

## **SAFETY, HEALTH, ENVIRONMENT & SECURITY COMMITTEE CHARTER**

### **Objectives**

1. The objectives of the Qantas Safety, Health, Environment & Security Committee (also known as CHESS) are to assist the Board in fulfilling its strategy, policy, systems oversight, monitoring and corporate governance responsibilities in regard to operational risk of the Qantas Group comprising safety, health, environment, security and business resilience matters including:
  - a. compliance with related legal and regulatory obligations; and
  - b. enterprise-wide management of operational risk.
2. In particular, the Committee is responsible to undertake the functions of a risk committee as set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 4<sup>th</sup> Edition (ASX Principles) as they relate to operational risk of the Qantas Group comprising safety, health, environment, security and business resilience matters.

### **Membership**

3. The Committee is appointed by the Board in accordance with Clause 6.20 of the Qantas Constitution.
4. The Committee is to consist of at least three members, including the Chief Executive Officer and Non-Executive Directors, with the majority of members being independent. The Chair of the Committee is to be an Independent Non-Executive Director and is to be appointed by the Board (but is not to be the Chair of the Board).
5. At least one member of the Committee should also be a member of the Audit Committee, and at least one member of the Committee should also be a member of the Remuneration Committee.
6. Directors who are not Committee Members are nonetheless encouraged to attend Committee Meetings.
7. The Company Secretary is to attend all Committee Meetings to ensure Minutes are taken of the Meetings.
8. The Committee may appoint expert External Advisers to assist it in performing its duties. The terms of appointment of such External Advisers shall be agreed by the Committee. The External Advisers shall attend Committee Meetings as agreed with the Committee.

### **Meetings**

9. The Committee should meet at least three times a year. If required, additional Meetings may be requested through the Committee Chair by any member, the Company Secretary or any External Advisers to the Committee. In the absence of the Chair, one of the Committee Members, either nominated by the Chair, or elected by the Committee, will act as the Committee Chair for that Meeting.

10. As required by the Qantas Constitution, a quorum for a Committee Meeting is two members.
11. The Committee will meet privately with any External Advisers to the Committee as required to allow any relevant issues to be discussed.
12. The Agenda and Papers will be circulated to all Directors within a reasonable period in advance of each Committee Meeting (except in circumstances where there is a conflict of interest).
13. Directors unable to attend a Committee Meeting are expected to review the Papers prepared for the relevant Committee Meeting and are encouraged to submit questions and observations to the Committee Chair in advance of the Meeting.
14. At each Meeting, the Committee will meet with the Executive Manager (or equivalent) with responsibility for Qantas Group safety, and External Advisor(s) as relevant, (without Qantas Management) to discuss any relevant issues.
15. At the invitation of the Committee Chair, appropriate Qantas Management are to attend Meetings to provide required reports and presentations to the Committee.
16. The Committee Chair is to provide a briefing to all Directors who are unable to attend a CHES Meeting, regarding the proceedings, issues, action items and other salient matters canvassed at the Committee Meeting, as soon as is practicable after its conclusion.
17. The Committee Chair will also report on Committee Meetings to the Board and refer any matter s/he deems appropriate arising from the Committee Meeting for formal and/or further Board consideration.
18. Recommendations of the Committee are to be referred to the Board for approval.

#### **Access to Information, Independent Advice and Continuing Development**

19. The Committee and Qantas Management will maintain free and open communication. The Committee has the authority to seek any information it requires from any employee of the Qantas Group and all employees must comply with such requests.
20. The Committee should understand the Qantas Group's structure, operations and risk profile and may undertake site visits and receive periodic presentations from subject matter experts to assist in achieving such understanding.
21. The Committee may take such independent legal, technical or other advice as it considers necessary or appropriate.

#### **Responsibilities and Duties**

22. The Committee is responsible for the review and monitoring of operational risk, and other non-financial risks as applicable, comprising safety, health (including mental health), environment, security, business resilience and risk management strategies, systems, policies and processes implemented, and reported on, by Qantas Management.
23. Non-Executive Director members of the Committee generally do not represent themselves as experts in the fields of safety, health, environment, security, business resilience or risk management. As such, it is not the responsibility of the Committee directly to conduct safety, health, environment, security, business resilience or risk reviews.

24. Committee members are entitled to rely on Qantas Management on matters within their responsibility and on the expertise of external professionals. Committee members may assume the accuracy of information provided by such persons, so long as the members are not aware of any reasonable grounds upon which such reliance or assumption may not be appropriate.
25. Qantas Management is responsible for:
  - a. implementing, managing and maintaining appropriate enterprise-wide safety, health, environment, security, business resilience and related risk management strategies, systems (including the Group Management System), policies and processes, reporting protocols and internal controls that are designed to ensure compliance with applicable laws and regulations; and
  - b. the preparation, presentation and integrity of the information provided to the Committee.

### **Safety, Health, Environment, Security and Business Resilience**

26. Without limiting its scope, the Committee will review the strategies, systems, policies and processes established by Qantas Management to:
  - a. protect Qantas' reputation as one of the world's safest and secure airlines;
  - b. promote a culture of health (including mental health), safety, security and environmental protection across the Qantas Group; and
  - c. manage the safety, health, environment, security and business resilience performance of the Qantas Group.
27. The Committee will, based on reports provided by Qantas Management and the internal auditor, monitor:
  - a. the adequacy of safety, health, environment, security and business resilience systems for the reporting of actual or potential accidents, breaches and incidents, identified hazards and existing and emerging risks throughout the Qantas Group;
  - b. subsequent investigations and remedial actions; and
  - c. the safety, health, environment, security and business resilience processes maintained by Qantas' associated businesses, franchisees, aircraft wet-lease service providers and codeshare partners and receive reports on any significant incidents or adverse trends.

### **Legal and Regulatory Compliance**

28. Without limiting its scope, the Committee will, in conjunction with the Board, Audit Committee and Qantas Management, monitor the Qantas Group's compliance with all relevant:
  - a. statutory and regulatory obligations relating to safety, health, environment, security and business resilience; and
  - b. internal policies and procedures.
29. The Committee will monitor, in relation to the Australian Transport Safety Bureau, Civil Aviation Safety Authority, Department for Infrastructure, Transport, Regional Development and Local Government, Environmental Protection Authority and other regulators:
  - a. that the Qantas Group reports as necessary to regulators;

- b. that the Qantas Group takes necessary action in response to directions or recommendations received from regulators; and
- c. the effectiveness of the relationship between the Qantas Group and regulators.

### **Enterprise-wide Operational Risk Management**

- 30. The Committee will, at least annually, and after taking into account the work of the Board and Audit Committee, review Qantas Management's establishment and operation (within the risk appetite set by the Board) of an enterprise-wide operational risk management system which is designed to identify, assess, monitor and manage operational risk, and other non-financial risks as applicable to the Committee, throughout the Qantas Group in relation to safety, health, environment, security and business resilience matters.
- 31. The Committee will consider the adequacy and effectiveness of the Qantas Group's internal control and risk management framework for operational risk by reviewing reports from Qantas Management and external advisers, and by monitoring Qantas Management responses and action to correct any noted deficiencies.

### **Other**

- 32. The Committee shall examine any other matters referred to it by the Board.

### **Committee Performance**

- 33. To determine whether it is functioning effectively, once each year the Committee shall:
  - a. review this Charter and, if required, recommend revisions to the Board for approval; and
  - b. perform an evaluation of its performance.

### **Charter History**

21 September 1994	Board Air Safety Review Committee established and Terms of Reference approved.
19 April 1995	Revised Terms of Reference approved (to include Industrial Safety and Environment, and a name change to the "Board Committee on Air Safety, Industrial Safety and Environmental Impact").
18 June 1997	Revised Terms of Reference approved (to include Security, and a name change to the "Safety, Environment & Security Committee").
August 1997	Management Titles updated.
15 July 1998	Revised Terms of Reference approved.
11 August 1998	"Meetings" section amended to remove mandatory management attendance.
March 1999	Management Titles updated.
21 February 2001	Revised Terms of Reference approved.
1 September 2003	Revised Charter approved.
30 August 2004	Charter revised to reflect "Segmentation" Restructure.
8 December 2004	Revised Charter approved – references to British Airways removed.
16 April 2008	Revised Charter approved – reflects revised ASX Principles (2 <sup>nd</sup> Edition).
11 August 2010	Periodic Review of Charter and a name change to the "Safety, Health, Environment & Security Committee."
23 August 2011	Revised Charter approved.
22 August 2012	Revised Charter approved.
28 August 2013	Revised Charter approved.
27 August 2014	Revised Charter approved – reflects revised ASX Principles (3 <sup>rd</sup> Edition).
23 August 2016	Revised Charter approved.
24 August 2017	Revised Charter approved.
21 August 2019	Revised Charter approved – reflects revised ASX Principles (4 <sup>th</sup> Edition).
24 August 2022	Revised Charter Approved.
23 August 2023	Revised Charter Approved.