

EUREKA GROUP HOLDINGS LIMITED

Environmental, Social & Governance (ESG) Committee Charter

1 Purpose and authority

1.1 Purpose

The purpose of this Environmental, Social & Governance Committee Charter is to specify the authority delegated to the Environmental, Social & Governance Committee (“**Committee**”) by the board of directors of the Company (“**Board**”) and to set out the role, responsibilities, membership and operation of the Committee.

1.2 Authority

The Committee is a committee of the Board established in accordance with the Company’s constitution and authorised by the Board to assist it in fulfilling its statutory, fiduciary and regulatory responsibilities. It has the authority and power to exercise the role and responsibilities set out in this charter and granted to it under any separate resolutions of the Board from time to time.

2 Role of the Committee

2.1 Objective

The objective of the Committee is to consider the material environmental, social and governance issues relevant to the Company’s business activities and support the Company to develop and maintain a position as a leader in ESG performance.

The role of the Committee is to support the Board in:

- (a) understanding the expectations of the Company’s key stakeholders;
- (b) understanding how the Company’s ability to create value is impacted by environmental, social and governance issues; and
- (c) monitoring external ESG trends and understanding associated risks and opportunities.

The Committee acknowledges that the Board’s Nomination & Remuneration Committee and Audit & Risk Committee also assist the Board in meeting its ESG responsibilities.

3 ESG Responsibilities

3.1 General

General responsibilities of the ESG Committee include:

- (a) Reviewing the performance and results of key ESG investor surveys and best practice benchmarks;
- (b) Overseeing the implementation of areas for improvement identified from ESG investor surveys and best practice benchmarks; and
- (c) Considering emerging ESG issues to understand their materiality with regard to the Company’s long term value creation.

3.2 Environmental

The Board considers the Company's environmental focus areas to include energy conservation, recycling, water storage and waste management.

The Company and its stakeholders will benefit from initiatives encompassing a sustainable approach to Village development, appropriate NABERS ratings, green power, management of Eureka's heat footprint, water recycling, the use of recyclable consumables, biodegradable waste management and extensive and sustainable landscaping.

The role of the Committee is to:

- (a) Oversee the delivery of the Company's environmental sustainability initiatives and commitments, including performance, challenges and opportunities; and
- (b) Oversee the delivery of the Company's climate resilience strategy and disclosures relating to Taskforce on Climate-Related Financial Disclosures (TCFD).

The Committee acknowledges that the Audit & Risk Committee reviews the adequacy of Management's approach in the identification and management of environmental risks and opportunities, including climate-related issues.

3.3 Social

The Company's purpose is to provide shelter with safety for older Australians who live independently. The Board recognises there are certain services that the Company can provide to empower residents to live independently in safe and secure village communities and to provide enrichment through social engagement.

The Company has adopted a Resident First culture to be measured through annual resident satisfaction surveys. Commitment to resident well-being, activities, movement and access to care are integral Company objectives.

Diverse and empathetic village and support office teams, community engagement with local business operators and improving social connections with charities and network groups are fundamental to our social contribution.

The role of the Committee is to:

- (a) Oversee the implementation of social sustainability initiatives or commitments, including performance, challenges and opportunities, with a view to their effectiveness in delivering social impact;
- (b) Oversee and monitor the Company's processes and mechanisms for building relationships with residents, suppliers and other key stakeholders and understanding their expectations; and
- (c) Oversee the development, implementation and monitoring of a Reconciliation Action Plan;
- (d) Review the effectiveness of the Company's initiatives and policies that support human rights (including modern slavery) in the Company's operations and supply chain.

The Committee acknowledges that the Nomination & Remuneration Committee has oversight of the Company's inclusion, diversity and general people & culture practices and related frameworks. The Committee will keep abreast of key areas of focus.

3.4 Governance

The Board is committed to ensuring compliance with corporate governance practices as outlined in the Corporations Act and endorsed by the ASX Corporate Governance Council's principles and recommendations.

In addition, the Company's governance practices relate to the Company's overall treatment of residents, employees and stakeholders.

The role of the Committee is to:

- (a) Oversee the reputational impacts of the Company's business strategies and practices;
- (b) Monitor the Company's policies and initiatives to ensure appropriate safeguards are in place for dealing fairly and ethically with third party capital partners, suppliers and other stakeholders;
- (c) Review and endorse to the Board the Company's governance management framework;
- (d) In collaboration with the Audit & Risk Committee, review and endorse to the Board on an annual basis the material issues that define the boundary for the Company's ESG strategy and reporting; and
- (e) Review and endorse to the Board on an annual basis the Company's Sustainability Performance Pack, Corporate Governance Statement, ESG achievements and future commitments.

The Committee acknowledges that the Board has oversight of the Company's corporate governance practices and will keep abreast of key focus areas.

4 Reporting and disclosure

The Committee will review ESG disclosures in all investor materials including investor surveys, presentations and annual reports and make recommendations to the Board for the inclusion of an ESG report in the Company's annual report.

The Committee will make recommendations to the Board regarding the process for evaluating the Company's performance in meeting its ESG targets.

The Committee will ensure that all applicable ESG reporting and disclosure requirements are complied with.

The Committee chair will attend the Company's annual general meetings prepared to respond to any shareholder questions on the Committee's activities.

5 Delegation

The Committee may delegate any of its powers and responsibilities as the Committee thinks appropriate to senior management.

6 Membership

6.1 Composition and size

The Committee will consist of:

- at least 3 members; and
- at least 2 Independent Directors.

The Company will disclose the members of the Committee.

Each member must be free from any interest, business or other relationship which, in the opinion of the Board, could, or could reasonably be perceived to, materially interfere with the exercise of his or her independent judgment as a member of the Committee.

Each member is expected to possess adequate ESG knowledge to carry out his or her responsibilities as a member of the Committee.

6.2 Chair

The chair of the Committee must be an independent non-executive director. The chair of the Committee is appointed by the Board. If, for a particular Committee meeting, the Committee chair is not present within 10 minutes of the nominated starting time of the meeting, the Committee may elect a chair for the meeting.

6.3 Secretary

The company secretary is the secretary of the Committee.

7 Committee meetings and process

7.1 Meetings

Meetings and proceedings of the Committee are governed by the provisions in the Company's constitution regulating meetings and proceedings of the Board and committees of the Board in so far as they are applicable and not inconsistent with this charter.

Committee members may attend meetings in person or by electronic means.

At the end of each reporting period, the Board will disclose the number of times the Committee met throughout that reporting period and the individual attendance of each Committee member at those meetings.

7.2 Frequency and calling of meetings

The Committee will meet as frequently as required to perform its functions, but not less than quarterly. The chair must call a meeting of the Committee if requested by any member of the Committee, the external auditor, the internal auditor or the chair of the Board.

7.3 Quorum

Two members constitutes a quorum for meetings of the Committee.

7.4 Attendance by management and advisers

All directors have a standing invitation to attend the meeting, regardless of whether they are a member. The Committee chair may invite the CEO, CFO, other senior executives and external advisers to attend meetings of the Committee.

7.5 Conflicts

No member of the Committee will participate in the determination of their own remuneration or the specific remuneration policies that are applicable to them.

7.6 Notice, agenda and documents

Unless otherwise agreed or considered necessary by the chair, notice of each meeting confirming the venue, date and time together with an agenda of items to be discussed and supporting documentation, will be circulated by the secretary to each Committee member and any other individual invited to attend, not less than 5 business days before the meeting.

7.7 Minutes

The secretary will keep minute books to record the proceedings and resolutions of Committee meetings.

The chair of the Committee, or delegate, will report to the Board after each Committee meeting. Minutes of Committee meetings will be included in the papers for the next Board meeting after each Committee meeting.

The Committee must refer any matter of significant importance to the Board for its consideration and attention.

7.8 Access to information and advisers

The Committee has direct and unlimited access to all resources necessary to discharge its duties and responsibilities, including engaging external advisers independent of management as it considers appropriate.

The Committee also has the authority to conduct or direct any investigation required to fulfill its responsibilities.

8 Committee's performance evaluation

The Committee will review its performance at least annually, or earlier if circumstances dictate, and whenever there are major changes to the management structure of the Company.

The performance evaluation will have regard to the extent to which it has met its responsibilities in terms of this charter.

Committee members must be available to meet with external bodies if requested to do so in accordance with relevant laws, regulations or prudential standards.

9 Review and publication of the charter

The Committee will review its charter annually to keep it up to date and consistent with the Committee's authority, objectives and responsibilities and report to the Board any changes it considers should be made. The charter may be amended by resolution of the Board.

The charter is available on the Company's website and the key features will be published in the annual report or a link to the governance section of the website provided.

Reviewed and approved by the Board on 29 June 2022