

## 1. Purpose

The Strategic Projects Committee of the SunWater board assists the board in fulfilling its responsibilities for reviewing opportunities for SunWater to develop new products, troubleshoot barriers to SunWater meeting its strategic objectives or launch initiatives designed to manage risk and reduce operational costs.

## 2. Role

The role of the Strategic Projects Committee is to assist the board to discharge its responsibilities by making recommendations particularly with respect to the following areas:

- Work Health and Safety initiatives and risk management
- Environmental initiatives and risk management
- ICT initiatives and risk management
- Dam Safety Improvement Program and Projects
- Acquisition or Disposal of Assets
- Projects involving significant capital expenditure or significant risks, and
- Developments in the Water Industry that could impact SunWater's strategic direction.

The committee's responsibilities are further outlined in **Attachment A**.

The committee is to act as a forum by which members can maximise their contributions to board deliberations. The committee does not replace or replicate established management responsibilities and delegations or the responsibilities of other executive management groups within SunWater.

## 3. Membership

The following shall apply regarding committee membership:

- The committee shall consist of a least three members appointed by the board
- At least two Committee members shall be independent, non-executive directors
- The board may, subject to the consent of the shareholders, appoint outside experts to the committee if it believes it is desirable to do so
- Committee members shall be appointed by the board for such term as the board considers appropriate, and
- The Chairman of the committee shall be appointed by the board.

All members of the board, not formally appointed to the committee, have a standing invitation to attend meetings of the committee.

The CEO, EGM Operations and Service Delivery and EGM Asset Strategy & Delivery will normally be invited to attend committee meetings but not as a member of the committee. Other senior staff may also attend committee meetings as considered appropriate by the CEO and with the agreement of the committee Chairman.

Committee members' terms and conditions are to be determined by the board. Committee members' appointments should be staggered so that a core of experienced members is retained.

## **4. Authority**

Unless expressly delegated by the board, the committee does not have decision-making powers but acts on the direction of, and makes recommendations to, the board.

The committee has the authority to require members of the company's management to attend meetings and provide advice or information.

The committee has authority to access the company's documents and records.

## **5. Meetings and procedures**

The following shall apply regarding committee meetings.

- The quorum for meetings shall be a minimum of two members.
- If the committee Chairman is absent from any meeting of the committee, the members of the committee present will appoint a Chairman for that meeting.
- The committee Chairman is required to call a meeting of the committee if requested to do so by the Board or not less than two committee members.
- In accordance with its role and responsibilities outlined in this document, the committee should determine its own agenda.
- There is no formal voting procedure given the committee doesn't have delegated decision-making authority. However, dissenting views of committee members will be recorded in the minutes of the committee meeting and reported by the committee Chairman to the board.
- The committee will meet at least four times per year and at such additional times as the committee considers necessary.
- Agendas and other papers for committee meetings will be provided to committee members at least five business days prior to the date set for the relevant committee meeting.

The secretary will be responsible for keeping minutes of committee meetings and attend to the preparation, distribution and confirmation of other committee papers.

The committee shall prepare an annual calendar outlining standard activities and events to be undertaken by the committee each year.

## **6. Conflicts of interest**

The Directors' Conflict of Interest policy applies to all proceedings of the committee. In accordance with that policy, committee members are required to declare any interests that could constitute an actual, potential or perceived conflict of interest with respect to their participation on the committee. Such declarations must be made on a member's appointment to the committee and in relation to specific agenda items at the outset of each committee meeting.

## **7. Secretary**

The Company Secretary will be the secretary of the committee and is responsible for:

- in consultation with the committee Chairman, preparing and sending notices of meetings and agendas to committee members, and

- recording and keeping minutes of committee meetings and attending to the preparation, distribution and confirmation of other committee papers as required.

## **8. Reporting**

Minutes of committee meetings shall be included in the board papers for the next subsequent board meeting. In addition, the committee Chairman shall provide a verbal report to the board on the committee's activities.

At the beginning of each year, the committee will provide the board with a program of the committee's planned activities for the coming year. The committee will report on achievement of this program of work at the end of each year.

## **9. Review**

The committee shall review annually this charter and the performance of its role and responsibilities. Any recommended changes should be presented by the committee to the board for approval.

A board performance evaluation may specifically include an evaluation of the committee.

From time to time, the board may review the structure, role and performance of board committees and make such changes as it considers desirable.

## **ATTACHMENT A | Strategic Project Committee Responsibilities**

The duties and responsibilities of the committee are:

### **Strategic Projects**

- Review proposals and capital expenditure requests for strategic projects and ensure key risks have been identified and appropriately mitigated and that there is an appropriate return on investment;
- Review business development proposals and make recommendations to the Board on the viability of the proposal
- Maintain ongoing review of matters allocated to the committee in the SunWater Corporate Risk Register and make appropriate recommendations to the Board about any associated disclosures and reporting arrangements required to be made to shareholding Ministers, employees and the public.

### **Dam Safety Improvement Projects**

- Monitor dam safety risks and review and make recommendations to the Board on dam safety improvement projects and expenditure

### **Water Industry Developments**

- Monitor water industry developments and identify risk and opportunities for SunWater;
- Monitor key water industry risks and their applicability to SunWater

### **Work Health Safety & Environmental Management**

- Monitor the effectiveness of SunWater's health, safety, quality and environment systems.
- Monitor climate and sustainability issues and developments and inform the Board on significant matters.
- Monitor compliance with relevant statutory and regulatory obligations relating to health, safety, environment and water.
- Monitor achievement of meeting shareholder expectations with respect to community and other stakeholder engagement about health, safety, environment and water issues.