

Audit Committee Charter

Raiz Invest Limited

1. Purpose and Authority

- 1.1. The purpose of this Audit Committee Charter is to specify the authority delegated to the Audit Committee (“Committee”) by the board of directors (“Board”) of Raiz Invest Limited (“Company”) and to set out the role, responsibilities, membership and operation of the Committee. The Company and its subsidiaries are collectively referred to as “the Group.”
- 1.2. The Committee is a committee of the Board established in accordance with the Company’s constitution and is authorised by the Board to assist it in fulfilling its statutory, fiduciary and regulatory responsibilities for the Group by advising and making appropriate recommendations to the Board. It has the authority and power to exercise the responsibilities set out in this charter and under any separate resolutions of the Board granted to it from time to time.

2. Role of the Committee

- 2.1. The role of the Committee is to assist the Board to effectively discharge its responsibilities in respect of the following matters:
- a. the integrity of the financial statements, financial reporting systems and related policies and controls of the Group;
 - b. compliance with statutory reporting and disclosure requirements;
 - c. compliance with the Australian Accounting Standards requirements;
 - d. compliance with taxation obligations and tax risk;
 - e. the effectiveness, independence, appointment and replacement of the external auditor; and
 - f. the effectiveness and independence of the Internal Audit function.

3. Responsibilities of the Committee

In performing its role, the responsibilities of the Committee include, but are not limited to:

Financial Reporting

- 3.1. Reviewing the half year and annual audited financial statements, and other financial information for public release and making recommendations to the Board for the adoption and/or release of these reports, including to consider whether the Group’s financial statements provide a true and fair view of the financial position and performance of the Group.

- 3.2. Obtaining assurance over the effectiveness of the processes and controls adopted for the Group's financial and regulatory reporting obligations from Management and the external auditor and considering the adequacy of those assurances.
- 3.3. Reviewing the process by which management assures the integrity of information on Group earnings (and earning-related matters) released publicly and the type and presentation of information to be included in such disclosures, including the use of any "pro forma" or "adjusted" information.
- 3.4. Reviewing any significant financial reporting issues and judgements made in connection with the preparation of the Group's financial statements, including significant changes in the Group's selection or application of accounting principles.
- 3.5. Reviewing any significant estimates and judgements in financial reports by examining the processes used to derive material estimates and judgments and seeking verification of those estimates from external auditors.
- 3.6. Reviewing judgements on the quality and appropriateness of the Group's application of accounting principles and policies, as applied in its financial reporting, including the use of alternative disclosures and accounting principles treatment.
- 3.7. Reviewing the external auditor's report regarding significant findings in the conduct of their audit and the adequacy of management's response, and ensuring any issues identified are managed and rectified by management in an appropriate and timely manner.
- 3.8. Reviewing issues as to the adequacy and effectiveness of the Group's internal controls over financial information, reporting and disclosure, as well as any special steps adopted in light of material control deficiencies.
- 3.9. Reviewing the certifications provided by the Managing Director & CEO and the Chief Financial Officer in relation to the half year and annual financial statements (as required by the Corporations Act and any other applicable law or regulation), and reviewing the controls and processes used to support those certifications and the disclosures made in those certifications.
- 3.10. Reviewing with the external auditor the Group's financial risk exposures and the steps that management has taken to monitor and control such exposures, including the Group's risk assessments and risk management policies.
- 3.11. Assessing solvency and the going concern assumptions made by management.

External Audit

- 3.12. Recommending to the Board the selection and removal of the external auditor and making the appointment and removal of the external auditor, subject to shareholder ratification, considering independence, qualifications, performance and the effectiveness of the external auditor (including a review of the qualifications, background and experience of the external auditor). In the event that the Committee endorses the removal of the external auditor, the Committee will ensure the Company complies with any regulatory notification requirements.

- 3.13. Overseeing the engagement of the external auditor and obtaining and reviewing a report on the details of the auditor's internal quality procedures, and the quality and capabilities of the lead engagement staff.
- 3.14. Inviting the external auditor to attend Committee meetings to review the audit plan, discuss audit results and consider the implications of external audit findings.
- 3.15. Exploring with the external auditor any specific points of divergence with Management's positions.
- 3.16. Reviewing and evaluating any relationship that may impact on the objectivity and independence of the external auditor, including relationships with the Group, and obtaining a declaration from the external auditor to provide reasonable assurance that their independence is maintained.
- 3.17. Reviewing annually the external auditor's performance and independence (including against any auditor independence requirements arising under legal, regulatory, or accounting requirements), and periodically benchmark the cost and scope of the external audit engagement.
- 3.18. Recommending categories of non-audit services that may be provided by the external auditor.
- 3.19. Reviewing the provision of non-audit services by the external auditor (including in respect of the type and quantity of non-audited services to be provided) and satisfying itself that provision of those services will not compromise the auditor's independence.
- 3.20. Reviewing the fees payable to the external auditor for audit and non-audit services and reporting on the ratio of audit and non-audit services.
- 3.21. Reviewing and noting the External Audit Plan and approving the terms of the annual engagement letter and audit fees.
- 3.22. Reviewing the scope of the external audit and ensuring that financial reporting requirements are covered, together with any additional agreed-upon procedures, on a regular and timely basis.
- 3.23. Reviewing with the external auditor matters relating to the conduct of the audit, including difficulties encountered in the course of the audit work, any restrictions on the scope of activities or obtaining access to requested information, any disagreements with management and the adequacy of management's response.
- 3.24. Reviewing reports directly from the external auditor, including the closing report (and any related reports on risks or internal control deficiencies) issued by the external auditor in connection with the audit of the Group's half year and full year financial reporting obligations.
- 3.25. Periodically meeting with the external auditor without management being present.
- 3.26. Ensuring that the external auditor has unfettered access to the Committee Chair, management, staff, records and company facilities, and is permitted reasonable, agreed time to conduct its audit.

- 3.27. Overseeing the resolution of any disagreements between the external auditor and management regarding the Group's financial reporting.

Internal Audit

- 3.28. Reviewing and recommending to the Board for approval the Internal Audit Plan, and reporting to the Board on the adequacy of the Internal Audit function, including budgeting and staffing.
- 3.29. Reviewing Internal Audit reports, including Internal Audit's independent opinion and recommendations, management responses, timing and implementation of action plans and relevant commentary on the effectiveness of the Group's governance, risk management and internal controls, including material internal control deficiencies.
- 3.30. Monitoring all reported audit issues and any unsatisfactory audit outcomes and the progress of Management to manage and resolve the findings and issues in an appropriate and timely manner.

Legal and Regulatory Compliance

- 3.31. Reviewing with management and the external auditor any correspondence with regulators or government agencies which raise material issues or could affect matters regarding the Group's financial statements or accounting policies.
- 3.32. Reviewing and, where appropriate, responding to any complaints that it has received regarding the Group's accounting and auditing practices and processes.
- 3.33. Reviewing regular reports from management and the external auditor regarding compliance with its legal and regulatory obligations with respect to financial information, reporting and disclosure.
- 3.34. Overseeing financial reporting requirements, professional accounting requirements and critical accounting policies and advising the Board of any material new requirements or policies (for any material changes).
- 3.35. Overseeing and making recommendations to the Board on the policies and procedures regarding compliance with legal and regulatory obligations with respect to financial reporting.
- 3.36. Engaging with management and holding them to account for the timely and effective closure of significant issues that arise out of audit.
- 3.37. Reviewing processes established to ensure compliance with continual reporting requirements of the ASX.
- 3.38. Reviewing the completeness and accuracy of the Company's main corporate governance practices as required by the ASX Listing Rules

Risk Management

- 3.39. Reviewing relevant risk matters that arise out of reports received from the Risk Committee and any subsidiary company Committee.

- 3.40. Referring any matters that have come to the attention of the Committee that are relevant for the Risk Committee, or any subsidiary company Committee to the relevant Committee.
- 3.41. Reviewing the results of the annual review conducted by the Board's Risk & Technology Committee, internal audit and/or external auditor of the Group's compliance with, and the effectiveness of, its risk management framework.

Other Responsibilities

- 3.42. Overseeing and monitoring the tax risk for Group and reviewing the tax report quarterly.
- 3.43. Overseeing and monitoring any issues regarding the carrying value of assets. This includes (but is not limited to) IT assets, goodwill and loans, incorporating making any recommendations to the Board with respect to impairment.
- 3.44. Overseeing and monitoring the effectiveness of investment management relating to capital expenditure and capital projects.
- 3.45. Overseeing and monitoring the reporting of Group's activities with respect to relevant environmental, social and governance activities.

4. Composition

- 4.1. The Board will appoint all members of the Committee, including the Chair of the Committee.
- 4.2. The Committee must comprise of a minimum of three members.
- 4.3. The majority of Committee members must be independent Non-Executive Directors of the Raiz Board. The Committee may also choose to have an independent external member of the Committee.
- 4.4. Committee members are to be financially literate and have between them the appropriate knowledge, skills and experience (including industry experience) to effectively discharge the Committee's responsibilities.
- 4.5. At least one member of the Committee should have significant or relevant accounting experience.
- 4.6. The Committee Chair must be an independent Non-Executive Director.
- 4.7. The Chair of the Board or the Risk Committee must not be the Committee Chair.
- 4.8. The Committee Chair is responsible for leading the Committee and overseeing processes for the Committee's performance of its role in accordance with this Charter.
- 4.9. If the Committee Chair is absent from a meeting, the members of the Committee present will appoint a Chair for that meeting.
- 4.10. Raiz' Company Secretary, their designated representative, or such other person as the Board may nominate, will act as Committee Secretary.
- 4.11. A person will cease to be a member of the Committee if:

- a. the person gives reasonable notice in writing to the Chair of the Board of the person's resignation as a member of the Committee;
- b. the Chair of the Board gives the person notice in writing that the person is to cease to be a member of the Committee; or
- c. the person ceases to be a director, in which case the person automatically ceases to be a member of the Committee.

5. Meetings

- 5.1. The Committee will meet a minimum of four times per financial year and otherwise as often as is necessary to fulfil its responsibilities.
- 5.2. Meeting dates and times are to be determined by the Committee Chair. However, any Committee member may call a committee meeting at any time. On the request of a committee member, the Committee Secretary must convene a meeting of the Committee provided that reasonable notice is given to all Committee members.
- 5.3. The agenda for Committee meetings will:
 - a. be prepared by the Committee Secretary and approved by the Committee Chair; and
 - a. include items required by this Charter and any other items requested by Committee members or management and approved by the Committee Chair.
- 5.4. Committee meeting papers should be distributed to Committee members prior to each meeting in sufficient time to enable Committee members to read the papers and properly prepare for the meeting.
- 5.5. The Committee Secretary will endeavour to ensure that, to the extent practicable, Committee meeting papers are distributed at least 7 days prior to each meeting.
- 5.6. A quorum for any Committee meeting will be two independent Non-Executive Directors who, at any given time, are able to vote on the particular matter before the meeting at that time.
- 5.7. The Committee may adopt any rules and regulations as it considers appropriate to conduct its activities, provided they do not conflict with the Company's Constitution, this Charter or any resolution of the Board.

6. Attendance by non-members

- 6.1. Each Board member who is not a member of the Committee will receive all Committee meeting papers and may attend all Committee meetings.
- 6.2. The Managing Director & CEO, Chief Financial Officer, external auditor and other relevant members of the Company may be invited to attend meetings as required.
- 6.3. Non-members in attendance at Committee meetings will have no voting rights and may be asked to withdraw from all or any part of a committee meeting.

7. Reporting

- 7.1. Minutes of Committee meetings will be circulated to all Board members.
- 7.2. The Committee Chair will provide regular reports to the Board in relation to its activities and make recommendations, as appropriate.
- 7.3. The Committee will refer to the Board, the Risk & Technology Committee, the Nomination, Remuneration & Culture Committee or any subsidiary company Board or Committee any matters that have come to the attention of the Committee that are relevant for noting or consideration, or which should be dealt with by the Board or other relevant Committee.

8. Conflicts of interest

- 8.1. The guidelines set out by the Company and approved by the Board relating to declaring and dealing with conflicts of interests at a Board level will apply to Committee meetings.

9. Access to Information and Advisers

- 9.1. The Committee in discharging its responsibilities, may obtain, at the Company's expense independent accounting, legal, insurance, compliance, risk management or other professional advice (including, without limitation advice from any external advisers, consultants or specialists) as it determines necessary or appropriate to perform its responsibilities under this charter. Expenses for such external advice which exceed the approved delegated authority of the Committee will require the prior approval of the Board.
- 9.2. The Board authorises the Committee, in fulfilling its purpose and discharging its responsibilities, to conduct or authorise inquiries or investigations into any matters within its scope of responsibility. With Board approval, the Committee may retain lawyers, accountants or others to advise the Committee or assist in the conduct of any such inquiries or investigations.
- 9.3. The Committee has no authority to bind or to act for, or on behalf of, the Board or the Company. Its primary corporate governance role is to assist the Board to discharge its responsibilities with respect to remuneration, human resources and related matters of the Company and to advise and make appropriate recommendations to the Board with respect to such remuneration and human resources related responsibilities.

10. Access to management or other parties

- 10.1. The Committee has free and unfettered access to senior management, risk and financial control personnel and any other internal or external parties, and may make any enquiries, to fulfil its responsibilities.

11. Access to independent advice

- 11.1. The Committee may seek independent advice in connection with fulfilling its responsibilities (including by engaging and receiving advice and recommendations from appropriate independent experts or consultants) at the Company's expense, subject to obtaining the prior written approval of the Chair of the Board (such approval not to be unreasonably withheld).
- 11.2. The engagement and any advice received will be independent of management.

12. Committee performance

- 12.1. The Committee will review its performance annually as part of the annual Board performance review and will report on the findings and any recommendations resulting from its review to the Board.

13. Review

- 13.1. The Committee will review this Charter as required and at least every two years and will recommend any amendments to the Board for approval.
- 13.2. The charter may be amended by resolution of the Board.

14. Delegation to act

- 14.1. The Committee may, in its discretion, delegate some or all of its responsibilities to the Committee Chair, the Chair of the Board, or a sub-committee of the Committee.

15. Other

- 15.1. Committee members will be available to meet with regulators on request.
- 15.2. The Committee will perform any other responsibilities as determined by the Board from time to time.

This charter will be available on the Company's website and the key features may be published in the annual report or a link to the governance section of the website provided.

Approved by the Board on 9th November 2022