

GROUP AUDIT, RISK & COMPLIANCE COMMITTEE CHARTER

Version 9.1

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Version	Effective Date	Charter Owner
1.0	29 August 2013	Company Secretary
2.0	27 June 2014	Company Secretary
3.0	27 August 2015	Company Secretary
4.0	29 August 2016	Company Secretary
5.0	23 August 2017	Company Secretary
6.0	14 June 2018	Company Secretary
7.0	3 December 2018	Company Secretary
8.0	20 February 2020	Company Secretary
9.0	23 June 2021	Company Secretary
9.1	27 October 2021	Company Secretary

1.0 PURPOSE AND AUTHORITY

1.1 Purpose

The purpose of this Committee Charter is to specify the authority delegated to the Group Audit, Risk and Compliance Committee (“Committee”) by the board of directors of the Company (“Board”) and to set out the role, responsibilities, membership and operation of the Committee.

1.2 Authority

The Committee is a Group committee of the Board established in accordance with the Company’s Constitution and is authorised by the Board to assist in fulfilling its statutory and regulatory responsibilities. It has the authority and power to exercise the responsibilities set out in this charter and under any separate resolutions of the Board granted to it from time to time.

2.0 ROLE OF THE COMMITTEE

The role of the Committee is to assist the Board in carrying out its accounting, auditing, financial reporting, risk management, compliance and investment strategy responsibilities, including oversight of:

The Audit function

1. the integrity of the Company’s external financial reporting and financial statements;
2. the appointment, remuneration, independence and competence of the Company’s external auditors;
3. the performance of the external audit functions and review of the audits;
4. the adequacy of the Company’s corporate reporting processes and the internal control systems;
5. fees payable to the auditor for audit and non-audit work;

The Risk Management function

6. the effectiveness of the Company and its subsidiaries’ system of risk management and internal controls;

The Compliance function

7. the Company and its subsidiaries’ systems and procedures for compliance with applicable legal and regulatory requirements – in particular as required under Australian Financial Services Licences (“AFSL”) and Australian Credit Licences (“ACL”); and

The Investment function

8. the Group investment strategy, philosophy, frameworks and policies subject to the terms of the relevant Sub-committee charter.

Delegation

9. Notwithstanding any other term of this Charter, the functions and responsibilities of the Committee are subject to the delegation of the Board to the CEO.

3.0 AUDIT RESPONSIBILITIES

3.1 External reporting

The Committee is responsible for:

1. reviewing the appropriateness of the accounting principles adopted by management in the composition and presentation of financial reports;
2. overseeing the preparation of financial reports and reviewing the results of external audits of these reports;
3. assessing significant estimates and judgments in financial reports by examining the processes used to derive material estimates and judgments and seeking verification of those estimates from external auditors;
4. reviewing management's processes for ensuring and monitoring compliance with laws, regulations and other requirements relating to the preparation of accounts and external reporting by the Company of financial and non-financial information;
5. assessing (before publication) whether external reporting is consistent with Committee members' information and knowledge and is adequate for shareholder needs;
6. reviewing material documents and reports prepared for lodgement with regulators, assessing their impact on the Company and making recommendations to the Board on their approval or amendment;
7. ensuring that a comprehensive process is established to capture issues for the purpose of continuous disclosure;
8. assessing information from external auditors that affects the quality of financial reports;
9. obtaining from the external auditors an independent assessment of the appropriateness of the accounting principles used and the clarity of financial disclosure practices used by the Company;
10. assessing solvency and the going concern assumption;
11. assessing the management of non-financial information in documents to ensure that conflicts with financial statements and other documents do not occur; and
12. recommending to the Board whether the financial and non-financial statements should be signed based on the Committee's assessment of them.

3.2 External audit

The Committee is responsible for:

1. making recommendations to the Board on the appointment and remuneration of the external auditor and, if appropriate, recommending that tenders be called to assist in deciding which external auditor should be recommended;
2. reviewing and making recommendations to the Board in relation to rotation of the audit engagement partner;
3. agreeing the terms of engagement of the external auditor before the start of each audit;
4. reviewing the external auditor's fee and being satisfied that an effective, comprehensive and complete audit can be conducted for the external auditor's set fee;
5. monitoring the effectiveness, performance and independence of the external auditor, and periodically assessing their performance;
6. reviewing the external auditor's independence based on the external auditor's relationships and services with the Company and other organisations;
7. reviewing and making recommendations to the Board in relation to any proposal for the external auditor's provision of non-audit services that impairs or appears to impair their judgment or might compromise the independence of the external auditor and, if required, developing policies for Board approval to ensure this does not occur;

8. ensuring that any recommendation to replace the external auditor is carefully evaluated before the Board makes a final decision;
9. making recommendations to the Board on the removal of the external auditor;
10. inviting the external auditor to attend Committee meetings to review the audit plan, discuss audit results and consider the implications of external audit findings;
11. reviewing the scope and adequacy of the external audit, including identified risk areas and any additional procedures, with the external auditor on a periodic basis;
12. raising with the external auditor any specific points of divergence with the Company's management;
13. monitoring and examining management's response to the external auditor's findings and recommendations;
14. reviewing all representation letters signed by management and ensuring all information provided is complete and appropriate; and
15. meeting with the external auditor without management present at least once a year.

3.3 Internal control

The Committee is responsible for:

1. assessing and ensuring that there are internal processes for determining and managing important accounting judgments or choices and accounting estimates in preparing the Company's financial statements;
2. conducting investigations of breaches or potential breaches of internal controls, particularly in relation to accounts and financial reporting;
3. examining and evaluating the effectiveness of the internal control system with management and external auditors and making improvements;
4. meeting periodically with key management and external auditors to understand the Company's internal control environment; and
5. encouraging voluntary reporting by employees to the Committee of breaches of internal controls and company policies.

3.4 Related party transactions

The Committee is responsible for reviewing and monitoring the propriety of related party transactions.

4.0 RISK MANAGEMENT RESPONSIBILITIES

4.1 Risk oversight

The Committee is responsible for the Company and its subsidiaries for:

1. reviewing and recommending the Group's risk appetite statement for consideration by the Board;
2. advising the Board on the Group's overall current and future risk appetite and active risk management strategic plan;
3. establishing an active risk management framework;
4. reviewing and recommending to the Board the Group's corporate insurance program to:
 - a. assess adequacy and appropriateness of the corporate insurance program to manage residual risk; and

- b. approve any significant changes to the corporate insurance program;
5. ensuring management prepares a Group risk profile which describes the material risks including financial and non-financial matters;
6. regularly reviewing and updating the Group's risk profile;
7. ensuring that the Group has an effective risk management system;
8. approving and overseeing the process to:
 - a. identify principal risks;
 - b. evaluate potential impact; and
 - c. implement appropriate systems to manage such risks;
9. assessing and ensuring that there are internal processes in each business unit for determining and managing key risk areas to ensure that the Company is operating within the risk appetite set by the Board, such as:
 - a. non-compliance with laws, regulations, standards and best practice guidelines including industrial relations, occupational health and safety, environmental and trade practices laws;
 - b. business licence requirements;
 - c. litigation and claims;
 - d. fraud and theft;
 - e. relevant business risks not dealt with by other Board committees;
10. receiving reports concerning material and actual incidents within the risk areas above and ensuring that macro risks are reported regularly to the Board;
11. receiving reports from management concerning the Group's risk management strategies, their adequacy and effectiveness and take action arising from those reports;
12. making publicly available a description of the Company's risk management policy and internal compliance and control system;
13. assessing existing controls that management has in place for unusual transactions or transactions with more than an accepted level of risk and risks associated with organisational changes and major initiatives; and
14. meeting periodically with key management and compliance staff to understand the Company's control environment.

5.0 COMPLIANCE RESPONSIBILITIES

5.1 Role

The role of the Committee is to ensure management, employees and authorised representatives operate in accordance with obligations under the Corporations Act and other relevant laws, Australian Securities Exchange responsibilities and internal policies which define their responsibilities as required as an AFSL and/or ACL holder or an authorised representative and in a manner that is professional, fair and in accordance with the culture of "doing the right thing". The Committee will receive reports from each of the license holders within the Group in order to ensure compliance responsibilities are met.

5.2 Policies

1. Review and approve all policies prior to the policy being implemented; and
2. Review and approve changes to all policies prior to the amended policy being implemented.

5.3 Compliance arrangements

Assess compliance related information to identify compliance issues and determine strategies to improve compliance arrangements.

5.4 Professional standards

5.4.1 Breach and Incident Management

Assess breach and incident management issues that are referred to the Committee in accordance with the Monitoring and Supervision Policy.

5.4.2 Conflicts of Interest

Assess conflicts of interest issues that are referred to the Committee in accordance with the Conflicts of Interest Policies.

5.5 Anti-Money Laundering & Counter-Terrorism Compliance

Assess the Anti-Money Laundering and Counter-Terrorism (“AML/CTF”) reporting from the nominated AML/CTF Officers to ensure each business unit is identifying, mitigating and managing the risk associated with services facilitating money laundering or terrorism financing.

6.0 INVESTMENT RESPONSIBILITIES

6.1 Role

The role of the Committee is to receive reports from the Research Investment Committee (“RIC”); to review the decisions of the RIC; and make recommendations to the RIC. As appropriate, the GARCC will report to the Board in respect of these matters.

7.0 MEMBERSHIP

7.1 Composition and size

The Committee will consist of:

1. a minimum of two members; and
2. a majority of independent non-executive directors and/or suitably qualified independent non-directors.

Membership is reviewed periodically and re-appointment to the Committee is not automatic. Appointments to the Committee are decided by the Board.

7.2 Chairperson

The Chairperson of the Committee must be an independent non-executive director who is not the Chairperson of the Board.

The Chairperson of the Committee is appointed by the Board. If, for a particular Committee meeting, the Committee Chairperson is not present within 10 minutes of the nominated starting time of the meeting, the Committee may elect a Chairperson for the meeting.

7.3 Technical expertise

The Committee must be structured so that:

1. all members are financially literate, that is, are able to read and understand financial statements;
2. at least one member has relevant qualifications and experience, that is, is an accountant or financial professional with experience of financial and accounting matters; and
3. members have an understanding of the industry in which the Company operates.

7.4 Skills development

If the Committee Chairperson approves, a Committee member may attend seminars or training related to the functions and responsibilities of the Committee at the Company's expense.

7.5 Standing invitations

The following persons have standing invitations to attend Committee meetings:

- Non-executive directors;
- Company Secretary;
- External Auditor;
- CEO; and
- CFO.

The Chairperson may extend invitations to other individuals.

8.0 COMMITTEE MEETINGS AND PROCESS

8.1 Meetings

Meetings and proceedings of the Committee are governed by the provisions in the Company's and subsidiary companies' constitutions regulating meetings and proceedings of the Board and committees of the Board in so far as they are applicable and not inconsistent with this charter.

Meetings may be held by telephone or video conference.

8.2 Frequency and calling of meetings

The Committee will meet at least quarterly and as frequently as required to undertake its role effectively. The Chairperson must call a meeting of the Committee if requested by any member of the Committee, the external auditor or the Chairperson of the Board.

8.3 Quorum

Two members, at least two of whom must be a non-executive director of the Company or an independent member, constitute a quorum for meetings of the Committee.

8.4 Attendance by management and advisers

The Committee Chairperson may also invite senior executives and external advisors to attend meetings of the Committee. The Committee may request management and/or others to provide such input and advice as is required.

8.5 Agenda and documents

The Chairperson of the Committee determines the meeting agenda after appropriate consultation.

The Company Secretary distributes the agenda and any related documents to all Committee members and other attendees at least 5 business days before each proposed meeting.

8.6 Access to information and advisors

The Chairperson of the Committee receives all reports between the external auditor and management.

The Committee has the authority to:

1. require management or others to attend meetings and to provide any information or advice that the Committee requires;
2. access the documents and records of all group companies;
3. obtain the advice of special or independent counsel, accountants or other experts, without seeking approval of the Board or management where the Committee considers that it is necessary or appropriate; and
4. access and interview management and external auditors (with or without management present).

8.7 Reporting

The Committee will report regularly and promptly to the Board.

8.8 Minutes

The Company Secretary will keep minutes to record the proceedings and resolutions of its meetings.

The Chairperson of the Committee, or delegate, will report to the Board after each Committee meeting. Minutes of Committee meetings will be included in the papers for the next Board meeting after each Committee meeting.

9.0 COMMITTEE'S PERFORMANCE EVALUATION

The Committee will review its performance annually and whenever there are major changes to the management or financial structure of the Company and report to the Board.

The performance evaluation will have regard to the extent to which the Committee has met its responsibilities in terms of this charter.

10.0 REVIEW AND PUBLICATION OF THE CHARTER

The Board will review this charter annually to ensure it remains relevant to the current needs of the Company. The charter may be amended by resolution of the Board.

The charter is available on the Company's website.