



Sustainability Committee Charter

Version Control

Version	Author	Date approved by Board	Changes
0.1	Head of Governance, Risk and Compliance	15 February 2024	Document creation
0.2	Head of Governance, Risk and Compliance	N/A	Update to role title section 5



Private and Confidential

1. Formation

The Board of Sydney Markets Limited (the Board) have resolved to establish a Sustainability Committee (the Committee) and has delegated to it the responsibilities set out in this Charter.

2. Role

The role of the Committee is to assist and advise the Board in discharging its responsibilities in relation to:

- (a) **SML's performance with respect to its Sustainability strategy and broader sustainability areas of focus** – e.g. climate change / Net Zero, modern slavery, waste management, renewable energy, and recycling, including SML's compliance with related laws, regulations, and policies.
- (b) **SML's management of Sustainability risks** including – the implementation and effectiveness of SML's Sustainability related risk and compliance policies, frameworks, risk appetite and strategies
- (c) Any other matters referred to it by the Board or the Finance, Audit, Risk and Remuneration Committee (FARR Committee)

3. Responsibilities

3.1 SML's performance with respect to its Sustainability strategy and broader sustainability areas of focus

The Committee will assist the Board in fulfilling its responsibilities related to Sustainability by:

- (a) Reviewing the sustainability strategy, plans, and financial performance of the portfolio and recommending approval or changes to the FARR Committee and Board (as relevant). The Committee's areas of focus will include: climate change / Net Zero, modern slavery, waste management, renewable energy, and recycling
- (b) Monitoring the execution and effectiveness of SML's sustainability initiatives to ensure they align with SML's strategy and address material sustainability risk and opportunities
- (c) Reviewing SML's sustainability metrics, commitments and targets (including Scope 1, 2 and 3) and recommending them to the Board for approval
- (d) Monitoring SML's performance against its agreed sustainability metrics, commitments and targets
- (e) Reviewing SML's Sustainability Report and external disclosures and recommending it to the Board for approval
- (f) Reviewing SML's climate related disclosures, in conjunction with the FARR Committee and recommending them to the Board for approval
- (g) Reviewing the governance processes relating to sustainability related external disclosures
- (h) Regularly reviewing and discussing with Management its analysis of – best practice, future trends and competitor activities in relation to sustainability matters
- (i) Reviewing and recommending to the Board for approval SML policies in relation to its sustainability frameworks
- (j) Engage with, and seek advice from external advisors and subject matter experts as required
- (k) Promote a culture of continuous improvement in sustainability throughout SML operations

3.2 SML's management of sustainability risks

The Committee will assist the Board in fulfilling its responsibilities related to Sustainability by:

- (a) Reviewing and monitoring the effectiveness of Sustainability risk related management systems, processes and policies across SML's operations and value chain
- (b) Aiding the Board in relation to the:
 - Identification, assessment and monitoring of sustainability related risks and the potential impact of those risks of SML's strategy and operations
 - Reviewing and assessing the risk treatment and mitigation plans developed by Management, including periodic and critical reporting of matters to the Sustainability Committee, and where relevant FARR Committee and the Board
 - Reviewing and assessing Management's implementation of mitigation policies and procedures to assess effectiveness and compliance
- (c) Reviewing and reporting to the Board Sustainability related risks and emerging areas of interest which may have significant implications in delivering on SML's sustainability strategy or operations
- (d) Monitoring compliance with relevant Sustainability related laws, regulations, and external commitments made on behalf of SML

3.3 Other responsibilities

The Committee will:

- (a) Review the content, quality, type and presentation of information provided to the Committee
- (b) Evaluate the performance and effectiveness of the Committee and its members annually and recommend changes to the Board
- (c) Review and assess the adequacy of this Charter annually, or in the case of a significant event requiring its review sooner. Request Board approval for changes
- (d) Meet privately with the following parties at least annually in separate sessions to discuss any matters they believe should be privately discussed: External Auditor, Head of Governance, Risk and Compliance, Legal Counsel

4. Membership

- (a) The members of the Committee will be determined by the Board.
- (b) The Board will appoint at least three, but not more than five Non Executive Directors as members of the Committee. All members should have sufficient experience and capabilities to be able to consider and contribute to the matters for which the Committee is responsible.
- (c) The Chair of the Board and other Directors who are not members of the Committee have a standing invitation to attend as observers.
- (d) Composition of the Committee will be reviewed annually by the Board to ensure the appropriate balance of skills, knowledge and experience.

5. Attendance

- (a) The COO, Head of Sustainability and Head of Governance, Risk and Compliance are expected to be available to attend all meetings.
- (b) Representatives of External Audit and any Senior Management may be invited to attend part or all of any meeting, and the Committee may request they also withdraw from any part of a meeting.

6. Meetings

- (a) The Committee will meet no less than four times per annum.
- (b) The Company Secretary of the Board will be the Secretary of this Committee. The Secretary will keep minutes and resolutions of the proceedings.

- (c) The minutes will be distributed to all Committee members after the meeting and ratified in the next Committee meeting.
- (d) The minutes will be uploaded to Diligent as part of the following Committee. They will be accessible to all Directors.
- (e) Papers will be distributed to the Committee five business days in advance.
- (f) The Committee will regularly report to the Board about relevant activities and recommendations as appropriate.

7. Access to Information and Independent Advice

The Committee has the authority to require:

- (a) the attendance of any management or employees of the SML and the right to interview them;
- (b) access to, and meeting with, the auditors without Senior Management of SML present; and
- (c) unrestricted and unfettered access to any information, document, report or material in the possession of any manager, employee and all employees and managers must comply with such requests from the Committee, subject to any legal requirements, including any fiduciary or statutory duties of Committee members.
- (d) The Committee may engage any independent legal, financial or other specialist advice as it considers necessary to adequately discharge its responsibilities under this Charter, at SML's expense.

8. Reliance

The Committee members are entitled to rely on:

- (a) information or advice of management and employees of SML on matters within their area of responsibility; and
- (b) the advice of internal and external counsel and other experts on matters within their areas of expertise, provided that reliance is permitted by law.

Before a Committee member can rely on information or advice referred above, the Committee member must be satisfied that:

- (c) there are no facts or circumstances that he or she is aware, or ought to be aware, which would deny reliance; and
- (d) he or she has reviewed the information or advice, having regard to the member's knowledge of SML.

9. Reports to Board

- (a) The Committee will keep the Board informed of its activities through the provision of the minutes and Committee papers of each meeting.
- (b) Additionally, the Committee Chairman will formally advise the Chairman of the Board of any matters or recommendations requiring the attention by the Board and will ensure that the Board are made immediately aware of any matters brought to the attention of Committee Chairman, that may significantly impact the financial condition or reputation of the SML.

10. Voting

- (a) Matters will be decided by majority votes from the Directors present within a Board meeting, attended either in person or virtually, including via Circular Resolution.

11. Review

- (a) The Committee should review this Charter at least annually, to ensure it remains consistent with the Board's objectives and responsibilities, and continues to reflect the current processes and appropriate principles.
- (b) The Board must approve any amendments made to the Charter as a result of any review.