



## LINK GROUP RISK AND AUDIT COMMITTEE CHARTER

### 1. Objectives

The Risk and Audit Committee (**Committee**) has been established by the board of directors (**Board**) of Link Administration Holdings Limited (the **Company**) pursuant to clause 17.12 of the Company's Constitution.

The purpose of the Committee is to assist the Board with:

- overseeing, reviewing and supervising the Company's risk management framework and promoting a risk management culture;
- discharging the Board's responsibilities relative to the financial reporting process, the system of internal control relating to all matters affecting the Company's financial performance and the audit process;
- monitoring compliance with laws, regulations and Board policies;
- adopting and applying appropriate ethical standards in relation to the management of the Company and the conduct of Link Group's business; and
- reviewing the adequacy of the Company's insurance policies.

### 2. Authority

The Committee has authority to:

- conduct or authorise investigations into any matters within its responsibilities described in paragraph 5;
- seek external advice or assistance, at the expense of the Company, including the appointment of consultants and independent external advice; and
- seek information and communicate directly with the Senior Executive team, advisers, internal auditor/s and external auditor at any time.

The Committee will make recommendations to the Board on all matters requiring a decision from the Board. The Committee does not have the power or authority to make a decision in the Board's name or on its behalf.

### 3. Membership

The Committee will consist of at least three Non-Executive Directors (NED), appointed by the Board. A majority of members will be independent NEDs.

All Committee members will be financially literate and the members of the Committee, between them, should have the accounting and financial expertise and a sufficient understanding of the industry in which the Company operates to be able to discharge the Committee's mandate effectively.

The Board will nominate the Chair of the Committee. The Committee Chair will be an independent NED who is not Chair of the Board.

#### **4. Committee Meetings**

The Committee will meet as often as the Committee members deem necessary to discharge its role effectively, but not less than four times annually.

The Committee Chair will convene a meeting of the Committee if required to do so by any Committee member or the Board.

A quorum of the Committee will comprise two members.

All members of the Board have a standing invitation to attend meetings of the Committee.

If the Committee Chair is absent from a meeting and no acting chair has been appointed, the Committee members present may choose one of them to act as chair for that meeting.

Reasonable notice of meetings and the business to be conducted will be given to the members of the Committee and any other person invited by the Committee to attend.

Meetings of the Committee may be held or participated in by conference call or similar means, and decisions may be made by circular or written resolution.

Each member of the Committee will have one vote. The Committee Chair will not have a casting vote. If there is a tied vote, the matter will be referred to the Board for resolution.

Following each meeting, the Committee Chair will report to the Board, at the next Board meeting, on any matter that should be brought to the Board's attention and on any recommendation of the Committee that requires Board approval or action, and provide the Board with sufficient information upon which to make a decision in that regard.

The Company Secretary will coordinate the timely completion and dispatch of the Committee agenda, minutes and materials for each meeting. The minutes of each Committee meeting will, following preliminary approval by the Committee Chair, be circulated to the Directors.

#### **5. Responsibilities**

The responsibilities of the Committee are as follows:

##### ***Risk management***

- consider the Company's overall risk management framework, risk appetite and risk profile, annually review its effectiveness in meeting sound corporate governance principles and keep the Board informed of all significant business risks;
- review with management the adequacy of the Company's processes and systems for identifying, assessing, monitoring and managing the key risks to the Company in accordance with the Company's Risk Management Policy;
- obtain reports from management on the status of any key risk exposures or incidents;
- review any incident involving:
  - internal fraud;
  - external fraud resulting from a material or significant break down of the Company's internal controls; or
  - any other material or significant break down of the Company's internal controls,in accordance with the Company's Risk Management Policy;
- review any material or significant incident involving any break down of the Company's risk management framework in accordance with the Company's Risk Management Policy;

- review the Company's insurance program having regard to the Company's business and the insurable risks associated with its business;
- review whether the Company has any material exposure to any economic, environmental and social sustainability risks and if so, develop strategies to manage such risks;

### ***Financial statements***

- review the Company's financial reporting disclosure processes and monitor the adequacy of those processes;
- review the half-yearly and yearly financial statements and consider whether they are complete, consistent with information known to the Committee, reflect appropriate accounting policies and principles and otherwise provide a true and fair view of the financial position and performance of the Company;
- receive and consider in connection with the Company's half-yearly and annual financial statements letters of representation to the Board in respect of financial reporting and the adequacy and effectiveness of the Company's risk management, internal compliance and control systems and the process and evidence adopted to satisfy those conclusions;
- review any proposed payment of a dividend to shareholders;
- review the financial sections of the Company's Annual Report and related regulatory filings before release and consider the accuracy and completeness of the information;
- review with management and the external auditors the results of the audit;
- receive from the Company's Managing Director and Chief Financial Officer a declaration that, in their opinion, the financial records of the Company have been properly maintained and that the financial statements comply with accounting standards and give a 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 before the Board approves the half-yearly and annual financial statements, ensuring a review of any identified exceptions;
- review and note the management representation to the external auditor in relation to the half-yearly and annual financial statements;

### ***Internal control***

- review and assess the management processes supporting external reporting;
- review the effectiveness of the Company's internal controls regarding all matters affecting the Company's operations, financial performance and financial reporting, including information technology security and control;
- review the scope of internal and external auditors' review of internal control, review reports on significant findings and recommendations, together with management's responses, and recommend changes from time to time as appropriate;

### ***Internal audit***

- review with management and the internal auditor:
  - the internal audit plans and activities; and
  - management's responses to internal audit findings;
- meet separately, at least once a year, to discuss any matters that the Committee or internal auditor believes should be discussed privately;

- review the objectivity and performance of the internal audit activity;
- review the independence of the internal auditors and their auditing practices;
- ensure there are no unjustified restrictions or limitations placed on the internal audit function, and review and concur in the appointment, replacement or dismissal of the internal auditor;

#### ***External audit***

- oversee the selection, appointment and removal of the external auditor and for the rotation of external audit engagement partners;
- review the external auditors' proposed audit scope and approach, including proposed fees;
- meet with the external auditor to review reports and management's responses to findings, and meet separately from management, at least once a year, to discuss in that regard any matters that the Committee or auditors believe should be discussed privately;
- oversee, review and monitor the independence, integrity and performance of the external auditor, including the appropriateness of any services to be provided or provided by them to the Company (if any), outside their statutory role;

#### ***Compliance***

- consider the Company's compliance management system;
- consider the workplan for Company's compliance activities;
- obtain regular updates from management regarding compliance matters;
- review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance;
- review the findings of any examinations by regulatory agencies and authorities;
- review the process for communicating the Board policies to Company personnel, and for monitoring compliance with those policies;

#### ***Related party transactions***

- review and monitor all related party transactions and investments involving the Company;

#### ***Other responsibilities***

- receive reports from management under the Company's Whistleblower's Protection Policy and oversee related investigations;
- perform other activities related to this Charter as requested by the Board including where requested by the Board, evaluate, approve and monitor major capital expenditure, capital management and major acquisitions, divestitures and other corporate transactions, including the issue of securities of the Company; and
- institute and oversee special investigations as needed.

## **6. Review of Committee and Committee Charter**

The Committee will review annually its activities and the manner in which it has carried out its responsibilities, and report to the Board on the outcome of the review.

The Committee will review annually the terms of the Charter. The Committee may recommend to the Board any changes to this Charter. Any amendments to this Charter must be approved by the Board.

### **History:**

**Adopted: September 2015**

**Amended: March 2016**

**Amended: February 2018**