

## **Role of the Group Information Technology (IT) Committee**

The Group IT Committee is appointed by the SBS Board of Directors to:

1. Adopt the role of proactively identifying where future technologies, relevant to our Group, are likely to move so that the Committee can advise Board in respect of emerging technologies, global trends and possible disruptions. The objective of this function is to ensure Board is in a strong position to take advantage of any future technology opportunities as well as developing plans to mitigate threats as an integral component of the design of the overall Group strategic plan; and
2. Assist the Board in providing oversight of the Bank's technology function in all aspects of its business and the risks associated with technology including cyber security, data security, disaster recovery and business continuity.
3. Provide oversight and recommendations to the Group's subsidiaries in critical technology areas that have an impact on technology strategy including architecture and strategy of the Group.
4. To provide the Board oversight of progress of IT initiatives and their timeliness of delivery and providing insights to why delivery may have not met initial agreed settings.

## **Objective**

Provide oversight of SBS Group utilisation and management of technology:

- Group technology strategy and progress in achieving the defined goals and plans incorporated in the entity business and strategic plans;
- Programme plan review of all current and future technology projects designed to meet the goals of the Group and / or entity as defined in its business and strategic plans;
- Following on from the above, this will be supported by a plan for each project and records deliverables with associated timelines);
- Assessment of the "fit for purpose" of Group technology capability used in the business currently and for future needs;
- Assessing the robustness of our Group technology environment to support operational processes;
- Monitoring system capacity, (compute and storage capacity), stability and disaster recovery capabilities and resilience
- alignment of the technology functionality, systems, software, purchasing and support across the Group.

The Group IT Committee does this by monitoring, oversight on investment decisions, reviewing risks and making recommendations to the SBS Board of Directors regarding the Group technology strategies and operations.

## **Group IT Principles**

Principles (desired outcomes)	Description	Considerations
Group solutions focused	<ul style="list-style-type: none"><li>• Build and maintain Group solutions to meet common needs and ensuring common Group minimum standards</li></ul>	<ul style="list-style-type: none"><li>• One network</li><li>• One primary network provider</li><li>• One Active Directory</li><li>• Common security</li><li>• Common desktop</li><li>• Cyber Security</li></ul>
Interoperability	<ul style="list-style-type: none"><li>• Group solutions communicate easily with other common platforms</li></ul>	<ul style="list-style-type: none"><li>• Common standards</li><li>• Minimum standards</li><li>• Build API library</li></ul>

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	and systems within business approved rules of engagement that meet legislative and entity obligations	<ul style="list-style-type: none"> <li>Recommend best in practice software solutions</li> </ul>
Minimise duplication of core infrastructure	<ul style="list-style-type: none"> <li>Shared use of core infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Telephony platform</li> <li>API management.</li> </ul>
Platform and Solutions	<ul style="list-style-type: none"> <li>Shared infrastructure will be utilised wherever possible</li> </ul>	<ul style="list-style-type: none"> <li>Solutions will be built by default with the ability for entities to 'opt-in' with ease</li> <li>Pre-approved technologies and partners will be used as first preference e.g. database types, hardware providers</li> </ul>
Vendors / Partners	<ul style="list-style-type: none"> <li>A consolidated vendor footprint will be maintained</li> <li>Robust reviews of vendors ensuring meet Group risk standards</li> <li>Ensuring adherence to Data Privacy standards</li> </ul>	<ul style="list-style-type: none"> <li>Cross business agreements</li> <li>Group-wide support</li> <li>Common procurement processes</li> <li>Collective systems will be maintained</li> </ul>
Services	<ul style="list-style-type: none"> <li>Shared services will be offered at a Group level if commercially viable</li> </ul>	<ul style="list-style-type: none"> <li>IT service desk</li> <li>Partner agreements</li> <li>Service level agreement</li> </ul>

## System Selection Principles

Principles	Description	Considerations
Enable Business Strategy	<ul style="list-style-type: none"> <li>Must align and deliver to entity strategy (and ideally Group strategy)</li> </ul>	<ul style="list-style-type: none"> <li>Member/customer centricity</li> <li>Improved user experience</li> <li>Proven traceability</li> <li>Omni channel architecture</li> </ul>
Agility	<ul style="list-style-type: none"> <li>Build agility into all we do</li> </ul>	<ul style="list-style-type: none"> <li>Time to market</li> <li>Skills</li> <li>Architecture</li> <li>Governance and processes</li> </ul>
Assess Configure versus customisation for technology solutions	<ul style="list-style-type: none"> <li>Assess off the shelf solutions versus in-house build capability</li> </ul>	<ul style="list-style-type: none"> <li>IP - configuration software</li> <li>Assess vendor skills</li> </ul>

**Last Updated:** February 2025

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		<ul style="list-style-type: none"> <li>• Ensure ease of upgrades and support</li> <li>• Target best value</li> </ul>
Standards Based	<ul style="list-style-type: none"> <li>• Comply with and document standards</li> <li>• Ensuring adherence to Data Privacy standards</li> </ul>	<ul style="list-style-type: none"> <li>• Architecture / frameworks</li> <li>• Loose coupling / integration ease</li> <li>• Avoid complexity</li> <li>• Use mainstream technology</li> </ul>
Fit for Purpose	<ul style="list-style-type: none"> <li>• Avoid technology debt</li> </ul>	<ul style="list-style-type: none"> <li>• Appropriate tools deployed</li> <li>• Maintain currency (current version -2)</li> <li>• Avoid “development first” approach</li> </ul>
Build where no viable or cost-effective option available	<ul style="list-style-type: none"> <li>• Focus in-house teams on building or changing solutions to provide differentiation for SBS Group– member/customer first at forefront of everything</li> </ul>	<ul style="list-style-type: none"> <li>• Where products / services don't exist</li> <li>• Retention of critical IP</li> <li>• Modular builds</li> </ul>
Leverage economy of scale (SaaS, PaaS, IaaS)	<ul style="list-style-type: none"> <li>• Consider cloud-based systems</li> </ul>	<ul style="list-style-type: none"> <li>• Minimise support / maintenance costs</li> <li>• Agility in scale / economies of scale</li> <li>• Agility in vendor selection</li> <li>• Staff redeployed on more value-add activities and projects</li> </ul>

## **Responsibilities**

The Group IT Committee is responsible for oversight of:

### **Technology Strategy and Operations**

- Review and oversight of delivery of IT projects to agreed project timelines.
- To receive and action, as necessary, reports from management regarding Group technology strategies with reference to:
  - emerging technologies and trends and their potential application within the Group; and
  - proposed changes in the regulatory, business and economic environments.
- To ensure the Technology teams have defined goals and deliver those goals that assist the Group and/or Entity achieve its strategic plans.
- To ensure the SBS Board of Directors is aware of delivery and developments in technology that would improve the efficiency of the provision of the Groups technology and functions and therefore service to members / customers; and
- To review, on an annual basis, the performance of the technology plans and functions against the Group strategy.

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- Review, endorse and make recommendations to the Board in relation to Group Technology policies as required
- Where appropriate, review and approve policies as delegated by the Board;

## Technology Investment and Expenditure

- Evaluation of investment business cases for significant technology projects within the Group (over \$500k capitalised investment) prior to submission to the SBS Board of Directors; and
- To receive and action, as necessary, reports from SBS and its subsidiaries management on progress achieved in respect of key IT projects included in the approved strategic and business plans.

## Technology Risk and Security

- To review and monitor the risk appetite and strategy relating to technology risks;
- To receive and action, as necessary, reports from management regarding:
  - key technology risks and associated mitigation strategies including the overall technology risk profile of the Group;
  - investigations and reviews of security issues relevant to Group technology processes/systems and any significant issues identified;
  - Disaster Recovery and Business Continuity Preparedness –plans, test attestation, processes, and documentation;
- To refer key technology risk issues to the SBS Group Audit and Risk Committee for information or advice as appropriate.

## Technology Team Members

- Review the technology operating model for the Group (SBS Bank and its subsidiaries) with the objective of optimising structures to deliver technology services and projects.
- To receive and action, as necessary, reports from management regarding SBS and its subsidiaries strategies in place (including outsourcing) to managing skills, capabilities, and capacity of technology resources.

## Authority

The Committee has the authority to approve technology contracts where the total accumulated value of the individual contract does not exceed \$1.0m. Any contract rollovers with material legal contract changes require approval by the delegated authority.

## Composition and Meetings of the IT Committee

- The Committee will comprise at least two directors as determined by the SBS Board of Directors;
- The Committee requires a quorum of two directors
- The Committee to have one representative (CEO's preferable) from each entity
- The Committee will convene no less than four times per year;
- It will report the outcomes of those meetings to the SBS Board of Directors;
- It will report to the SBS Board of Directors on other occasions in relation to specific matters, as required, and identified in the responsibilities above; and
- Any SBS Director not on the Committee may attend meetings and have access to the minutes of Committee meetings.

## Review

The Charter will be reviewed by the Committee three yearly with approval from the SBS Board.

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A self-assessment will be undertaken every two years to assess the Committees effectiveness with input from Committee Members and regular attendees.

***Definition of technology: the development and application of computer and communications hardware, including supporting software and services, used to store, retrieve, transmit, manipulate and present data.***