CALTEX AUSTRALIA LIMITED
ACN 004 201 307

SAFETY AND SUSTAINABILITY COMMITTEE CHARTER

INTRODUCTION

The Safety and Sustainability Committee (Committee) is established as a committee of the Board of Caltex Australia Limited (Company) on the terms set out in this charter and in accordance with the Board's Charter and the Company's Constitution.

ROLE OF THE COMMITTEE

The Committee assists the Board in relation to health, safety, environment and sustainability risk matters arising out of the activities of the Caltex Group (Caltex) and the impact of those activities on employees, contractors, customers and suppliers, and the communities and environments in which Caltex operates.

The Committee undertakes functions delegated by the Board, including approving Caltex's internal audit annual plan and charter in relation to health, safety, environment and sustainability.

The Committee seeks to address the appropriateness of Caltex's safety, environment and sustainability practices to manage material risks, so that these risks are managed in the best interests of Caltex and its stakeholders.

Sustainability issues considered by the Committee include climate change, human rights, resource efficiency, responsible procurement practices, community activities and investment and business ethics.

RESPONSIBILITIES OF THE COMMITTEE

Advisory role

The Committee should undertake the following functions and, as appropriate, advise or make recommendations to the Board:

Health and Safety

- Monitor Caltex's compliance with legal and regulatory obligations and policies in relation to health and safety

- Review statements from management in relation to the adequacy, integrity and effectiveness of the management systems, internal controls, processes, procedures and resources used to manage health and safety risks, including the identification, assessment, elimination, avoidance and control of these risks

- Monitor the safety culture of the organisation

- Review investigations into significant health and safety incidents with the potential to have a material impact on Caltex, including the timeliness of the response to the incident, remediation and the status of actions to prevent recurrence

- Review reports on Caltex's health and safety performance, continuous improvement programs, together with the identification and management of risks, including emerging risks that have the potential to have a material impact on Caltex

- Review reports from internal audit covering material issues arising from the internal audit plan in relation to health and safety matters and the status of actions taken by management to address internal audit findings

- Review reports from management on health and safety practices in industries similar to the industry in which Caltex operates, and any changes in legislation, regulations, case law, community expectations and/or technology relevant to the health and safety practices of Caltex

- Review Caltex's operational excellence metrics and targets for inclusion in the Business Plan

- Review and recommend for approval to the Board Caltex's Health & Safety Policy

Environment

- Monitor Caltex's compliance with legal and regulatory obligations and policies in relation to the environment

- Review statements from management in relation to the adequacy, integrity and effectiveness of the management systems, internal controls, processes, procedures and resources used to manage environmental risks, including the identification, assessment, elimination, avoidance and control of these risks

- Review investigations into significant environmental incidents with the potential to have a material impact on Caltex, including the timeliness of the response to the incident, remediation and the status of actions to prevent recurrence.

- Review reports on Caltex's environmental performance, continuous improvement programs, together with the identification and management of risks, including emerging risks that have the potential to have a material impact on Caltex

- Review reports from internal audit covering material issues arising from the internal audit plan in relation to environmental matters and the status of actions taken by management to address internal audit findings

- Review reports from management on environmental practices in industries similar to the industry in which Caltex operates, and any changes in legislation, regulations, case law, community expectations and/or technology relevant to the environmental management practices of Caltex

- Review Caltex's operational excellence metrics and targets for inclusion in the Business Plan

- Review and recommend for approval to the Board Caltex's Environmental Policy

- Review the implementation and effectiveness of initiatives to deliver environmentally sustainable outcomes

- Monitor management's response to climate-related risks and opportunities including physical, transition and legal aspects, and disclosures in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) framework

Community

- Review community relations and activities for the year

- Monitor the activities and effectiveness of the Caltex Foundation, ensuring that it continues to appropriately engage Caltex's employees, customers and communities.

- Monitor the activities and effectiveness of the Caltex Reconciliation Action Plan ensuring that it continues to appropriately engage Caltex's employees, customers and communities.

ESG Governance

- Review and recommend for approval to the Board Caltex's sustainability policies and other significant sustainability disclosures

- Review and recommend for approval to the Board Caltex's Sustainability Report

- Review and recommend for approval to the Board public targets to be incorporated into Caltex's Sustainability Report

- Review and recommend for approval to the Board Caltex's Environmental, Social and Governance (ESG) Framework and monitor performance under this framework and relevant policies, including delivery against Key Performance Indicators (KPIs) and targets

- Review management's operational sustainability plans, and monitor performance including delivery against Key Performance Indicators (KPIs) and targets

- Review statements from management in relation to the effectiveness of risk management and internal control systems implemented to address material ESG risks

- Review reports from management about non-financial regulatory risks and regulatory compliance by the organisation

- Monitor emerging ESG regulations, risks and other factors that have the potential to have a material impact on Caltex

- Review Caltex's position in relevant ESG independent ranking and benchmarking systems

- Review programs and processes for internal and external communication of Caltex's ESG program, together with engagement and issues management on ESG, regulatory and industry matters.

- Recommend to the Human Resources Committee appropriate key performance indicators for inclusion in the annual incentive plan for the CEO and Caltex Leadership Team

Delegated authority

The Board has delegated authority to the Committee to undertake the following functions:

- Approve the annual internal audit plan in relation to health, safety, environment and sustainability matters

- Approve the internal audit charter in relation to health, safety, environment and sustainability matters

MEMBERSHIP & ATTENDANCE

The Committee should comprise a minimum of *three* non-executive directors appointed by the Board, a majority of whom must be independent.

The appointment of the Committee Chair and Committee members is a matter for the Board. The Committee Chair must be an independent director.

The Managing Director & CEO, Executive General Manager Legal and Corporate Affairs, Executive General Manager Fuels and Infrastructure, Executive General Manager Convenience Retail and other members of the senior management team as requested by the Committee Chair are invited to attend Committee meetings. The Committee Chair may invite external parties (as appropriate) to attend all or part of a meeting.

MEETINGS

Quorum

The quorum for a Committee meeting is *two* Committee members.

Number of meetings

The Committee will meet as required but should meet *at least four times* a year.

Committee agendas and program

The Chair will approve the agenda for each Committee meeting.

The Committee Secretary will develop a program of items of business to be considered by the Committee during the year.

Copies of minutes of each Committee meeting will be made available to the Board and the Committee Chair will update the Board on any significant matters that arose out of that meeting.

Committee Secretary

The Company Secretary will serve as the Committee Secretary. If this person is unable to attend a Committee meeting, an appropriate member of the Caltex Secretariat should attend the meeting in the capacity of Committee Secretary.

ACCESS TO INFORMATION & ADVISERS

The Committee is authorised by the Board to require management to provide any information the Committee requires to discharge its responsibilities.

The Committee and Committee members have direct access to Caltex's senior management and advisers (both external and internal).

The Committee is authorised by the Board to obtain external professional advice if it considers this is necessary.

Committee members may request a copy of any or all reports between the internal auditor and management.

REVIEW OF COMMITTEE PERFORMANCE

The Committee should periodically review its own performance, with particular attention being paid to the extent to which it has met its responsibilities in this charter.

REVIEW OF CHARTER

The Committee will review its charter at least every two years and make recommendations for changes, if considered appropriate, to the Board.

The Committee last reviewed and approved the Charter on 21 February 2019. The Board reviewed and approved the Charter on 22 February 2019.

PUBLICATION

The Charter will be made available from the Caltex website (www.caltex.com.au).