

# **MANAGEMENT SUSTAINABILITY COMMITTEE CHARTER**

First adopted on 19 January 2021

Version 1

## 1. Introduction

The Board of Australian Finance Group Limited Ltd (**AFG** or the **Company**) has overall responsibility for good governance of the Company including:

- overseeing policies designed to operate AFG ethically, responsibly and sustainably; and
- communicating to stakeholders the Company's policies and progress in operating its business as a responsible corporate citizen.
- The Company has established a management sustainability committee (**Committee**) with the purpose to:
- consider the sustainability impacts of the Company's business activities including social, environmental and governance impacts;
- consider major corporate responsibility and sustainability initiatives and changes in policy;
- draft specific external stakeholder communications about the Company's corporate responsibility in the form of the Sustainability Report;
- draft external sustainability policies; and
- draft any publicly disclosed targets and policies.

The Committee will assist the Board in fulfilling its responsibilities for ensuring the Company has adopted and maintains appropriate corporate governance procedures.

## 2. Committee Members and Meetings

Members of the Committee are from appropriate areas of the business (including Operations, AFG Securities, Risk, IT, Legal, HR, Finance and Communications). All members must have a sufficient understanding of the business of the Company and the operating and sustainability governance issues which affect the Company. The Company Secretary will act as the Chair of the Committee.

The Committee will meet at least quarterly per year with additional meetings convened as necessary at the request of any member. The quorum for all Committee meetings is two members.

The Committee may extend an invitation to any person to attend all or part of any meeting of the Committee which it considers appropriate.

## 3. Roles and Responsibilities

The Committee's responsibilities include:

- considering reports outlining the social, environmental and governance impact of the Company's business activities and future plans on the legitimate interests of the Company's stakeholders. The Company's stakeholders are considered to include its employees, brokers, customers, suppliers, business partners, shareholders, regulators and the communities in which the Company operates its business;
- considering proposals on major initiatives related to the Company's corporate responsibility and sustainability policies, principles and practices to meet changing stakeholder expectations;
- review and where appropriate, make recommendations to the Management Risk and Compliance Committee in respect of community sponsorship and support;

- monitoring compliance with the Company's published policies and guidelines relating to sustainability and monitoring progress in implementing agreed initiatives; and
- supervising drafting of external reporting on major corporate responsibility and sustainability policies, principles and initiatives including the annual sustainability section of the Annual Report or the Sustainability Report (as applicable).

#### **4. Reporting to the Board by the Committee**

The Chair of the Committee (or a person nominated by the Chair of the Committee for that purpose) must report to the Board at the Board's next meeting on any matters relevant to the Committee's duties and responsibilities.

#### **5. Review of Charter**

This charter is to be reviewed at least every two years by the Committee to keep it up to date and consistent with the Committee's authority, objectives and responsibilities.