



Housing Australia

Housing Australia
**SUSTAINABILITY
MANAGEMENT COMMITTEE
CHARTER**

June 2024

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APPROVAL

VERSION ID	DATE	APPROVER
1.0	June 2024	Board

Objectives

The objectives of the Sustainability Management Committee Charter is to establish and maintain a management committee which is responsible for advising on sustainability and ESG issues for Housing Australia, including:

- overseeing Housing Australia’s sustainability function and implementation approach, including the Sustainability Strategy and mandatory ESG disclosures and reporting;
- administering and reviewing Housing Australia’s Sustainability Bond Framework (Framework), including:
 - evaluating and selecting eligible assets for inclusion in new social, green and sustainability bond issuances and ensuring these assets are aligned to the Framework;
 - reviewing and advising on Housing Australia’s environmental, social and governance (ESG) disclosures and impact reporting (financial risk of bond issuance is overseen by ALCO); and
 - overseeing and advising on Housing Australia’s ESG assurance activities related to Housing Australia’s bond issuance program.

Authority

The Housing Australia CEO authorises the Committee, within its responsibilities, to:

- obtain any information it requires from any official or external party (subject to any legal obligation to protect information);
- discuss any matters with external parties (subject to confidentiality considerations);
- obtain legal or other professional advice at Housing Australia’s expense, as considered necessary to meet its responsibilities; and
- make recommendations to the ARC and/or Board re: ESG matters.

The Committee membership is to be reviewed annually.

The Committee is authorised to perform activities within the scope of its duties and responsibilities set out in this Charter and to make appropriate recommendations to the Board. The Committee will report at least quarterly to the Board Audit and Risk Committee. Minutes from the Sustainability Management Committee will be shared with ERCC and ALCO to provide visibility around ESG risks and controls. The ALCO has oversight of the financial risk associated with bond issuance.

Membership

The Committee will comprise Housing Australia employees who hold the positions of:

- Chief Risk Officer;
- Deputy CFO;
- Chief Legal Officer;
- Chief Credit Officer;
- Head of People and Culture
- Head of Research, Data and Analytics;
- Director, Portfolio Management;
- Director, Strategy and Transformation
- Director, Origination;

- Director, Construction Risk;
- Treasurer; and
- Director, ESG (Chair)

The Director, ESG is Chairperson of the Committee. In the absence of the Director, ESG, the Deputy CFO will act as Chairperson.

The Committee, at its discretion, may add other members. The Committee will manage succession planning of its members.

The Committee may invite other Housing Australia employees, internal and external auditors and such other expert advisors as it determines appropriate to enable the Committee to properly consider matters within its remit.

Duties and responsibilities

The Committee's duties and responsibilities are:

- advise and oversee the sustainability approach for Housing Australia, including overseeing the management of ESG risks, within the Risk Appetite approved by the Board, and risk controls, mandatory disclosures and reporting;
- review and recommend to the Board the Sustainability Strategy;
- review the Sustainability Bond Framework to ensure it is fit for purpose and aligned to market practice;
- recommend changes to Housing Australis' sustainability approach, including Sustainability Bond Framework and ESG disclosures to the Board Audit and Risk Committee (ARC) as appropriate;
- evaluate and select eligible assets for inclusion in new Social and Sustainability Bond issuances in accordance with the eligibility criteria of the Framework;
- ensure ongoing information processes, systems, roles and resources are sufficient to meet the process and disclosure guidelines of the International Capital Market Association's Social Bond Principles (SBPs), Green Bond Principles (GBPs) and Sustainability Bond Guidelines (SBGs);
- review and advise on Housing Australia's ESG disclosures (e.g. investor presentations) and impact reporting;
- coordinate information for and drafting the annual Social Bond Report and ESG content for the Annual Report; and
- oversee and advise on Housing Australia's sustainability assurance activities related to materiality, debt issuance including second party opinions, pre-issuance and post-issuance assurance engagements.

Meetings

The Committee will meet bimonthly. It is expected that meetings will be held in connection with the following activities:

- development of the Sustainability Strategy;
- ESG data and mandatory reporting (i.e. climate);
- bond issuance (excluding taps of existing lines);
- annual Social Bond Report; and
- amendments to the Sustainability Bond Framework.

Members of the Committee may attend a meeting remotely rather than in person.

At a meeting of the Committee, a quorum consists of at least four members of the Committee. Where the subject matter relates to either ESG, Treasury and/or Finance, representatives from those areas or a delegate, will be required to form a quorum.

All Committee proceedings and resolutions will be minuted and saved electronically in the relevant [SharePoint folder](#).

Review of charter

The Committee will review this charter at least every two years or more frequently if required, to ensure that it remains current. Once reviewed, the CEO will approve and the Chairperson as policy owner will submit the revised charter to the ARC and Board for visibility.

Where material changes have been made as a result of a review, Committee members must ensure they read and understand the Charter and seek training or assistance where necessary.

The Chairperson (as the policy owner) is responsible for:

- arranging the Charter to be reviewed at least every two years and to remain current.
- ensuring the drafting meets regulatory requirements is an appropriate response to the enterprise risk that the charter addresses and aligns with the Board's risk appetite.
- providing the ARC with an overview of the charter and explaining how it will maintain the relevant risk within the Board's risk appetite.
- developing a communication plan and associated training to ensure relevant staff are aware of the charter obligations, or changes to such obligations, and understand how the charter will be implemented in an operational setting.

Conflicts of interest

Members must disclose any conflicts of interest or potential conflicts of interest they may have in relation to their responsibilities at the start of each meeting. A standing item for conflicts of interest will be on the agenda for every meeting.

For further details regarding conflicts of interest, refer to the Conflicts of Interest Policy (Staff) and Conflicts of Interest Procedures.