risks and the risk mitigation measures to manage the risks.
- Annually review the risk management framework to ensure it remains appropriate given the Company, best practice, external issues and current regulation.
- Ensure there is company-wide awareness of the risk management framework and assess the extent to which it is embedded across the company and there is a company culture of identifying and managing risks.
- Regularly review material risks (including through detailed reviews or 'deep dives') and management actions and consider that the residual risk is appropriate.
- Ensure Beach has appropriate business conduct and corporate governance policies, standards and practices.
- Prepare and review corporate governance policies in light of best practice, regulatory requirements and developments and the needs of the Company including policies for continuous disclosure and dealings in securities.
- Develop the corporate governance statement and appendix 4G for disclosure in accordance with ASX Listing Rule 4.10.3 and recommend it to the Board for approval.
- Prepare and review Beach's ethical standards including its Code of Conduct.
- Ensure compliance with all corporate governance requirements.
- Develop a business sustainability framework, annual objectives and annual sustainability reporting.
- Review the annual reserves and resources audit process, advise the Audit Committee of the outcomes of the Committee's review to ensure that reserves are accurately reflected in the annual financial statements and recommend the annual reserves statement to the Board for approval.

- Consider at each meeting whether any significant matters should be brought to the attention of the Board identifying if any action is needed and making recommendations as to the action to be taken.

## **Reporting**

The Committee chairperson shall report significant issues arising from the Committee meetings at the next Board meeting. The draft minutes of any meetings shall be provided to the Board with the Board papers for the next Board meeting for information. However, if the Committee has met before a Board meeting but has not approved the minutes of that meeting or meetings, the draft minutes of the meeting or meetings shall be approved by the chairperson of the Committee for provision to the Board.

## **Review**

The Board shall, at least once a year, review the membership and charter of the Committee to determine its adequacy and effectiveness. The Committee shall appraise its performance on an annual basis and measure its performance against this charter. The Committee may make recommendations to the Board in relation to the Committee's membership, purpose and responsibilities.

## **Document status**

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Date reviewed	Endorsed by	Date of and final approval by
December 2019	Managing Director	Board approval – 13 December 2019

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