

RISK & SUSTAINABILITY COMMITTEE CHARTER

Coca-Cola Amatil Limited

Charter

Approval Date

Approved By

Owner

Version

Amendments

Previous Version

Previous Approval Date

RISK & SUSTAINABILITY COMMITTEE CHARTER

11 April 2019

Coca-Cola Amatil Board of Directors

Group Company Secretary

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16/05/2017

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COCA-COLA
AMATIL

1 INTRODUCTION

- 1.1 This Charter defines the purpose, authority and responsibility of Coca-Cola Amatil Limited's (Amatil's) Risk and Sustainability Committee (Committee).

2 VISION

- 2.1 Amatil's vision is to create millions of moments of happiness and possibilities for our customers, staff and partners.

3 PURPOSE

- 3.1 The purpose of the Committee is to support and advise the Board in relation to material and emerging risks that may impact Coca-Cola Amatil meeting its corporate objectives and vision, delivering shareholder returns, and its reputation and standing in the community. Specifically, the Committee will:
- 3.1.1 oversee and assess the effectiveness of Amatil's risk management framework, and to make recommendations in respect of the development and embedding of the risk management framework and appetite to the Board;
 - 3.1.2 assist the Board with the monitoring and review of Amatil's risk culture;
 - 3.1.3 review, monitor and approve Amatil's sustainability strategy and provide advice to Management on associated implementation plans and other issues that may impact Amatil's sustainability;
 - 3.1.4 approve policies and initiatives that ensure best practice risk management, reflect stakeholder expectations and influence Amatil's reputation as a responsible and sustainable organisation; and
 - 3.1.5 review and monitor Amatil's compliance with legal and regulatory obligations, internal policies and industry standards.

4 RESPONSIBILITIES

4.1 Risk Management and Risk Culture

The Committee is responsible for:

- 4.1.1 overseeing the implementation and effectiveness of Amatil's risk management framework and internal compliance and control systems;
- 4.1.2 recommending Amatil's risk management policy to the Board for approval;
- 4.1.3 reviewing Amatil's current and future risk management framework and appetite as recommended by management, and making recommendations to the Board for approval in respect of Amatil's risk management framework and appetite;

- 4.1.4 reviewing reports from management on new and emerging sources of risk, risk controls and mitigation measures that management has put in place to deal with those risks; and
- 4.1.5 monitoring and reviewing Amatil's risk culture, and making recommendations to the Board on:
 - 4.1.5.1 the extent to which the risk culture supports the ability of Amatil to operate consistently within its risk appetite; and
 - 4.1.5.2 any desirable changes to the risk culture.

4.2 Sustainability

- 4.2.1 The Committee will approve:
 - 4.2.1.1 Amatil's sustainability strategy and targets, and review progress in achieving the strategy by receiving regular reports by management; and
 - 4.2.1.2 Amatil's annual Sustainability Report.
- 4.2.2 The Committee will, where appropriate, oversee:
 - 4.2.2.1 employee safety, health and wellbeing;
 - 4.2.2.2 consumer wellbeing;
 - 4.2.2.3 environment and quality matters;
 - 4.2.2.4 community investment;
 - 4.2.2.5 material economic, environmental, climate and social sustainability risks and opportunities; and
 - 4.2.2.6 other social and reputational issues which may be relevant to Amatil.

4.3 Policies

- 4.3.1 The Committee will review and approve policies which reflect on Amatil's reputation, including but not limited to:
 - 4.3.1.1 Our Code of Conduct;
 - 4.3.1.2 Group Whistleblower Protection Policy;
 - 4.3.1.3 Policy on Trading in Amatil's Securities;
 - 4.3.1.4 Disclosure and Communications Policy;
 - 4.3.1.5 Health, Safety and Wellbeing Policy
 - 4.3.1.6 Human Rights Policy;
 - 4.3.1.7 Anti-Bribery & Corruption Policy; and
 - 4.3.1.8 Environment Policy.
- 4.3.2 The Committee will review, determine appropriate amendments, and approve the above policies in accordance with the review period stipulated in each of those policies.

4.4 Compliance with laws, regulations, internal policies and industry standards

- 4.4.1 The Committee will review:
 - 4.4.1.1 review the effectiveness of the system for monitoring compliance with laws, regulations, internal policies and industry standards and the results of Management's investigation and follow-up of non-compliance.
 - 4.4.1.2 Monitor compliance with laws relating to
 - (a) workplace health & safety;
 - (b) environmental protection;
 - (c) product safety;

- (d) competition and consumer law;
 - (e) bribery, fraud and corruption; and
 - (f) other legislation as the Committee sees fit.
- 4.4.1.3 regular updates from the Group General Counsel on regulatory matters, material fraud and corruption, whistleblower reports, data breaches and non-compliance matters affecting Amatil or evidencing a breakdown of Amatil's risk controls.

4.5 Other matters

The Committee will review:

- 4.5.1 the adequacy of Amatil's insurance program at least annually, having regard to Amatil's business and the insurable risks associated with Amatil's business operations;
- 4.5.2 Amatil's information security management framework, including cyber risk; and
- 4.5.3 Amatil's operational quality, safety and environmental performance to assess execution and impact of annual plans developed by management.

5 INDEPENDENCE AND MEMBERSHIP

- 5.1 The membership of the Committee must:
- 5.1.1 consist of at least three Non-Executive Directors, a majority of whom are independent Directors;
 - 5.1.2 include an independent Chairman who is not the Chairman of the Board;
 - 5.1.3 include the Chairman of the Audit and Finance Committee; and
 - 5.1.4 not be identical to the membership of the Audit and Finance Committee.

6 MEETINGS

- 6.1 The Committee will meet a minimum of three times per annum. The Committee can also meet on such other occasions as deemed necessary by the Chairman.
- 6.2 The quorum for Meetings will be two members who must at all times be independent Directors. If a quorum is not present the Meeting is adjourned to such place and time as the Chairman decides.
- 6.3 Should the Chairman be absent from any Meeting of the Committee, the members of the Committee present at that Meeting shall appoint one of their number to be Chairman of that Meeting, provided that the acting Chairman is not the Chairman of the Board.
- 6.4 The Company Secretary of the Board (or his or her nominee) will be Company Secretary of the Committee. The Company Secretary, in conjunction with the Chairman of the Committee and other members of Management (as appropriate), will prepare an agenda which will be circulated to the members prior to each Meeting.

6.5 Directors who are not Committee members may attend all or part of a Committee Meeting.

7 BOARD REPORTING

7.1 The Chairman of the Committee will report the findings, approvals and recommendations of the Committee to the Board at its next Meeting. The Minutes of all Committee Meetings will be circulated to the Board.

8 EXTERNAL ADVICE

8.1 The Committee has access to internal and external resources, and may seek the advice of Amatil's auditors, solicitors or such other independent advisers, consultants or specialists as to any matter pertaining to the powers or responsibilities of the Committee, where the Committee considers such advice necessary or appropriate.

9 REVIEW OF COMMITTEE PERFORMANCE & CHARTER

9.1 The performance of the Committee is evaluated every two years and in accordance with the process set out in the Board Charter.

9.2 The Committee reviews and assesses the adequacy of the Committee Charter annually and makes recommendations to the Board for consideration and approval.