

CHARTER - AUDIT & RISK MANAGEMENT COMMITTEE

Board and Board Committees



1. ROLE AND PURPOSE

- a. The Audit and Risk Committee is established by the Board of Directors of Redox Limited.
- b. The primary role of the Committee is to monitor and review the effectiveness of the control environment of the Company in the areas of operational and balance sheet risk, legal and regulatory compliance and financial reporting.
- c. The purpose of the Committee is to assist the Board in the effective discharge of its responsibilities for:
 - i. Financial reporting and other periodic corporate reporting;
 - ii. Corporate governance compliance
 - iii. Internal control structures;
 - iv. Internal and external audit functions;
 - v. Risk management systems.

2. MEMBERSHIP

- a. The Committee must consist of:
 - i. only non-executive directors;
 - ii. a majority of independent directors;
 - iii. an independent director as chair, who is not the chair of the Board; and
 - iv. a minimum of three members of the Board.
- b. 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.
- c. All non-executive directors have a standing invitation to attend Committee meetings and have access to Committee papers, subject to conflicts. Other non-committee members, including members of management and the external auditor may attend meetings of the Committee at the invitation of the Committee chair.
- d. It is intended that all members of the Committee should be financially literate and have familiarity with financial management and the members between them must 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.
- e. Committee Members will be appointed for a 12-month period.

3. RESPONSIBILITIES

The responsibilities of the Committee are as follows:

- a. Financial and other periodic corporate reporting
 - i. Review the annual and half yearly financial reporting carried out by the Company for accuracy, for adherence to accounting standards and policies, and to ensure they reflect the understanding of the Committee members of the business, and otherwise provide a true and fair view of, the financial position and performance of the Company, as a basis for recommendation to adoption by the Board.
 - ii. Review and make recommendations to the Board in relation to the appropriateness of the accounting policies, judgements and choices adopted by management in preparing the Company's financial reports, including significant changes in the selection or application of accounting policies.
 - iii. Review drafts of the Managing Director and CFO declarations which are to be provided to the Board relating to the Company's full year and half year financial statements.

CHARTER - AUDIT & RISK MANAGEMENT COMMITTEE

Board and Board Committees

- iv. Review the Company's corporate and financial reporting and disclosure processes and make recommendations to the Board in relation to the adequacy of those processes. This includes reviewing the process to verify the integrity of any periodic corporate report the Company releases to the market that is not audited or reviewed by the external auditor.
- b. Auditing
 - i. Review and oversee the scope and audit programmes of the internal and external auditors and any material issues arising from those audits.
 - ii. Review and oversee the independence of external auditors and determining procedures for the rotation of audit partners.
 - iii. Recommend to the Board the appointment or removal of internal and external auditors and the level of fees.
 - iv. Review and approve the appointment and dismissal of the internal auditor.
 - v. Review and oversee the scope and adequacy of the internal audit work plan and the independence and objectivity and performance of the internal audit function.
- c. Controls
 - i. Review and oversee the effectiveness of the Redox systems of accounting and internal controls.
- d. Risk Management
 - i. Review and oversee the Company's compliance with legislation and external regulation.
 - ii. Identify and manage the full range of actual and potential risk exposures which are material to the Company, including but not limited to conduct risk, digital disruption, sustainability, environmental or social risks, and consider how the Company identifies and manages any new and emerging risks.
 - iii. Review and oversee the effectiveness of the group's risk management systems and strategies.
 - iv. Review and make recommendations to the Board in relation to the risk appetite within which the Board expects management to operate, and whether any changes should be made.
 - v. Review the Company's risk management framework at least annual and make a recommendation to the Board about whether it continues to be sound and whether the Company is operating with due regard to the risk appetite set by the Board.
 - vi. Review any material incidents involving fraud or breakdown of the of the entity's risk controls and the "lessons" learned and ensure those learnings are implemented in the company's risk and control framework.

4. REPORTING RESPONSIBILITIES

The Chairman of the Committee or his/her nominee will report to the full Board at the end of each reporting period on:

- a. The number of times the Committee met throughout the period;
- b. The individual attendances of the members at the meetings;
- c. The proceedings of the Committee; and
- d. Appropriate recommendations or decisions;

The Board will disclose all material information affecting the Company, to shareholders in accordance with the Company Disclosure Policy (Procedure 3313)

5. AUTHORITY

- a. In carrying out its duties, the Committee shall have the authority to discuss directly with Management, internal auditors or the external auditors any issue within its remit and request reports, explanations information of any of the activities, procedures or accounts of Redox.

CHARTER - AUDIT & RISK MANAGEMENT COMMITTEE

Board and Board Committees

- b. The Committee is authorised by the Board to obtain outside legal advice if it considers this necessary.
- c. The Committee shall meet with the external auditors without members of management being present whenever it is deemed appropriate by the Chairman of the Committee.

6. REVIEW

The Committee will conduct an annual review of its performance and effectiveness by reference to this Charter and current best practice.

The Committee will conduct a review of this Charter annually. The Committee must refer any recommend changes for decision by the Board.

7. ADMINISTRATIVE MATTERS AND PROCEDURES

7.1. MEETINGS

The Committee will meet as often as the Committee members deem necessary in order to fulfil their role. However, it is intended that the Committee will normally meet quarterly.

7.2. QUORUM

The quorum is at least two members.

7.3. SECRETARY

The Company Secretary, or his or her delegate, must attend all Committee meetings as minute secretary.

7.4. CONVENING AND NOTICE OF MEETING

Any member may, and the Company Secretary must 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. However, there is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held.

7.5. INDEPENDENT ADVICE

The Committee may seek the advice of the Company's auditors, solicitors or other independent advisers, consultants or specialists as to any matter pertaining to the powers or duties of the Committee or the responsibilities of the Committee.

7.6. MINUTES

Minutes of meetings of the Committee must be kept by the Company Secretary. All minutes of the Committee must be entered into a minute book maintained for that purpose and be available for inspection by any director.

7.7. REPORTING

The Committee chair will provide a brief oral report to the Board as to any material matters arising out of Committee meetings. All directors may, within the Board meeting, request information of members of the Committee.

A copy of the minutes of the Committee will also be provided to the Board with the Board papers.

The Committee will also consider if any material matters arising out of the Committee meeting should be advised to any other Committee and, if so, ensure that this occurs.

CHARTER - AUDIT & RISK MANAGEMENT COMMITTEE

Board and Board Committees

8. SUMMARY OF CHANGES

1. 17-Aug-06 Initial issue.
2. 10-Oct-14 Periodic Review.
3. 14-Apr-21 Governance Review.
4. 26-Jun-23 Governance Review in relation to IPO.