



Enterprise Compliance and Regulatory Management

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WRITTEN BY:
NAME: Jodie Boland

ENDORSED/CHECKED BY:
NAME: ARMC

APPROVED BY:
NAME: Board

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1.0 Policy Statement

Stanwell strives to ensure compliance with its legal, regulatory, and other applicable obligations. Stanwell adopts a risk-based approach to compliance management at the enterprise level.

Enterprise Compliance provides oversight of higher-risk obligations and regulatory areas, and supports consistent, organisation-wide compliance practices. Responsibility for meeting applicable compliance obligations rests with individual business functions.

This approach supports the achievement of Stanwell's business objectives while fostering a strong culture of integrity, accountability and ethical conduct and alignment with the standards and principles outlined within the International Standard *ISO 37301:2021 Compliance Management Systems*.

2.0 Purpose

This policy defines Stanwell's approach to compliance and regulatory management. It ensures that compliance obligations are identified, assessed, and managed consistently and proportionately across the organisation, and that assurance activities are targeted to reflect the relative risk and impact of non-compliance by:

- requiring that Our People take personal responsibility and accountability for satisfying compliance obligations in their day-to-day activities;
- further embedding Stanwell's core values – ***We care, We adapt*** and ***We deliver*** – in our activities and engendering good governance, ethics, integrity and compliance across Stanwell;
- identifying a clear compliance and regulatory framework within which Stanwell operates;
- promoting a consistent, rigorous and comprehensive approach to compliance and regulatory management; and
- developing and maintaining practices that facilitate and monitor compliance.

This policy also establishes the process for reporting to senior management, the Audit and Risk Management Committee and the Board on compliance issues, compliance breaches, systematic compliance issues and regulatory risks.

This is set out in the Compliance Breach Reporting Mechanism at Appendix 1.

The Compliance Breach Reporting Mechanism is aligned with Stanwell's Risk Evaluation Matrix (GOV-STD-11). The risk level of the compliance issue or breach determines escalation.

3.0 Scope

This policy applies to Stanwell's directors and employees, and to all contractors working for or at Stanwell (at its operational and non-operational sites) (Our People).

This policy covers Stanwell's key compliance obligations. These compliance obligations include:

- legislative obligations, including State and Commonwealth Acts, Regulations, local laws, by-laws, planning schemes and rules;
- permits, licences and other forms of authorisations;
- contractual obligations;
- regulatory policies and codes;
- industry codes and standards;
- shareholding Minister and other State or Commonwealth government requirements; and
- Stanwell's policies, procedures, Code of Conduct, Safeguards, operational strategies, plans and delegations.

To uphold compliance (including no material compliance breaches, repeat compliance breaches or intentional or material compliance breaches), all policies, processes, procedures and operational requirements must align to this policy and the Enterprise Compliance and Regulatory Management System¹.

4.0 Principles

Stanwell's Enterprise Compliance approach is underpinned by the following principles:

- **Risk-Based:** Oversight and assurance activities focus on higher-risk obligations and regulatory areas;
- **Accountable:** Compliance responsibilities are clearly assigned, with business functions accountable for managing obligations within their remit;
- **Proportionate:** Compliance activity is tailored to the risk, complexity, and impact of non-compliance;
- **Integrated:** Compliance is embedded into day-to-day business processes, systems, and controls;
- **Supported:** Compliance provides tools, frameworks, and guidance to business units;
- **Continuous Improvement:** Compliance processes are regularly reviewed and refined; and
- **Culture-Led:** We promote ethical conduct and integrity at all levels of the organisation.
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5.0 Alignment with Risk Appetite

Stanwell's Enterprise Compliance approach reflects the expectations outlined in the Risk Appetite Statement, including:

- **No appetite** for material, repeat, or intentional compliance breaches;

¹ For the avoidance of doubt, this includes health and safety compliance, environmental compliance, spot trading compliance, retail operations and processes, financial risk and settlements processes, procurement processes, information technology processes and industrial relations and employee relations processes.

- **No appetite** for ineffective internal control frameworks, or operating in a materially inconsistent manner with those frameworks;
- **No appetite** for fraud or corruption by employees;
- **No appetite** for events or circumstances that cause serious injury or fatality, or serious negative impact to the health and wellbeing of our people;
- **No appetite** for employees engaging in activities that could undermine Stanwell's reputation, or activities inconsistent with Stanwell's Code of Conduct or policies; and
- **No appetite** for activities resulting in market risk exposure misaligned to electricity market risk principles or in breach of Stanwell's policies, or other market obligations.

The Enterprise Compliance and Regulatory Management Framework supports these positions through proactive compliance management, clear accountability, and a strong culture of ethical behaviour.

6.0 Responsibilities and Authorities

Everyone is responsible for compliance at Stanwell. Specific responsibilities and authorities are detailed below.

Division/ Position	Responsibility
Board	<p>The Board retains the ultimate responsibility for legal and regulatory compliance.</p> <p>The Board is advised regularly on compliance related issues, including any compliance breaches, and is responsible for:</p> <ul style="list-style-type: none"> • overseeing, reviewing and ensuring the effectiveness of Stanwell's compliance systems, including the Compliance and Regulatory Management System; • encouraging proactive, transparent and accountable management of compliance and promoting a positive culture within Stanwell; • appropriate reporting of unlawful and unethical behaviour and ensuring that, where violations are reported in good faith, the protections set out in the relevant policies are followed; • ensuring that Stanwell has appropriate frameworks and controls in place and that they operate effectively to ensure compliance; and • determining the appropriate level of compliance that the Board is willing to accept in the conduct of Stanwell's business activities (GOV-POL-38 Risk Appetite Statement).

Division/ Position	Responsibility
Audit and Risk Management Committee (ARMC)	The Audit and Risk Management Committee assists the Board to review and oversee systems of risk management, internal control and compliance, as outlined in the Audit and Risk Management Committee Charter (GOV-STD-03).
Chief Executive Officer	<p>The Chief Executive Officer (CEO) is accountable to the Board for ensuring implementation and management of Stanwell's Enterprise Compliance and Regulatory Management System.</p> <p>This includes:</p> <ul style="list-style-type: none"> • encouraging proactive, transparent and accountable management of compliance and promoting a positive compliance culture within Stanwell (including that non-compliances and non-compliant behaviour are dealt with appropriately); and • appointing and retaining an adequately resourced and skilled Enterprise Compliance and Regulatory function that has the authority and capacity to act independently and is not compromised by conflicting priorities, particularly where compliance is embedded in individual business units.
Company Secretary & GM Risk, Resilience, Compliance and Internal Audit	<p>The Company Secretary & GM Risk, Resilience, Compliance and Internal Audit is responsible for:</p> <ul style="list-style-type: none"> • establishing proactive, transparent and accountable enterprise compliance management processes including applicable assurance programs that monitor the effectiveness of compliance activities within the Board's appetite; and • championing a positive compliance intelligent culture within Stanwell.
Head of Risk, Resilience and Compliance	<ul style="list-style-type: none"> • Owns, develops, implements, and maintains Stanwell's enterprise compliance management framework, ensuring that regulatory, internal policy and procedure and contractual compliance is being managed in a systematic and consistent manner. This encompasses all enterprise compliance management activities for all divisions and operational sites. • Oversees relevant Business Unit internal and external compliance audits and relevant sensitive and complex compliance matters (e.g. breach investigations, information requests, complex regulatory

Division/ Position	Responsibility
	<p>processes) relating to Stanwell's compliance activities to ensure that Stanwell is managing and mitigating its compliance risks within risk appetite. This also includes reporting to the executive / ARMC / Board (as applicable) on compliance breaches and the associated remedial actions.</p> <ul style="list-style-type: none"> • Manages the second line of defence compliance management assurance, monitoring and reporting program designed to provide assurance to the executive and Board that Stanwell is managing and mitigating its organisational compliance risks within risk appetite. • Accesses expert advice on relevant laws, regulations, codes and organisational standards (as required)
Enterprise Compliance Lead	<ul style="list-style-type: none"> • Leads Enterprise compliance under the Enterprise Compliance and Regulatory. Management Framework, with a focus on continuous improvement. • Oversees material compliance risks, obligations, and investigations. • Supports business units in managing lower-risk compliance obligations. • Maintains and risk-rates the Compliance Obligations Register. • Provides compliance tools, frameworks, and guidance to obligation owners and embedded resources. • Conducts regular reviews of compliance risks, controls, and assurance. • Reports on material compliance issues, breaches, and trends. • Delivers training and awareness to embed compliance in business processes and culture.
Business Unit Compliance Representatives	<p>Nominated representatives within each Business Unit act as a point of contact for compliance matters. These individuals do not hold compliance as their primary role, but serve as liaisons between their business area and the Enterprise Compliance Function.</p> <p>Compliance representatives assist with:</p> <ul style="list-style-type: none"> • coordinating responses to compliance reviews;

Division/ Position	Responsibility
	<ul style="list-style-type: none"> implementing actions, disseminating updates, and raising emerging risks or regulatory concerns; and supporting effective two-way communication and integration of compliance into daily operations.
Executive General Managers²	<p>Each Executive General Manager is accountable and responsible to the CEO for the management of compliance obligations within their function/business units and relevant to their operations.</p> <p>This includes:</p> <ul style="list-style-type: none"> identification, assessment, implementing controls, monitoring performance, ongoing review and reporting issues or breaches; working with Enterprise Compliance to ensure alignment with Stanwell's Compliance and Regulatory Management System; and ensuring adherence to this policy and the assurance, monitoring and reporting program to the Audit and Risk Management Committee.
Group Manager Internal Audit	<p>The Group Manager Internal Audit may, at the request of the CEO and / or ARMC, review the Enterprise Compliance and Regulatory Management System, associated compliance tools and processes against set criteria to:</p> <ul style="list-style-type: none"> provide a level of assurance on the effectiveness of the Enterprise Compliance and Regulatory Management System, compliance controls and/or processes; provide a level of assurance on Stanwell's compliance with its obligations; and identify any suggestions for improvement in the Enterprise Compliance and Regulatory Management system, compliance controls and / or processes.
General Counsel	<p>The General Counsel provides legal advice in relation to compliance matters that may give rise to legal risk or attract legal professional privilege, such as higher-risk breaches or systemic issues.</p>

² Executive General Mangers (EGMs) include other persons identified by the CEO from time to time to act in an EGM role.

Division/ Position	Responsibility
Our People	<p>Everyone at Stanwell is responsible for compliance. Our People have a responsibility to ensure that their activities when working for, with, or on behalf of Stanwell align with all applicable obligations. Our people are required to:</p> <ul style="list-style-type: none"> • be aware of and adhere to this policy, other policies and procedures relating to their workplace activities and Stanwell's compliance obligations; • in accordance with the Code of Conduct, perform their duties in an ethical, lawful and safe manner; • fulfil all compliance obligations in their day-to-day activities; • incorporate compliance management practices into their day-to-day activities; • use available compliance and regulatory resources as part of the Enterprise Compliance and Regulatory Management System, to manage compliance obligations • undertake training in accordance with the compliance program and implement the practices learned in training; and • report and escalate all compliance concerns, issues and breaches.

7.0 Compliance Risk Tiering and Oversight

Stanwell classifies compliance obligations into tiers based on the potential consequence of non-compliance, the nature of the obligation, and the level of assurance required.

This tiered approach is aligned with Stanwell's risk appetite and the Risk Evaluation Matrix.

Categorisation is for the purposes of compliance resourcing, risk prioritisation and risk-based oversight only, and Stanwell strives to ensure compliance with all compliance obligations, irrespective of categorisation.

8.0 Breaches and Incident Reporting

All employees and contractors must report suspected or actual compliance breaches.

Reports may be made:

- in accordance with the Board-approved Compliance Breach Reporting Mechanism (refer to Appendix 1 and the Enterprise Compliance and Regulatory Management Procedure (GOV-PROC-28)); or

- via Stanwell's whistleblower service, without fear of retaliation.

Reports will be assessed, investigated (where appropriate), and recorded in accordance with Stanwell's breach management procedures. Where required, regulators will be notified, and remediation plans developed and monitored.

9.0 Review, Consultation and Communication

This document is required to be reviewed, as a minimum, every year or in response to any material changes. The Board is responsible for approving this policy.

Following approval of updates to the policy by the Board, the policy will be communicated to key stakeholders, including through education and training. General awareness training in relation to the application of this policy is provided to new employees during induction.

This policy is made publicly available on Stanwell's internet site www.stanwell.com in accordance with the Corporate Governance Guidelines for Government Owned Corporations and will be published on the intranet and available in TRIM.

10.0 References

Document No	Document Title
ISO 37301:2021	Compliance management systems
GOV-POL-30	Code of Conduct – The Way We Work at Stanwell
GOV-POL-37	Enterprise Risk Management and Business Resilience
GOV-POL-38	Risk Management Statement
GOV-PROC-28	Compliance and Regulatory Management Procedure
GOV-STD-03	Audit and Risk Management Committee Charter
GOV-STD-11	Risk Evaluation Matrix
OHS-PROC-22	Stanwell Safeguards
PEO-PROC-81	Performance and Growth

11.0 Definitions

Word / Abbreviation	Definition
Compliance issue	One or more acts, omissions or events relating to Stanwell's compliance obligations that, after further investigation, may or may not be identified as a compliance breach.
Compliance breach	One or more acts or omissions by Stanwell or Our People which results in the failure by Stanwell to meet its compliance obligation(s).
Compliance and Regulatory Management System	The policies, procedures, processes, tools and activities Stanwell has implemented to ensure it strives to meet its compliance obligations and appropriately respond to any compliance and/or regulatory issues
Enterprise Compliance	The central function within Stanwell responsible for the design, implementation and oversight of Stanwell's Enterprise Compliance and Regulatory Management System.
Our People	Stanwell directors, employees and all contractors working for or at Stanwell (at its operational or non-operational sites)
Stanwell	Stanwell Corporation Limited and its subsidiaries.

12.0 Revision History

	Rev. Date	Revision Description	Author	Endorse/ Check	Approved By
	17.10.07	New compliance policy. Previously Risk and Compliance Management Policy GOV-POL-04 was in place.	D Farrelly		Board
1	24.03.2010	Review on completion of Compliance System Upgrade Project	A Osborne		Board
2	12.04.2012	Policy rewritten to address the requirements of the integrated Stanwell Corporation	M. Maraj	K. Biggs	Board
3	27.11.2012	Position titles updated following Organisational Review. Change not required to go to the Board	M. Maraj	K. Biggs	K. Biggs

	Rev. Date	Revision Description	Author	Endorse/ Check	Approved By
4	26.02.2014	Scheduled 3-year review. Policy updated to ensure alignment with the International Standard for Compliance (ISO 19600:2014 Compliance management systems – Guidelines) (released in December 2014).	M. Maraj	K. Biggs	Board
5	23.02.2017	Scheduled 2-year review. Policy simplified and streamlined and updated to reflect that Stanwell has no tolerance for material compliance breaches, repeat compliance breaches or intentional or material compliance breaches.	M. Maraj	K. Biggs	Board
6	13.05.2019	Scheduled 2-year review. Updated to reflect organisational changes and to reflect Stanwell's current risk appetite.	M. Maraj	P. Ware	Board
7	20.05.2021	Scheduled 2-year review. Updated to reflect the change to organisational values and to reflect Stanwell's risk appetite as articulated within the Risk Appetite Statement Policy (GOV-POL-38).	M. Maraj	M. O'Rourke	Board
8	09.06.2022	Scheduled annual review in line with Controlled Document Management Procedure (GOV-PROC-01). Updates made to reflect changes in responsibilities due to organisational changes	M. Maraj	ARMC	Board
9	16.03.2023	No material amendments required at this review. Standard reference updated.	P Ware	ARMC	Board
10	23.05.2024	Scheduled annual review. No material amendments required at this review. Minor administrative changes made to references.	M. Maraj	ARMC	Board

	Rev. Date	Revision Description	Author	Endorse/ Check	Approved By
11	18.07. 2025	Scheduled annual review incorporating amendments as a result of change in reporting lines for Compliance and refinement of Stanwell's Enterprise Compliance approach.	J Boland	ARMC	Board

Appendix 1 – Compliance Breach Reporting Mechanism (minimum standards)

