



Audit and Risk Committee Charter

Atlas Arteria

Atlas Arteria Audit and Risk Committee Charter

Context

The Audit and Risk Committee (**Committee**) has been established jointly by the Boards of Atlas Arteria Limited ACN 141 075 201 (**ATLAX**) and Atlas Arteria International Limited (Registration No 43828) (**ATLIX**). This Charter sets out matters relevant to the composition, responsibilities and administration of the Committee.

In this Charter, **Atlas Arteria** means ATLAX, ATLIX and each of their controlled subsidiaries.

The Board of Directors of ATLAX (**ATLAX Board**) and the Board of Directors of ATLIX (**ATLIX Board**) are together the **Atlas Arteria Boards**.

Objective

The objective of the Committee is to assist the Atlas Arteria Boards in:

- seeking to ensure that the quality of financial reporting is appropriate;
- exercising oversight over the accuracy and completeness of financial statements;
- making informed decisions regarding accounting, policies, practices and disclosures;
- reviewing the scope and results of external audits and, if applicable, internal audits;
- reviewing the appointment, independence, performance and remuneration of the external auditors;
- maintaining open lines of communication between the Board, management and the external auditors;
- seeking to ensure that the systems of accounting and reporting are adequate;
- assessing the effectiveness of the internal control and risk management framework based on information provided or obtained; and
- monitoring compliance with policies and procedures within the risk management framework.

The scope of these objectives covers each of ATLAX and ATLIX and any entities managed by them.

The Committee will provide recommendations and assistance to each Atlas Arteria Board in connection with these objectives but will not make decisions on behalf of either Board.

Administration

Membership

The Committee will comprise a minimum of three members with:

- at least one independent ATLAX Director (who is not also an ATLIX Director) and one independent ATLIX Director (who is not also an ATLAX Director); and
- a majority being independent Directors as determined under Atlas Arteria's Policy on the Independence of Directors.

Each Committee member must be financially literate and capable of making a valuable contribution to the Committee.

Chair

One of the members (being an independent Director) shall be appointed Chair of the Committee by the Atlas Arteria Boards. The Chairs of the ATLAX Board and the ATLIX Board shall not be eligible to be the Chair of the Committee.

The role of the Chair of the Committee is to:

- determine the agenda for meetings of the Committee in conjunction with the Secretary of the Committee;
- chair meetings of the Committee and take reasonable steps for the proper functioning of the Committee, including the proper conduct of meetings and an appropriate level of discussion;
- take reasonable steps to oversee that Committee members are provided with sufficient relevant information to consider the matters before them;
- review the minutes of meetings of the Committee for circulation to and approval of the Committee and sign the approved minutes; and
- act under a delegation of the Committee.

Meetings

Frequency of meetings

The Committee will hold at least four meetings each year and such additional meetings as the Chair of the Committee shall deem appropriate in order to fulfil its duties.

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In addition, the Chair of the Committee is required to call a meeting of the Committee if requested to do so by:

- the Chief Executive Officer (CEO) of Atlas Arteria; or
- any Director of the Atlas Arteria Boards.

Attendance and access by non-members

Members of management and/or parties external to Atlas Arteria may be invited to attend any meeting of the Committee or part thereof. ATLAX and ATLIX Directors who are not members of the Committee have a standing invitation to attend any meeting of the Committee. Non-Committee members will be notified in advance of the agenda of forthcoming meetings and will have access to all Committee papers (subject to any conflicts).

Meetings other than in person

Where deemed appropriate by the Chair of the Committee, meetings may occur via conference call or other electronic means and approvals and recommendations may occur via written resolution.

Secretary

The ATLAX Company Secretary (or delegate as approved by the Committee) will act as Secretary of the Committee and shall be responsible, in conjunction with the Chair of the Committee, for drawing up the agenda (supported by explanatory documentation and papers) and circulating the Committee papers to Committee Members prior to each meeting.

The ATLAX Company Secretary will also be responsible for keeping the minutes of meetings of the Committee and circulating them to the Chair of the Committee for review and, the other Committee Members, and also to other Committee meeting attendees where appropriate.

Quorum

A quorum shall consist of not less than half of the Committee Members eligible to vote on a matter.

Voting

A motion shall be passed by a:

- Simple majority of votes cast in favour by Committee Members present and eligible to vote; or
- Resolution in writing signed by at least three quarters of Committee Members eligible to vote and will be deemed to have been passed at the

time at which the last required Committee Member signs the document.

The Chair of the Committee will not exercise a casting vote. In the event of an equal number of votes being cast for and against a motion, the motion will be referred to the Atlas Arteria Boards for resolution.

Duties and Responsibilities

The Committee has the following duties and responsibilities in respect of both ATLAX and ATLIX:

Financial reporting

- Gain an understanding of the current areas of greatest financial risk and how these are being managed.
- Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on financial reports.
- Oversee the periodic financial reporting processes implemented by management and review the interim financial statements and annual financial statements before their release.
- Meet with management and the external auditor (with or without management) to review financial statements, key accounting policies and decisions and the results of the external audit.
- Recommend the interim and annual financial statements and related disclosures to the relevant Atlas Arteria Board(s), and assess whether they reflect the understanding of the Committee and otherwise provide a true and fair view of the financial position and performance of Atlas Arteria.

Risk Management, Compliance and Internal Control

- Communicate the importance of internal control and management of risk to management, in order to confirm that management is setting the appropriate “control culture”.
- Understand the internal control systems implemented by management.
- Monitor and review with management (at least annually) the effectiveness of the internal control and operational risk management frameworks and compliance with key risk management policies, including the processes for identifying, assessing and responding to risks in a manner that is in accordance with the Atlas Arteria’s risk appetite.
- Monitor compliance with applicable laws and regulations.

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- Oversee tax compliance and tax risk management, including review and monitoring of the Tax Control Framework.
- Oversee Atlas Arteria's insurance program, having regard to Atlas Arteria's businesses and their insurable risks.
- Oversee Atlas Arteria's approach to identifying and addressing key risks including climate-related risks, human rights and modern slavery risks, as well as other emerging or contemporary risks, and review and recommend to the relevant Atlas Arteria Board(s) any related corporate reporting or disclosures.
- Oversee compliance with the Atlas Arteria Code of Conduct and Vision and Values Statement.
- Periodically review, and recommend any amendments to, Atlas Arteria's key policies supporting the internal control and risk management frameworks, including but not limited to:
 - Anti-Bribery and Corruption Policy;
 - Auditor Independence Policy;
 - Privacy Policy;
 - Risk Management Policy;
 - Risk Appetite Statement;
 - Risk Management Framework and Guidelines;
 - Tax Control Framework; and
 - Whistleblower Policy.
- Receive and consider all material matters, incidents, misconduct and/or breaches reported under the Whistleblower Policy and Anti Bribery and Corruption Policy.
- Review and obtain CEO and CFO sign off on the soundness of Atlas Arteria's risk management system when reviewing interim and annual financial statements.

Internal Audit

- Recommend to the relevant Atlas Arteria Board(s) the appointment or removal of any internal auditors and if the internal audit function is to be provided by an external party, including the approval of the fees and scope of engagement.
- Monitor the effectiveness, independence and objectivity of the internal audit function and recommend to the relevant Atlas Arteria Board(s) the internal audit plan and work program for approval, including any significant changes or delays, and oversee progress against the approved program.

- Ensure significant findings and recommendations made by the internal auditors and management's proposed responses are received, discussed, appropriately acted upon and reported to the relevant Atlas Arteria Board(s).
- Meet separately with the internal auditor (if appropriate) at least once a year.

External audit

- Determine the procedures for selection and appointment of external auditors and requirements for periodic rotation of external audit or personnel and/or firm. The Committee will undertake an annual review of the external auditor's performance. Tenders may be called to assist in deciding which external auditor should be recommended.
- The Committee must:
 - recommend to the relevant Atlas Arteria Board(s) the appointment and removal of external auditors;
 - recommend approval by the relevant Atlas Arteria Board(s) of the annual external auditor fees proposed;
 - review and recommend to the relevant Atlas Arteria Board(s) the rotation of external audit partners for the external auditor;
 - review and consider the external auditor's annual plan for Atlas Arteria;
 - annually review and consider the external auditor's independence; and
 - review the terms of engagement of the external auditor and the scope and quality of the audit.
- The Committee must consider and review:
 - any significant findings and recommendations of the external auditor on the matter of internal controls together with management's responses thereto;
 - the appropriateness of the accounting policies adopted by management and whether they are considered to be aggressive, balanced or conservative;
 - any serious difficulties or disputes with management encountered during the course of the audit including any restrictions on the scope of the work or access to required information; and

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- significant financial reporting issues and judgements made in connection with the preparation of Atlas Arteria’s financial statements, interim reports, preliminary announcements and related formal documents.
- Meet separately with the external auditor at least twice a year to discuss any matters that the Committee or auditor believes should be discussed privately. Ensure the external auditor has access to the Chair of the Committee when required.
- Monitor and update the policy for the approval of non-audit services provided by the external auditor.

Periodic Review

- Review the Committee Charter once every two years and recommend any proposed changes to the relevant Atlas Arteria Board(s) for approval.
- Conduct a periodic, but at least annual, evaluation of the Committee’s performance.

Access and Advice

The Committee shall have free and unfettered access to all Atlas Arteria personnel and other parties (internal and external), including the external and internal auditors, as required by the Committee to carry out its duties.

The Committee may seek advice from external consultants or specialists where it considers such advice necessary or appropriate.

Reporting

- The ATLAX Board and the ATLIX Board will each appoint one of their Directors who is a member of the Committee as its delegate to advise and make recommendations to their respective Atlas Arteria Boards on matters falling within the scope of its responsibilities. Such advice may be in the form of minutes of its meetings, supporting papers, and written or oral reports at meetings of the relevant Atlas Arteria Board(s).
- The Chair of the Committee will report to the Atlas Arteria People & Remuneration Committee any financial and/or internal control matter relevant to the determination of variable remuneration outcomes for the CEO and the CEO’s direct reports.