

# ETHICS, COMPLIANCE AND SUSTAINABILITY COMMITTEE CHARTER

## 1.0 ESTABLISHMENT OF COMMITTEE

This Charter sets out the basis on which the Board has established the Ethics, Compliance and Sustainability Committee pursuant to the authority contained in, and subject to the provisions of, the Constitution.

## 2.0 INTERPRETATION

**ASX Principles and Recommendations** means the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, as amended from time to time.

**Board** means the Board of Directors of CIMIC.

**CEO** means the Chief Executive Officer of CIMIC or any person performing the equivalent role.

**CIMIC** means CIMIC Group Limited (ACN 004 482 982).

**CIMIC Ethics Line** means the service operated by an external provider which provides an independent and confidential reporting line for ethical concerns raised by employees and third parties (such as subcontractors, clients and the public).

**Committee** means the Ethics, Compliance and Sustainability Committee of the Board or any committee performing the same functions.

**Company Secretary** means the Company Secretary of CIMIC.

**Constitution** means the constitution of CIMIC, as amended from time to time.

**Director** means a person appointed as a director of the Board and includes any duly appointed alternate director.

**Group** means CIMIC and its subsidiaries and controlled entities.

**Chief Legal and Risk Officer** means the Chief Legal and Risk Officer of CIMIC or any person performing the equivalent role.

**Group Operating Companies** means the entities identified by CIMIC as its operating companies.

**Non-executive Director** has the meaning given in the ASX Principles and Recommendations.

**Reportable Conduct Group** means the Group established in accordance with the Group Code of Conduct – Management, Monitoring and Reporting Procedure.

## 3.0 OBJECTIVES AND PURPOSE

**3.1** The objective and purpose of the Committee is to assist the Board in fulfilling its corporate governance and oversight responsibilities by monitoring and reviewing:

- (i) the ethical standards and practices generally within the Group and compliance with the Group Code of Conduct, Whistleblower Policy, and Anti-Bribery and Corruption Policy; and
- (ii) compliance with applicable legal and regulatory requirements and internal policies, procedures and standards in the areas of workplace health and safety, the environment, human rights (including modern slavery), diversity and social inclusion and sustainability.

**3.2** The Board recognises that certain matters may be relevant to the roles of one or more of its committees. Any such matters will be considered by each committee in accordance with its respective charter.

The Chair of each such committee will keep the Chair of the Board informed of their committee's consideration of any relevant risk-related matters.

## **4.0 COMMITTEE MEMBERSHIP**

### **4.1 Structure**

The Committee will comprise of:

- (a) at least three members;
- (b) a majority of whom will be Non-executive Directors; and
- (c) a Non-executive Director as Chair (including a Chair elected under clause 5.6),

each of whom will be appointed or removed by the Board, in consultation with the Chair of the Board.

### **4.2 Expertise**

Members of the Committee must have recent and relevant experience in matters that fall within the responsibilities of the Committee.

### **4.3 Secretary**

The Company Secretary or their nominee will act as Secretary to the Committee and attend all meetings.

## **5.0 PROCEEDINGS**

### **5.1 Frequency**

- (a) The meetings will be held as considered necessary to enable the members to fulfil their duties and responsibilities to the Board.
- (b) Any Committee member may at any time request the Secretary to convene a meeting. The Secretary must on the request of a Committee member, call a meeting of the Committee.

### **5.2 Notice**

The date, time and venue of each meeting of the Committee will be notified by the Secretary to all members of the Committee as far in advance as practicable.

### **5.3 Committee Papers**

- (a) Committee papers for each meeting of the Committee will be made available by the Secretary to all members of the Committee as far in advance as practicable.
- (b) All Directors are entitled to receive all documentation presented to the Committee unless a Director is precluded from receiving some or all of the documents.

### **5.4 Attendance**

- (a) Attendance at Committee meetings may be in person, by telephone or by other electronic means, as agreed.
- (b) Directors who are not members of the Committee are entitled to attend Committee meetings.
- (c) Members or Directors may attend through an alternate where one has been appointed in accordance with the Constitution.

- (d) The Committee or its Chair may extend an invitation to any person relevant to the matters before the Committee to attend all or part of any meeting of the Committee which it considers appropriate.
- (e) The Chair may request any person in attendance at a Committee meeting not to be present for part of the meeting where appropriate, including where a person declares a conflict of interest.

### **5.5 Quorum**

A quorum for a meeting of the Committee is two members who must be Non-executive Directors. A duly convened meeting of the Committee at which a quorum is present is competent to exercise all or any of the authorities, powers or discretions vested in, or exercisable by, the Committee.

### **5.6 Chair**

If the Chair is absent, the remaining members will elect one of their number to Chair the meeting (subject to clause 4.1(c) of this Charter).

### **5.7 Constitution**

Proceedings of the Committee will be governed by the provisions of the Constitution and this Charter, in so far as they may be applicable.

### **5.8 Minutes**

- (a) Minutes of all meetings and determinations of the Committee must be made, entered and signed in the same manner in all respects as minutes of proceedings of the Board.
- (b) Draft minutes of the Committee meetings must be distributed as soon as practicable to all members of the Committee for confirmation. Once approved, minutes must be circulated to all other members of the Board unless a Director is precluded from receiving the minutes either in total or in part.

## **6.0 AUTHORITIES**

### **6.1 Investigations**

The Committee is authorised to review or investigate any activity or function of any Group member and, so far as practicable, its associates, in accordance with its role under this Charter and will advise the Chairman of the Board and CEO accordingly. The Committee is authorised to make recommendations to the Board regarding appropriate actions resulting from such investigations.

### **6.2 Access and advice**

The Committee may, when it considers necessary and with the CEO's knowledge, obtain information, interview management and internal and external auditors (with or without management present), and seek advice from consultants or specialists.

## **7.0 ROLES AND RESPONSIBILITIES**

Specific roles and responsibilities of the Committee include the following:

### **7.1 Ethical standards and practices**

The Committee will, in order to satisfy themselves that CIMIC is meeting its legal responsibilities, and to assist the Board in meeting its legal duties:

- (a) receive any reports or referrals from:
  - (i) the Reportable Conduct Groups of any Group Operating Company;

- (ii) the Managing Director of any Group Operating Company;
- (iii) the CIMIC Ethics Line; or
- (iv) the Chief Legal and Risk Officer,

involving any material breach (or potential material breach) of the CIMIC Group Code of Conduct, Whistleblower Policy and Anti-Bribery and Corruption Policy or any other significant ethical matter and report to the Board as necessary;

- (b) oversee investigations of material breaches (or potential material breaches) of the Code of Conduct, Whistleblower Policy and Anti-Bribery and Corruption Policy;
- (c) provide governance and oversight to the Reportable Conduct Groups in relation to the Group's ethics and compliance framework;
- (d) identify enhancements or modifications to the Group's ethics and compliance framework, as appropriate, and approve changes which do not require Board approval; and
- (e) consider any proposed enhancements or modifications to the Group's standards, practices, codes, policies, procedures and compliance activities (including the CIMIC Group Code of Conduct and its associated policies), and make recommendations to the Board regarding any amendments as required.

### **7.2 Workplace health and safety**

The Committee will, in order to satisfy themselves that CIMIC is meeting its legal responsibilities, and to assist the Board in meeting its legal duties:

- (a) be presented with a summary of workplace health and safety strategies and performance of each of the Group Operating Companies, presented by the CEO (or delegate);
- (b) be provided with and consider a quarterly Operating Company Health and Safety Report presented by the CEO (or delegate), outlining each Group Operating Companies' safety performance for that quarter;
- (c) be provided with and consider reports relating to the status and performance of any workplace health and safety responsibilities, risks or obligations particular to CIMIC; and
- (d) receive and consider reports on prospective and other changes to the Group's workplace health and safety responsibilities and obligations under applicable legal and regulatory requirements.

### **7.3 Environmental compliance**

The Committee will, in order to satisfy themselves that CIMIC is meeting its legal responsibilities, and to assist the Board in meeting its legal duties:

- (a) be presented with a summary of the environmental strategies and regulatory requirements of CIMIC and each of the Group Operating Companies, presented by the CEO (or delegate);
- (b) be provided with and consider a quarterly Operating Company Environmental Report presented by the CEO (or delegate), outlining each Group Operating Company's environmental performance for that quarter;
- (c) be provided with and consider reports relating to the status and performance of any environmental responsibilities, risks and opportunities, or obligations particular to CIMIC; and
- (d) receive and consider reports on prospective and other changes to the Group's environmental responsibilities and obligations, under applicable legal and regulatory requirements.

### **7.4 Human Rights, Diversity and Social Inclusion**

The Committee shall review and, where appropriate, make recommendations to the Board on the progress and effectiveness of the Group's strategy and policy on human rights (including modern slavery), diversity and social inclusion.

### 7.5 *Investigation of breaches*

The Committee may carry out, or delegate to an appropriate party, any necessary investigation in relation to any reports or referrals involving any serious breach (or potential breach) of applicable legal and regulatory requirements and the Group's standards, practices, codes, policies, procedures and compliance activities.

### 7.6 *Other duties and responsibilities*

Other duties and responsibilities of the Committee include but are not limited to:

- (a) undertaking training and development to enable members to keep abreast of applicable legal and regulatory developments and leading practices in the areas within the Committee's responsibility;
- (b) reviewing and making recommendations to the Board on the annual corporate governance disclosures in relation to the Committee; and
- (c) reviewing the Sustainability Report, which addresses the ASX Corporate Governance Principles and Recommendation 7.4;<sup>1</sup> and
- (d) reviewing any disclosures addressing climate related risks and opportunities<sup>1</sup>.

## 8.0 REPORTING TO THE BOARD

The Chair of the Committee (or a person nominated by the Chair of the Committee for that purpose) will report to the Board after each Committee meeting on all key discussions, decisions and recommendations of the Committee.

The Committee will annually provide assurance to the Board that the Committee has performed its duties in accordance with its Charter.

## 9.0 CHARTER REVIEW AND PUBLICATION

The Committee will periodically review this Charter and refer any recommended changes to the Board for approval. A copy of this Charter is published on CIMIC's internal and external websites.

## DOCUMENT INFORMATION

<b>Owner:</b>	Company Secretary, CIMIC
<b>Approved by:</b>	CIMIC Board
<b>Effective date:</b>	20 October 2021

<sup>1</sup> A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks, including risks relating to climate change.