

**1. ROLE OF THE SAFETY, HEALTH, ENVIRONMENT & SUSTAINABILITY
COMMITTEE**

The role of the committee is to assist the board to provide leadership and policy for safety, health, environment and sustainability management within Fletcher Building. The committee will focus on compliance with legislative and regulatory requirements and the promotion of good safety, health, environment and sustainability governance.

2. CONSTITUTION AND MEMBERSHIP

- 2.1 The committee shall be appointed by the board from the directors of the company and shall consist of not less than three members.
- 2.2 The chairman shall be appointed by the board and the chief executive officer shall nominate an executive to act as the secretary of the committee.
- 2.3 The quorum shall be two members.

3. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

The following are the duties and responsibilities of the committee:

3.1 Policy and planning

- (a) Make recommendations to the board from time to time on high level safety, health, environment and sustainability strategy and policy.
- (b) Specify targets, in consultation with management, that will enable the board to track the organisation's performance in implementing safety, health, environment and sustainability strategy and policy.
- (c) Manage the safety, health, environment and sustainability performance of the CEO, including specifying expectations and providing feedback.

3.2 Management systems

- (a) Be sufficiently informed about the businesses within Fletcher Building and their hazards and risks to exercise effective safety, health, environment and sustainability governance.
- (b) Exercise due diligence to ensure that the systems used to manage the hazards and risks referred to in clause 3.2(a) are fit for purpose, being effectively implemented, regularly reviewed and continuously improved.
- (c) Make recommendations to the Board regarding the sufficiency of resources available for operating the safety, health, environment and sustainability management systems and programmes.

3.3 Monitor

- (a) Receive timely reports (which may be outside of meeting schedules) on serious incidents and monitor investigations, reports and actions to be taken as a result.

- (b) Specify the reports required to be provided by management in order to monitor the safety, health, environment and sustainability performance of the organisation with respect to the matters referred to in clause 3.3(a).

3.4 Review

- (a) Formally review the safety, health, environment and sustainability performance of the organisation, including review of audits (internal or external), system reviews, performance results, significant incidents and investigations, the impact of organisational changes and benchmark data. The CEO will be responsible for producing sufficient information for this review to occur, with input from the General Manager – Group Operations and the Chief Executives of each operating division.
- (b) Receive and consider independent reviews and/or audits of safety, health, environment and sustainability within the business.

3.5 Report to the board

- (a) Report to the board from time to time on matters relating to safety, health, environment and sustainability.
- (b) Any other duties or responsibilities expressly delegated to the committee by the board from time to time relating to safety, health, environment and sustainability.

3.6 Sustainability

- (a) Sustainability for the purposes of the charter includes: people, health and safety, sourcing raw materials, designing sustainable products, manufacturing sustainably, reducing CO₂ emissions, smarter energy use, distribution of products, design of buildings, construction and installation, end of life: reducing and managing waste and community engagement.
- (b) The Committee will receive from management and consider and report to the Board on whether Fletcher Building has any material exposure to economic, environmental or social sustainability risks and, if it does, how those risks are managed within Fletcher Building. For these purposes:
 - **Economic sustainability** is the ability of Fletcher Building to continue operating at a particular level of economic production over the long term;
 - **Environmental sustainability** is the ability of Fletcher Building to continue operating in a manner that does not compromise the health of the ecosystems in which it operates over the long term; and
 - **Social sustainability** is the ability of Fletcher Building to continue operating in a manner that meets accepted social norms and needs over the long term.

4. AUTHORITY

- 4.1 The committee has the authority of the board to obtain any information and to investigate any matter within its terms of reference.
- 4.2 The chairman of the committee has the authority of the board to obtain independent professional advice and research and generally to engage such advisors and involve such consultants as the committee considers necessary for its function.

5. PROCEDURE

- 5.1 Subject to direction by the board, the committee shall follow such procedure as it shall determine.
- 5.2 The committee shall meet formally at least three times in each year. Other meetings are arranged on an as-required basis.
- 5.3 The chairman of the committee shall report back to the board at the next appropriate meeting on any substantive matters raised and addressed by the committee.
- 5.4 The committee may have in attendance such members of management and such other persons as it may deem necessary to provide appropriate information, explanations or advice.

Adopted by the committee on 18 August 2015