

Risk Management Committee Charter

Effective: July 2023

1 Purpose

The purpose of the Risk Management Committee (the **Committee**) is to assist the Board of Directors of APA Group Limited in fulfilling its responsibility to monitor, oversee, inform and assess:

- the implementation and effectiveness of APA Group's Risk Management Policy, Risk Management Strategy, and Risk and Compliance Culture Framework.
- the Risk Appetite as set by the Board.
- the strategies to manage material risks (both financial and non-financial), including any risks reported or referred by other Committees.
- the effectiveness, the resourcing and performance of APA Group's Risk Management function with respect to APA Group's size, scope, operations, and complexity.
- the processes for monitoring compliance with applicable laws and regulations.
- the monitoring of insurance arrangements for APA Group.

2 Membership

2.1 Structure

The membership of the Committee is determined by the Board as set out below.

- The Committee will at all times include a minimum of three non-executive directors, a majority of whom shall be independent. Independence is determined according to APA Group's Independence of Directors Policy.
- The Chair of the Committee will be an independent director appointed by the Board and shall not be the Chair of the Board. If the Chair of the Committee is not present, the members present must elect one of themselves who is also an independent director to chair the meeting.
- The Committee, at its discretion, has direct access to the Managing Director & CEO (**CEO**), Chief Financial Officer and the General Manager Risk, Compliance & Insurance.

2.2 Relationship with the Audit and Finance Committee

To enable the free flow of information between the Committee and the Audit and Finance Committee, the Chair of each committee should be a member of both committees.

2.3 Relationship with other Committees

In performing its role to monitor and oversee all material risks for APA Group, to the extent any risks are overseen by another Committee, this Committee will not duplicate any of these responsibilities.

2.4 Expertise

Members will have the diverse skills required to enable them to fulfill their duties and responsibilities as members of the Committee. To be able to effectively discharge the Committee's responsibilities, the Chair of the Committee should have substantial expertise in risk management and all members should have a sufficient understanding of the industry in which APA Group operates.

3 Duties and responsibilities of the Committee

3.1 Risk Appetite

The Committee will regularly review the Risk Appetite Statement, taking into account APA Group's strategic objectives, as well as its size, scope, operations and complexity and recommend any changes to the Board for approval.

The Committee will be responsible for oversight and monitoring of the Risk Appetite set by the Board. If the residual risk or any risk appetite metric is outside of the Risk Appetite, the Committee will oversee the implementation of mitigation and action plans.

3.2 Risk Culture

The Committee is responsible for ensuring APA Group is operating within a positive risk culture as a key element of the overall risk culture. This includes:

- Assisting management establish and continuously develop a sound risk culture.
- Annual review and assessment of risk and compliance culture, including, as appropriate, use of internal and external review to assess risk culture.
- Forming a view of APA Group's risk culture with respect to the Risk Appetite.
- Reporting to the Board on risk culture matters.
- Challenging and driving a sound risk and compliance culture across APA Group.

At the discretion of the Committee, the Chair will refer reporting on risk outcomes and considerations relevant to the People and Remuneration Committee's recommendations in relation to remuneration outcomes for management.

3.3 Risk Management

The Committee will review and assess the adequacy and suitability of APA Group's Risk Management Framework (including the Risk and Compliance Standard and Group Procedures), to ensure that APA Group is operating within APA Group's Risk Appetite.

This will include:

- Commission of an independent review of the Risk Management Framework at regular intervals.

- Oversight of Risk Management Strategy.
- Annual formal review and approval of APA Group's Risk Management Policy and Risk Management Framework including ensuring the risk matrix and thresholds are set at the appropriate levels.
- Review of APA Group's financial and non-financial material risks.
- Receive and review reports and referrals from the Safety and Sustainability Committee, including in relation to material sustainability risks (including climate change and material HSEH risks); and overseeing that Committee's activities in managing or mitigating such risks, and the adequacy of APA Group's processes for managing material HSEH risks.
- Receive and review reports and referrals from other Board Committees in relation to material risks within that Committee's responsibilities (as appropriate) and overseeing that Committee's activities in managing or mitigating any such risks.
- Review and report to the Board on any emerging risks, including consulting with the Safety & Sustainability Committee in relation to emerging sustainability risks.
- Review any required regulatory risk and compliance reports and new control environments, including the Security of Critical Infrastructure Risk Management Plan and the Modern Slavery Statement and recommend to the Board for approval.
- Monitor insurance coverage for APA Group to ensure that it is adequate for the nature and level of risk of APA Group's operations.
- Ensure that management has implemented effective processes in relation to:
 - the identification of areas of significant business risk or exposure;
 - the identification of new and emerging risks;
 - the implementation of appropriate risk management and internal control processes to mitigate those risks; and
 - the assessment of the adequacy and effectiveness of those risk management and internal control processes,except as otherwise overseen by the Safety and Sustainability Committee in relation to safety and sustainability risks and controls.
- Overseeing APA Group's policies, standards, and commitments in respect to human rights (including modern slavery) and related matters.
- Consulting with the People and Remuneration Committee in relation to whether proposed remuneration outcomes for the CEO and Executive Leadership Team are appropriate in light of relevant risks, sustainability outcomes and corporate culture.

3.4 Risk Management Function

The Committee will have oversight of the Risk Management function and monitor management's performance against APA Group's Risk Management Framework.

The Committee will also review the effectiveness, resourcing, and operation of APA Group's Risk Management function with respect to APA Group's size, scope, operations and complexity.

The Committee may also recommend to the Board the appointment and removal of the General Manager Risk, Compliance and Insurance.

3.5. Internal and External Audit findings

The Committee is responsible for oversight of material risk-related audit findings.

3.6. Compliance, Systems, and Controls

The Committee will review and assess the adequacy and effectiveness of APA Group's regulatory compliance framework. This will include:

- Reviewing and approving key compliance policies and the APA Group compliance management system (including compliance policy and framework).
- Reviewing and monitoring the effectiveness of compliance management systems, control systems, policies and practices including in relation to HSEH compliance matters and procedures that protect the health and safety of APA Group employees and other relevant stakeholders.
- Overseeing the process of assurance across the 3 lines in keeping with APA Group's assurance mapping process.
- Monitoring the development and ongoing review of appropriate legislative and regulatory compliance programmes.
- Receiving, reviewing, and discussing with management regular reports on compliance activity.
- Reviewing and reporting on information regarding material breaches or material incidents raised under APA's Code of Conduct, Anti-Bribery and Corruption Policy, and the Whistleblower Policy, including reviewing the resolution of such issues and identifying the "lessons learned".
- Reviewing and approving the policies, processes, and framework for dealing with concerns of employees and any complaints received by APA Group.
- Meeting, without management present, with the General Manager Risk, Compliance & Insurance and Chief Financial Officer and Group General Counsel.

3.7 Role of the Chair

The Chair of the Committee is responsible for leading and ensuring the effective operation of the Committee, fostering an open, inclusive environment, and ensuring adequate time is dedicated to the discussion of matters.

The Chair of the Committee has specific responsibility to:

- Act as the primary liaison between the Board and any other Board Committees.
- Communicate with the General Manager Risk, Compliance & Insurance to ensure quality of reporting and that the Committee has the information necessary to facilitate informed decision-making.
- Design and approve the Annual Risk Management Committee Workplan in conjunction with the General Manager Risk, Compliance & Insurance.

4 Rights of access and authority

The Committee has rights of access to employees, management, professional advisors and auditors (external and internal) without management present, and rights to seek explanations and additional information from employees, management and auditors.

5 Reporting and referrals

The Committee will update the Board as required and make relevant recommendations in relation to changes to be made to APA Group's Risk Management Framework and Risk Appetite and certain other matters arising for consideration by the Committee.

The Committee will also receive and provide reports and referrals from and to any other standing committee of the Board on matters that the respective Chairs of those committees consider to be appropriate. Any committee of the Board may hold a joint session with another committee at the discretion of their respective Chairs.

6 Administrative matters and procedures

The proceedings of the Committee will be conducted in accordance with provisions set out in Attachment 1.

Attachment 1 – Administrative matters and procedures

A1. Meeting frequency

The Committee shall meet at least four times annually and additionally as required.

A2. Committee papers

The Secretary of the Committee will compile any relevant documents to be considered at Committee meetings and distribute them to all members of the Committee, as well as to any invitees.

A3. Attendance at Committee meetings

The Committee may invite any person to attend all or part of a scheduled Committee meeting. Non-members who may be invited to a meeting of the Committee include the Chief Executive Officer, General Manager Risk, Compliance & Insurance, Chief Financial Officer, Group General Counsel and the General Manager Internal Audit. Only Committee members shall be eligible to vote.

A4. Quorum

A quorum for a meeting of the Committee is two members.

A5. Minutes

Minutes of proceedings and resolutions of meetings of the Committee and resolutions passed by members of the Committee without a meeting are to be approved by the Committee (or in the case of written resolutions, tabled) at its next meeting.

Minutes of a meeting must be signed by the Chair of the meeting or the Chair of the next meeting within a reasonable time after the meeting at which the minutes are approved.

A resolution may be made if a document containing the relevant resolution is assented to by a majority of directors eligible to participate in the making of the resolution.

A6. Secretary

The Secretary of the Committee is the Company Secretary, or his or her designated representative.

A7. Engage with External Consultants and other stakeholders

The Committee is authorised by the Board to:

- Communicate and consult with external and internal stakeholders concerning APA Group's risk management and compliance practices.
- Appoint independent advisers and experts to provide advice on the APA Group's risk management and compliance practices.

A8. Review

The Board will, at least once in each year, review the performance, membership and Charter of the Committee to determine its adequacy for current circumstances and the Committee may make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise. Any proposed changes must be referred to the Board for approval.