Risk Committee Charter

Bank of Queensland Limited

1. Purpose

1.1 The purpose of the Risk Committee (**Committee**) of the Board of Bank of Queensland Limited (**BOQ**) is to assist the Board to effectively discharge its responsibilities in respect of the following matters:

(a) considering and approving the overall risk management framework of BOQ and its subsidiaries (BOQ Group) for managing financial and non-financial risks;

(b) overseeing the risk culture of the BOQ Group;

(c) overseeing the risk profile of the BOQ Group;

(d) setting the risk appetite for the BOQ Group, addressing each material risk, while also having regard to its capital capacity;

(e) approving the Risk Management Strategy and the Risk Appetite Statement of BOQ Group, having regard to the Business Plan;

(f) making its annual declaration to APRA on risk management; and

(g) overseeing BOQ Group's compliance with applicable codes, legislation, regulations, and prudential standards.

2. Composition

2.1 The Board will appoint all members of the Committee, including the Chair of the Committee.

2.2 All independent Non-Executive Directors of BOQ are members of the Committee.

2.3 The Committee Chair must be an independent Non-Executive Director. The Chair of the Board or the Audit Committee must not be the Committee Chair.

2.4 The Committee Chair is responsible for:

(a) leading the Committee and overseeing processes for the Committee's performance of its role in accordance with this Charter;

(b) ensuring the Committee constructively challenges management's proposals and decisions on aspects of risk management and compliance matters arising from the BOQ Group's activities;

(c) encouraging discussion and debate by the Committee in an open and inclusive manner;

(d) setting the agenda for meetings with the Company Secretary and ensuring that appropriate time is given to matters brought to the Committee, including the calling of additional meetings as may be necessary; and

(e) liaising with the CRO to ensure the Committee has the information necessary to enable effective decision-making.

2.5 If the Committee Chair is absent from a meeting, the members of the Committee present will appoint a Chair for that meeting.

2.6 BOQ Group's Company Secretary, his or her designated representative, or such other person as the Committee may nominate, will act as Committee Secretary.

3. Responsibilities of the Committee

In performing its role, the responsibilities of the Committee include, but are not limited to:

Three Lines of Defence

3.1 Overseeing the embedment and effectiveness of the Three Lines of Defence framework and approach, which clearly articulates roles and responsibilities across the Group.

Risk Management Strategy

3.2 Monitoring BOQ Group's risk management framework and risk profile (current and future) and controls with regard to risk appetite and capital strength and overseeing the drafting and refining of BOQ Group's Risk Appetite Statement and Risk Management Strategy and making recommendations to the Board in relation to the BOQ Group's risk profile, Risk Appetite Statement and Risk Management Strategy.

Risk culture

3.3 Support the BOQ Board in its oversight of risk culture:

(a) Endorse the risk culture framework for Board approval, and oversee the implementation and effectiveness of the risk culture framework;

(b) Monitor BOQ Group's risk culture and the extent to which organisational culture supports the ability of the BOQ Group to operate consistently within its risk appetite, including by identifying desirable changes to the risk culture and ensuring the BOQ Group takes steps to address those changes;

(c) Make appropriate recommendations to the Board and report to the Board on the risk culture of the BOQ Group to assist the Board in forming a view on risk culture; and

(d) Report to the People, Culture and Remuneration Committee with respect to risk behaviours so that the People, Culture and Remuneration Committee may make recommendations to the Board regarding consequence management.

Risk management framework

3.4 Monitoring and reviewing management's performance against the BOQ Group's risk management framework, including:

(a) whether management is operating within the strategic objectives, risk appetite and risk policies approved by the Board; and

(b) making recommendations to the Board on the adequacy of, and any revisions needed to, the Group risk management framework.

Material risk governance

3.5 Reviewing reports from management concerning BOQ's key material risks (including capital management, funding and liquidity, credit, market, operational, and compliance and conduct risk) in order to oversee these risks, assess their effect on capital levels and attest to the adherence of APRA Prudential Standard CPS 220.

3.6 Overseeing risks inherent in BOQ Group's operations and recognising uncertainties, limitations and assumptions attached to the measurement of each risk including modelled assumptions. Such oversight will include (but is not limited to) the categories of risk outlined in this Charter and matters as applicable to the business operations and risk management framework of each company. These matters are not exhaustive and may change from time to time.

3.7 Overseeing that sufficient resources and skills are dedicated to risk management.

3.8 Overseeing that the operational structure of the BOQ Group facilitates effective risk management.

3.9 Receiving and reviewing reports from management or any Board Committee regarding:

(a) any significant breaches, or material deviation from, the Group's risk management framework; and

(b) resolutions to risk matters and incidents, and monitoring management's remediation plans.

Balance Sheet and Capital Management Risk

3.10 Reviewing and recommending to Board:

(a) management and structure of balance sheet;

(b) management of capital adequacy;

(c) the effectiveness of systems and policies that are in place to manage structural interest rate risk; and

(d) the balance sheet management policies.

3.11 Monitoring and recommending for approval by the Board the Internal Capital Adequacy Assessment Process (**ICAAP**), including:

(a) reviewing the outcomes of stress testing;

(b) setting target capital ranges for regulatory capital, having regard to BOQ Group's internal measures and business plans;

(c) reviewing capital levels for consistency with the risk appetite; and

(d) the implementation of the ICAAP by management.

Interest rate risk

3.12 Reviewing and recommending to Board BOQ Group's position in relation to management of interest rate risk;

Funding and Liquidity Risk

3.13 Reviewing and recommending to Board:

(a) the policies which form BOQ Group's funding and liquidity risk management framework;

(b) development of appropriate liquidity risk policies; and

(c) funding plan for the BOQ Group.

3.14 Monitoring and recommending to Board:

(a) BOQ Group's liquidity position and requirements; and

(b) BOQ Group's funding plan and funding requirements.

Credit Risk

3.15 Reviewing and recommending to Board:

(a) the policies which form BOQ Group's credit risk management framework;

(b) the credit risk profile, risk appetite, performance and management of BOQ Group's credit portfolio;

(c) key credit risk policies, credit strategies and credit scorecards supporting the credit risk management framework;

(d) credit limits, risk ratings, exposure limits, stress tests, concentration ratios, large exposures and conditions (where not able to be approved by the Committee); and

(e) assessment of macro-economic trends for BOQ Group's portfolio, including scenario and stress testing.

Market Risk

3.16 Reviewing and recommending to Board:

(a) the policies which form BOQ Group's market risk management framework; and

(b) key policies and limits supporting market risk, in light of BOQ Group's risk appetite.

3.17 Monitoring and recommending to Board:

(a) BOQ Group's market risk performance and exposure against limits; and

(b) interest rate and foreign exchange performance and exposure.

Strategic Risk

3.18 Reviewing and recommending to Board:

(a) BOQ Group's strategic risk profile.

(b) BOQ Group's environmental, social and sustainability risk performance and controls, including in relation to climate vulnerability risk.

Operational Risk (including Technology and Cyber-security)

3.19 Overseeing BOQ Group's operational risk management and the effectiveness of key internal controls in maintaining BOQ's operational risk profile within BOQ's Risk Appetite and in accordance with BOQ's Operational Risk Management Framework.

3.20 Reviewing and recommending to Board:

(a) the BOQ Group's Operational Risk Management Framework;

(b) the BOQ Group's business continuity plan and tolerance levels for disruption to critical operations; and

(c) the development and ongoing appropriateness of operational risk policies including the service provider management policy.

3.21 Reviewing reports from management on BOQ's operational risk profile (including compliance with its tolerance levels, any expected impacts on BOQ's critical operations, results from testing, and performance reporting on material service providers) and ensuring senior management takes action as required to address any areas of concern or findings.

3.22 Reviewing and recommending to Board other strategies to manage other operational risks, including occupational health and safety issues;

3.23 Reviewing reports from management concerning the BOQ Group's annual insurance strategy, including the performance of the insurance broker, adequacy of coverage and limits of insurance policies, and associated costs. Reviewing and reporting to the Board on all material aspects of the BOQ Group's insurance program, including making recommendations on the engagement of the insurance broker and reporting on any major insurance claims arising or made by the BOQ Group.

3.24 The Committee has overall responsibility in relation to:

(a) the overall technology and cyber risk profile of the BOQ Group (including BOQ's technology and cyber risk appetite).

(b) receiving and reviewing reports from management on technology and cyber security risk and major technology and cyber security incidents and reviewing the effectiveness of control mechanisms in relation to technology and cyber security risks.

(c) reviewing the effectiveness of disaster recovery plans and disaster recovery testing (as a subset of overall Business Continuity planning) and reporting to the Board on the effectiveness of these plans and testing.

(d) reviewing regulatory obligations relating to technology and cyber risk.

Compliance and Conduct (including Financial Crime)

3.25 Overseeing the establishment and maintenance of risk-based controls to mitigate the risks associated with money laundering, counter terrorism financing, and sanctions and making recommendations to Board on any necessary actions. Reviewing material incidents involving fraud or a breakdown of risk controls and making recommendations to the Board on proposed changes to internal policies and procedures to prevent future occurrences and breaches.

3.26 Reviewing and making recommendations to the Board on the Compliance Risk Management Framework and the AML Program Part A.

3.27 Reviewing and recommending to Board:

(a) the adequacy and effectiveness of the program of compliance established within the BOQ Group;

(b) the compliance risk processes that are in place to anticipate and effectively manage the impact of legal and regulatory change on BOQ Group's operations;

(c) the scope and depth of compliance review activities and the resulting impact any review findings have on the risk profile of the BOQ Group; and

(d) the nature and effectiveness of action plans implemented to address identified compliance weaknesses.

Emerging and Change Risks

3.28 Reviewing and monitoring any changes anticipated for the economic, business and regulatory environment, including consideration of new and emerging sources of risk and other factors relevant to BOQ Group's risk profile.

3.29 Overseeing the establishment of risk-based controls to mitigate emerging sources of risk.

Group Chief Risk Officer

3.30 Recommending to the Board the appointment and removal of the Chief Risk Officer (**CRO**), and making the appointment and removal of the CRO subject to prior endorsement by the Committee. In the event that the Committee endorses the removal of the CRO, the Committee will ensure notification is provided to APRA outlining the reasons for removal as soon as practicable (and no more than 10 days) following that decision.

3.31 Confirm the objectives for (following recommendation by the People, Culture & Remuneration Committee), and review the performance and effectiveness of, the CRO.

3.32 Support the independence of the CRO who will be involved in, and have the authority to, provide effective challenge to activities and decisions that may materially affect the BOQ Group's risk profile. The CRO has a direct reporting line to the MD & CEO and regular and unfettered access to the MD & CEO, Committee Chair, the members of the Risk Committee and the Board.

Other Responsibilities

3.33 Overseeing APRA statutory reporting requirements pertaining to risk matters, including reviewing the annual declaration to APRA on risk management and dealing promptly with APRA reviews.

3.34 Overseeing and reporting to the Board on the progress of the remedial action plans against the matters set out in the enforceable undertakings with APRA and AUSTRAC and commitments made to ASIC.

3.35 Overseeing the adequacy of internal risk monitoring and reporting requirements.

3.36 Overseeing BOQ Group's Stress Test and scenario testing framework.

3.37 Reviewing and making recommendations to the People, Culture & Remuneration Committee and Board on:

(a) the risk management key performance indicators included in the performance plans for BOQ Group Executives and senior management; and

(b) any matters that have come to the attention of the Committee that are relevant to the People and Remuneration's Committee's or the Board's consideration in recommending or approving risk-adjusted remuneration outcomes for persons within the remit of the People and Remuneration Committee, or the Board.

3.38 Reviewing and receiving any reports from the Chair of the People, Culture and Remuneration Committee on relevant culture matters that should come to the attention of the Committee, including initiatives and insights that may affect risk culture and/or performance of the risk management framework.

3.39 Reviewing and receiving any reports from the Chair of any other relevant Committee on relevant governance and accountability matters that should come to the attention of the Committee for the purpose of evaluating risk culture.

3.40 Reviewing and receiving any reports from the Chair of the Audit Committee and the Chair of the any subsidiary company Committee on relevant audit, and/or risk, matters that should come to the attention of the Committee, including the adequacy of BOQ Group's processes for managing risk.

Effectiveness review under CPS 220

Reviewing the findings of the independent review of the appropriateness, effectiveness and adequacy of the Group risk management framework, which is undertaken at least every three years in accordance with APRA Prudential Standard CPS 220.

4. Meetings

4.1 The Committee will meet a minimum of four times per financial year and otherwise as often as is necessary to fulfil its responsibilities.

4.2 Meeting dates and times are to be determined by the Committee Chair. However, any Committee member may call a Committee meeting at any time. On the request of a Committee member, the Committee Secretary must convene a meeting of the Committee, provided that reasonable notice is given to all Committee members.

4.3 The Committee may meet the with CRO for private discussion without management present as required.

4.4 The agenda for Committee meetings will:

(a) be prepared by the Committee Secretary and approved by the Committee Chair; and

(b) include items required by this Charter and any other items requested by Committee members, the CRO, or management and approved by the Committee Chair.

4.5 Committee meeting papers should be distributed to Committee members prior to each meeting in sufficient time to enable Committee members to read the papers and properly prepare for the meeting. The Committee Secretary will endeavour to ensure that, to the extent practicable, Committee meeting papers are distributed at least 7 days prior to each meeting.

4.6 A quorum for any Committee meeting will be one half of the members of the Committee (rounded upwards if not a whole number).

4.7 The Committee may adopt any rules and regulations as it considers appropriate to conduct its activities, provided they do not conflict with BOQ's Constitution, this Charter or any resolution of the Board.

5. Attendance by non-members

5.1 Each Board member who is not a member of the Committee will receive all Committee meeting papers and may attend all Committee meetings. The Chief Risk Officer must be invited to attend all relevant sections of the Committee meeting.

5.2 The Managing Director & CEO, Chief Financial Officer, Head of Internal Audit, the external auditor and representatives of management may be invited to attend meetings as required. Other external parties to the BOQ Group may also be invited to attend any Committee meeting.

5.3 Non-members in attendance at Committee meetings will have no voting rights and may be asked to withdraw from all or any part of a Committee meeting.

6. Reporting

6.1 Minutes of Committee meetings will be circulated to all Board members.

6.2 The Committee Chair will provide regular reports to the Board in relation to its activities and make recommendations as appropriate.

6.3 The Committee will refer to the Audit Committee, People, Culture & Remuneration Committee or Transformation & Technology Committee any matters that have come to the attention of the Committee that are relevant for noting or consideration, or which should be dealt with by, the Audit Committee, People, Culture & Remuneration Committee or Transformation & Information Technology Committee.

7. Conflicts of interest

7.1 The guidelines set out in BOQ's Board Charter or approved by the Board from time to time relating to declaring and dealing with conflicts of interests at a Board level apply to Committee meetings.

8. Access to management or other parties

8.1 The Committee has free and unfettered access to senior management, risk and financial control personnel and any other internal or external parties (including the Head of Internal Audit and the external auditor) and information, and may make any enquiries, to fulfil its responsibilities.

9. Access to independent advice

9.1 The Committee may seek independent advice in connection with fulfilling its responsibilities (including by engaging and receiving advice and recommendations from appropriate independent experts or consultants) at BOQ's expense, subject to obtaining the prior written approval of the Chair of the Board (such approval not to be unreasonably withheld). The engagement and any advice received will be independent of management.

9.2 Committee members are entitled to rely on information, advice and assurances provided by management on matters within their responsibility, and on the expertise of independent experts, as long as they are not aware of any grounds that would make such reliance on that independent advice inappropriate.

10. Committee performance

10.1 The Committee will review its performance annually as part of the annual Board performance review and will report on the findings and any recommendations resulting from its review to the Board.

11. Review

11.1 The Committee will review this Charter as required and at least annually and will recommend any amendments to the Board for approval.

12. Delegation to act

12.1 The Committee may, in its discretion, delegate some or all of its responsibilities to the Committee Chair, the Chair of the Board, or a sub-committee of the Committee.

12.2 In exceptional circumstances, where it may not be possible to convene a quorum, the Committee Chair may review and approve matters where temporary changes are required to the Risk Appetite Statement or other risk settings. Such approvals are to be achieved at the next meeting of the Committee.

13. Other

13.1 Committee members will be available to meet with APRA and other regulators on request.

13.2 The Committee will perform any other responsibilities as determined by the Board from time to time.

Date: 14 October 2026