



Audit & Risk Committee

Charter

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1. Role

The role of the Audit and Risk Committee is to assist the Board in monitoring and reviewing any matters of significance affecting financial reporting and compliance. This Charter defines the Audit and Risk Committee's function, composition, mode of operation, authority, and responsibilities.

2. Composition

The Board will strive to adhere to the following composition requirements for the Committee where at all possible. However, the Board acknowledges that the composition of the Board may not allow adherence to the following composition requirements from time to time.

- The Committee must comprise at least three members.
- All members of the Committee must be non-executive Directors.
- A majority of the members of the Committee must be independent non-executive Directors in accordance with the criteria set out in Annexure A.
- The Board will appoint members of the Committee. The Board may remove and replace members of the Committee by resolution.
- All members of the Committee must be able to read and understand financial statements.
- The Chairman of the Committee must not be the Chairman of the Board of Directors and must be independent.
- The Chairman shall have leadership experience and a strong finance, accounting, or business background.
- The external auditors, the other Directors, the Managing Director, Chief Financial Officer, Company Secretary, and senior executives, may be invited to Committee meetings at the discretion of the Committee.

3. Purpose

The primary purpose of the Committee is to assist the Board in fulfilling its statutory and fiduciary responsibilities relating to:

- the quality and integrity of the Company's financial statements, accounting policies and financial reporting;
- compliance with all applicable laws, regulations, and company policy;
- the effectiveness and adequacy of internal control processes;
- the performance of the Company's external auditors and their appointment and removal;
- the independence of the external auditor and the rotation of the lead engagement partner;
- the identification and management of business, economic, environmental, and social sustainability risks; and
- the review of the Company's risk management framework at least annually to satisfy itself that it continues to be sound and to determine whether there have been any changes in the material business risks the Company faces and to ensure that they remain within the risk appetite set by the Board.

A secondary function of the Committee is to perform such special reviews or investigations as the Board may consider necessary.

4. Duties and Responsibilities of the Committee

4.1 Review of Financial Reports

Review the appropriateness of the accounting principles adopted by management in the financial reports and the integrity of the Company's financial reporting.

- Oversee the financial reports and the results of the external audits of those reports.
- Assess whether external reporting is adequate for shareholder needs.
- Assess management processes supporting external reporting.
- Establish procedures for treatment of accounting complaints.
- Review the impact of any proposed changes in accounting policies on the financial statements.
- Review the annual results.
- Ensure that, before the Board approves the Company's financial statements for a financial period, the Managing Director and Chief Financial Officer (or, if none, the person(s) fulfilling those functions) have declared that, in their opinion, the financial records of the Company have been properly maintained and that the financial statements comply with the appropriate accounting standards and give true and fair view of the financial position and performance of the Company and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

4.2 Relationship with External Auditors

Recommend to the Board procedures for the selection and appointment of external auditors and for the rotation of external auditor partners.

- Review performance, succession plans and rotation of lead engagement partner.
- Approve the external audit plan and fees proposed for audit work to be performed.
- Discuss any necessary recommendations to the Board for the approval of accounts.
- Review the adequacy of accounting and financial controls together with the implementation of any recommendations of the external auditor in relation thereto.
- Meet with the external auditors at least once in each financial year and at any other time the Committee considers appropriate.
- Provide approval of audit and non-audit services that are to be undertaken by the external auditor.
- Ensure adequate disclosure as may be required by law of the Committee's approval of all non-audit services provided by the external auditor.
- Ensure that the external auditor prepares and delivers an annual statement as to their independence which includes details of all relationships with the Company.
- Receive from the external auditor their report on, among other things, critical accounting policies and alternative accounting treatment, prior to the filing of their audit report in compliance with the Corporations Act.
- Ensure that the external auditor is available to answer questions from security holders relevant to the audit.

4.3 Internal Audit Function

- Monitor the need for a formal internal audit function and its scope.
- Assess the performance and objectivity of any internal audit procedures that may be in place.
- Review risk management and internal compliance procedures.
- Monitor the quality of the accounting function.
- Review the internal controls of the Company via consideration of any comments from the Company's internal and/or external auditors and/or commissioning an independent report on the Company's internal controls.

4.4 Periodic corporate reports

The Committee will be responsible for ensuring that any periodic corporate report (to the extent that report relates to financial or tax matters) the Company releases to the market that has not been subject to audit or review by an external auditor discloses, either in the report or on the Company's website, the process taken to verify the integrity of its content.

4.5 Risk Management

- Oversee the Company's risk management systems, practices, and procedures to ensure effective risk identification and management and compliance with internal guidelines and external requirements.
- Assist in identifying and managing potential or apparent business, economic, safety, health, environmental, and social sustainability risks (if appropriate).
- Review the Company's risk management framework at least annually to satisfy itself that it continues to be sound.
- Review reports by management on the efficiency and effectiveness of the Company's risk management framework and associated internal compliance and control procedures.

4.6 Other

The Committee will oversee the Company's safety, health, environmental and quality risk management processes.

- The Committee will oversee procedures for Whistleblower protection.
- The Committee will oversee the Company's insurance program, having regard to the Company's business and the insurable risks associated with its business.
- Monitor related party transactions.

5. Meetings

The Committee will meet at least twice in each financial year and additionally as circumstances may require for it to undertake its role effectively.

- Meetings are called by the Secretary as directed by the Board or at the request of the Chairman of the Committee.
- Where deemed appropriate by the Chairman of the Committee, meetings and subsequent approvals and recommendations can be implemented by a circular written resolution or conference call.
- A quorum shall consist of two members of the Committee. In the absence of the Chairman of the Committee or their nominees, the members shall elect one of their members as Chairman of that meeting.
- Decisions will be based on a majority of votes with the Chairman having a casting vote.
- The Committee Chairman, through the Secretary, will prepare a report of the actions of the Committee to be included in the Board papers for the next Board meeting.
- Minutes of each meeting are included in the papers for the next full Board meeting after each Committee meeting.

6. Secretary

The Company Secretary or their nominee shall be the Secretary of the Committee and shall attend meetings of the Committee as required.

- The Secretary will be responsible for keeping the minutes of meetings of the Committee and circulating them to Committee members and to the other members of the Board.

- The Secretary shall distribute supporting papers for each meeting of the Committee as far in advance as possible.

7. Reliance on Information or Professional or Expert Advice

Each member of the Committee is entitled to rely on information, or professional or expert advice, to the extent permitted by law, given or prepared by:

- an employee of the Group whom the member believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
- a professional adviser or expert in relation to matters that the member believes on reasonable grounds to be within the person's professional or expert competence; or
- another Director or officer of the Group in relation to matters within the Director's or officer's authority.

8. Access to Advice

Members of the Committee have rights of access to management and to the books and records of the Company to enable them to discharge their duties as Committee members, except where the Board determines that such access would be adverse to the Company's interests.

- Members of the Committee may meet with the auditors, both internal and external, without management being present.
- Members of the Committee may consult independent legal counsel or other advisers they consider necessary to assist them in carrying out their duties and responsibilities, subject to prior consultation with the Chairman. Any costs incurred as a result of the Committee consulting an independent expert will be borne by the Company.

9. Review of Charter

The Board will conduct an annual review of the membership to ensure that the Committee has carried out its functions in an effective manner and will update the Charter as required or as a result of new laws or regulations.

- The Charter shall be made available to members on request, to senior management, to the external auditor and to other parties as deemed appropriate and will be posted to the Company's website.

10. Report to the Board

- The Committee must report to the Board formally at the next Board meeting following from the last Committee meeting on matters relevant to the Committee's role and responsibilities.
- The Committee must brief the Board promptly on all urgent and significant matters.

11. Audit and Risk Committee Performance Review

The Audit and Risk committee will review its performance on an annual basis by self-assessment, coordinated by the Chair of the committee until determined otherwise. The Chair may seek input from the board, the external auditor or others as required.

12. Document history

12.1 Current document authoriser

Company Details:
GenusPlus Group Limited ACN 620 283 561 Adopted and approved by the Board of Directors on 14/10/2020

12.2 Revision history

Rev	Date	Author	Authoriser	Details of Amendment
0	03/10/2018	PC	Board	Draft
1	03/10/2018	PC	Board	Issued for Use
2	25/06/2020	PC	Board	2 Yearly Board Review
3	14/10/2020	DW	Board	Document Review.
4	15/12/2021	DW	Board	Annual Review

12.3 Abbreviations & Definitions

A description of Terms used specific to this document appear in the table below.

Term	Definitions
GPG	GenusPlus Group

12.4 Related internal documents

Document ID	Document Title
List from final document	

12.5 Related external documents (none)