

## Audit & Risk Committee Charter

### 1. GENERAL

The board of the Company (**Board**) has established the Audit and Risk Committee (**Committee**), with the powers as set out in this Charter and as delegated in accordance with rule 8.1 of the Company's Constitution.

The Audit and Risk Committee Charter will be reviewed regularly. Any proposed changes will be recommended to the Board for approval.

### 2. THE PURPOSE AND ROLE OF THE COMMITTEE

The purpose of the Committee is to assist the Board in the effective discharge of its responsibilities for risk management and compliance, financial and corporate reporting and audit matters. The Board retains ultimate responsibility for these matters.

The Committee will, in discharging its duties, seek to co-ordinate its activities with the Remuneration and Nomination Committee where appropriate. The Chairman of the Committee must liaise with the Chairman of the Remuneration and Nomination Committee on an ongoing basis to ensure that no material matter is overlooked by the two Committees.

The Committee may delegate all or a portion of its responsibilities to a subcommittee of the Committee.

### 3. COMPOSITION OF THE COMMITTEE

The Committee will consist of a minimum of three members of the Board.

The Committee will consist of only non-executive Directors, a majority of whom are independent (as assessed by the Board in accordance with the Board Charter).

The Chairman of the Committee will be an independent non-executive Director. The office of Chairman of the Committee will not be occupied by the Chairman of the Board.

Members of the committee will, between them, have financial and accounting experience, technical knowledge and an understanding of the industries in which the Company operates.

The Board may appoint additional non-executive Directors to the Committee or remove and replace members of the Committee by resolution. Members may withdraw from membership by written notification to the Board.

The Board will review the membership of the Committee at least annually.

A member of the Committee may, with the approval of the Chairman of the Committee and at the Company's expense, attend seminars or training courses in respect of issues related to the functions and responsibilities of the Committee.

The secretary of the Committee will be the Company Secretary.

### 4. MEETINGS OF THE COMMITTEE

The Committee will meet at least four times annually, and more frequently if it is deemed necessary to fulfil its role.

The Committee may invite any person to attend all or part of a meeting of the Committee. The Chief Executive Officer, the Chief Financial Officer and other managers will be invited as required.

The quorum is two members of the Committee.

Any member may, and the Company Secretary will upon request from any member, convene a meeting of the Committee.

Notice will be given to every member of the Committee, of every meeting of the Committee.

The Company Secretary will attend all Committee meetings to take minutes. All minutes of the Committee must be entered into a minute book.

Directors (who are not members of the Committee) may attend meetings of the Committee.

### 5. REPORTING

Committee meeting agendas, papers and minutes will be sent to all Directors (including those who are not members of the Committee).

The Chairman of the Committee will, if requested by a Director, provide at a Board meeting a report on any material matters arising out of a Committee meeting. All Directors will be permitted, during a Board meeting, to request information from the Chairman of the Committee or members of the Committee.

### 6. AUTHORITY AND ACCESS

In carrying out its responsibilities, the Committee:

- (a) will have access to the company records and any other document, report, material or information in the possession of an employee or external adviser of the Company, as reasonably necessary to perform its functions; and
- (b) may invite an employee, the external auditor or any other person to attend a meeting of the Committee, including without management present for the purpose of seeking explanations and additional information from a person.

The Committee may seek the advice of independent advisers on any matter relating to the powers, duties or responsibilities of the Committee.

The Committee may initiate special investigations as it sees fit, or as directed by the Board, in relation to matters set out in this Charter.

### 7. RESPONSIBILITIES OF THE COMMITTEE

#### 7.1 Risk management and compliance

In the area of risk management and compliance, the key responsibilities of the Committee are to:

- (a) advise the Board on changes that should be made to the Company's risk management framework;
- (b) evaluate the adequacy and effectiveness of the Company's risk management framework by receiving reports from management that includes reporting on processes to ensure that there is:
  - (i) an adequate and effective system to identify and manage strategic, financial, operational and compliance business risks (including any environmental or social risks); and

- (ii) a review of internal control systems and the operational effectiveness of the policies and procedures related to risk and internal control, which includes;
  - (A) reporting to the Committee of any material incidents involving fraud or a break-down of the Company's risk controls;
  - (B); reporting to the Committee on new and emerging sources of risk and the risk controls and mitigation measures that management has put in place to deal with those risks;
- (c) arrange for management to report to the Committee on whether the Company's material strategic, operational, financial and compliance risks (including any environmental or social risks) are being managed effectively;
- (d) review and evaluate, by receiving reports from management, the procedures the Company has in place to ensure compliance with laws and regulations (particularly those which have a major potential impact on the Company in areas such as trade practices, continuous disclosure and insider trading laws, and the environment) and the Company's own codes of conduct (but excluding those which are included as responsibilities in the Charters of other Board Committees);
- (e) ensure management establishes:
  - (i) procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls and auditing matters; and
  - (ii) procedures for the confidential, anonymous submission of concerns by employees regarding accounting and auditing matters,and review those procedures and any material complaints or concerns identified by those procedures;
- (f) review and evaluate, by receiving reports from management, the structure and adequacy of the Company's own insurances on an annual basis;
- (g) assess management's compliance with the limits set out in any delegated authority framework.

### 7.2 Financial and corporate reporting

In the area of financial and corporate reporting, the responsibilities of the Committee are to:

- (a) review the adequacy of the Company's financial and corporate reporting processes and internal control framework;
- (b) approve the Company's accounting policies and principles that are required to be reported in the notes to the financial statements and any changes to those policies and principles and consider material judgement or choices made by management in the application of those policies and principles;
- (c) review the process implemented to support the certifications to be provided by the Chief Executive Officer and the Chief Financial Officer in respect of the Company's financial reports and the related certifications in respect of risk management and internal control;
- (d) review all financial statements and reports which are required to be published and/or signed by directors prior to approval by the Board;

- (e) ensure that procedures are in place which are designed to verify the existence and effectiveness of accounting and financial systems and other systems of internal control which relate to financial risk management; and
- (f) review and monitor any related party transactions and assess their propriety.

### 7.3 Audit

In the area of audit, the responsibilities of the Committee are to:

- (a) make recommendations to the Board on the appointment, reappointment or replacement of the external auditor;
- (b) review and agree with the external auditor the terms of engagement for the external auditor, including fees for audit and non-audit work;
- (c) oversee arrangements relating to the rotation of the audit engagement partner;
- (d) establish the scope of the audit for Board approval;
- (e) monitor the effectiveness of the external audit, placing emphasis on areas where the Committee or the external auditor believes special attention is necessary;
- (f) review the performance and effectiveness of the external auditor after the completion of each end-of-year audit. In evaluating the external auditor, the Committee will consider:
  - (i) the comprehensiveness of the external audit plan;
  - (ii) the timeliness and quality of communications promised under the plan and those delivered during the audit;
  - (iii) the competency and industry knowledge of the external audit staff; and
  - (iv) the adequacy and availability of resources to achieve the scope of work outlined in the external audit plan;
- (g) develop and oversee the implementation of the Company's policy on the engagement of the external auditor to supply non-audit services and ensure compliance with that policy; and
- (h) provide advice and an annual report to the Board as to whether the Committee is satisfied that the provision of non-audit services is compatible with the general standard of independence, and an explanation of why those non-audit services do not compromise audit independence, in order for the Board to be in a position to make the statements required by the Corporations Act 2001 (Cth) to be included in the Company's annual report.

### 8. LIMITATION OF RESPONSIBILITIES

The Committee does not have responsibility for the matters that are set out in the Board Charter, although the Chairman of the Committee must liaise with the Chairman of the Board on an ongoing basis to ensure that no material matter is overlooked by the two bodies.

The Committee's principal function is one of review, oversight and monitoring. Without limiting the Committee's duties as described in this Charter, neither the Committee, as a committee, nor any member of it by virtue of being a member, has the duty to actively seek out activities occurring within the Group that are not compliant with the Group's policies and procedures, although they have a duty to act promptly if any such activity comes to their attention.

The Committee's role does not extend to risk management in respect to the responsibilities of the Remuneration and Nomination Committee.

The Committee:

- (a) is not required to personally conduct accounting reviews or audits; and
- (b) is entitled to rely on employees of the Company or professional advisers or consultants engaged by the Committee or the Company where:
  - (i) there are reasonable grounds to believe that the employee, adviser or consultant is reliable and competent; and
  - (ii) the reliance was made in good faith and after making an independent assessment of the information.

Approved by the Board on: 18 November 2019