



Audit and Risk Committee Charter

Atlas Arteria International Limited

ATLIX Audit and Risk Committee Charter

Objective

The objective of the Audit and Risk Committee (the **Committee**) is to assist the Board of Directors (the **Board**) of Atlas Arteria International Limited (**ATLIX** or **Company**) 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;
- monitoring compliance with policies and procedures within the risk management framework.

The scope of these objectives covers both the Company and any entities managed by the Company.

Administration

Membership

The Committee will comprise at least three members, each of whom is:

- a director of the Company; and
- financially literate and capable of making a valuable contribution to the Committee.

A majority of Committee members shall be independent as required by Atlas Arteria's policy on the independence of Directors.

Chairman

One of the members (being an independent director) shall be appointed Chairman of the Committee by the board. The Chairman of the board shall not be eligible to be the Chairman of the Committee.

The role of the Chairman 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.
- Advise the Board on the Committee's recommendations to the Board on matters falling within the scope of the Committee's responsibilities.
- Review the minutes of meetings of the Committee for circulation to and approval of the Committee and sign the approved minutes.
- 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 Chairman of the Committee shall deem appropriate in order to fulfil its duties.

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

- the Chief Executive Officer; or
- any Director.

Attendance 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. ATLIX directors who are not members of the Committee have a standing invitation to attend any meeting of the Committee.

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Meetings other than in person

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

Secretary

The ATLIX Company Secretary (or delegate as approved by the Committee) will act as Secretary of the Committee and shall be responsible, in conjunction with the Chairman 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. Directors may request papers for or from any meeting and will be notified in advance of the agenda of forthcoming meetings.

The Secretary will also be responsible for keeping the minutes of meetings of the Committee and circulating them to the Chairman 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 Chairman 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 Board for resolution.

Duties and Responsibilities

The Committee has the following duties and responsibilities:

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 process 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 audit.
- Recommending approval of the statutory accounts and related disclosures to the Board.

Risk Management, Compliance, Internal Control and Internal Audit

- 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 organisation’s risk appetite.
- Oversee compliance with the Atlas Arteria Code of Conduct and Vision and Values Statement.
- Review and recommend to the Board, Atlas Arteria’s Whistleblower Policy and receive and consider all material complaints under the Whistleblower Policy.
- Review and recommend to the Board, Atlas Arteria’s Anti-Bribery and Corruption Policy and receive notification of material breaches of that policy.
- Reviewing and obtaining CEO and CFO sign off on the soundness of the Company’s risk management system when lodging results announcements.
- Ensure significant findings and recommendations made by the internal auditors and management’s proposed responses are received, discussed and appropriately acted upon.

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External audit

- Determine the procedures for selection and appointment of external auditors and requirements for periodic rotation of external auditor 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 the appointment and removal of external auditors and approve the annual fees proposed;
 - review and consider the external auditor's annual plan for the Company; and
 - 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 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
 - significant financial reporting issues and judgements made in connection with the preparation of the Company'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 Chairman 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 Board 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 personnel and other parties (internal and external), including the external 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 Committee, through its Chairman, is to advise and make recommendations to the Board 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 Board meetings.