



AUDIT & RISK COMMITTEE CHARTER

The Board of Directors (**Board**) of HT&E Limited (the **Company**) have established a Committee of the Board to be known as the Audit & Risk Committee (**Committee**).

1 Objective

- 1.1 The objective of the Committee is to assist the Board in the effective discharge of its responsibilities and provide advice and recommendations to the Board on audit and risk matters (outlined in Section 2 below) regarding the Company and its related entities (**Group**).

2 Authority and Function

2.1 The Committee has as its primary activities to:

- a) review and make recommendations to the Board in relation to the scope, integrity and effectiveness of:
 - i. the external and internal audit functions
 - ii. financial reporting and disclosures
 - iii. risk management and compliance
 - iv. due diligence procedures
 - v. the propriety of related party transactions
 - vi. the Whistleblower policies and oversee the investigation of any complaints
 - vii. the declarations by the CEO and CFO in accordance with the requirements of the Corporations Act.
- b) deal with any other matters referred to it by the Board.

2.2 The function of the Committee is to:

- a) review, consider and if necessary, investigate any reports or findings arising from any audit function, either internally or externally
- b) evaluate financial information submitted to it, along with relevant policies and procedures
- c) assess the effectiveness of risk management throughout the Company and the Group
- d) review the adequacy of the corporate reporting process.

2.3 The Committee has no powers unless delegated specifically on specific issues by the Board from time to time.

3 Membership

3.1 The Board will determine the members of the Committee and the Committee Chair from time to time. The Committee will have a minimum of three members at any time. All members are to be non-executive Directors, the majority of which are to be independent. Other Directors may be called upon as required.

3.2 The Committee Chair is to be an independent Director who is not the Chair of the Board.

3.3 Two Directors who are members of the Committee are required to form a quorum.

3.4 Committee meetings are held four times per year at a minimum. Additional meetings are held if/when required.



3.5 Committee meetings are regularly attended by the Chief Executive, the Chief Financial Officer, other senior management, the external auditors and internal auditor, by invitation.

4 Responsibilities

4.1 Reviewing Financial Statements

This function is to take place before the Board of Directors meet to approve the financial statements (including related ASX releases).

The objectives of the review of the Group's financial statements are to confirm:

- 4.1.1 compliance with Accounting Standards, Corporations Act and Regulations and other mandatory professional reporting requirements that support best practice
- 4.1.2 that they reflect the understanding of the Committee members of, and otherwise provide a true and fair view of, the financial position and performance of the entity
- 4.1.3 the appropriateness of the accounting judgements and choices exercised by management in preparing the financial statements
- 4.1.4 the consistency of disclosures in the financial statements with previous financial statements and with other disclosures made by the Company to the financial markets and other public bodies
- 4.1.5 to review any applicable overseas financial reporting requirements depending on the nature of the overseas entity.

4.2 Engagement of the External Auditors

The Committee should oversee HT&E's relationship with its external auditors including:

- 4.2.1 the appointment, removal, performance and remuneration of external auditors
- 4.2.2 consideration and acceptance of the annual audit plan
- 4.2.3 monitor the progress of audits and relationships between external auditors and management
- 4.2.4 monitor the independence of the auditors and provide written advice to the Board regarding auditor independence
- 4.2.5 monitor and approve all audit and non audit services provided to HT&E and the Group by the external auditor with reference to the policy on non-audit fees and independence (Audit Firm Service Provider Policy)
- 4.2.6 the competency and reputation of the auditors including the rotation of the audit engagement partner
- 4.2.7 monitor processes for employment of former members of the external auditor by the Company.



4.3 Communication with Auditors

The Committee should consult with auditors in relation to the following:

4.3.1 The Annual Audit Plan:

- a) nature and scope of planned external and internal audits
- b) to highlight areas of risk, potential problems or issues
- c) to ensure that all areas of concern to the Committee and the auditors are addressed.

4.3.2 The Post Audit Review:

- a) to discuss and review in detail any Board report prepared by the auditors
- b) to understand and consider the actions taken in relation to the issues identified in 4.3.2(a) above
- c) to focus on areas which might be the subject of differences between management and the auditors
- d) to review and assess the adequacy of compliance with all regulatory requirements and generally accepted accounting principles
- e) to review the auditor's report and discuss it in detail with the auditor
- f) to have particular regard to issues, the resolution of which require significant levels of judgment.

4.3.3 Management Controls:

- a) to review and monitor internal controls to consider whether they are adequate and effective to minimise financial and other major operating risks
- b) to review the integrity and prudence of procedures for management control
- c) to consider the adequacy of internal controls by reviewing external audit management letters and internal audit reports and the response of management
- d) to assess the extent of any corrective action being taken by management
- e) to determine whether the auditor is satisfied that the response to previous letters and reports has been adequate.

4.4 Risk Management

The Committee is responsible for the oversight and independent review of the Company's and Group's risk management framework, including:

- 4.4.1 review the risk management policy on an annual basis and recommend any changes to the Board
- 4.4.2 review the effectiveness of the risk management framework which would include key risk management and compliance policies provided by management
- 4.4.3 monitor management's performance against the risk management framework, including whether it is operating within the risk appetite set by the Board
- 4.4.4 review and recommend to the Board any changes that should be made to HT&E's risk management framework or to the risk appetite



- 4.4.5 consider reports from management on the profiling of risks (both actual and emerging) by the Company and assess the effectiveness of the Company's responses to risk
- 4.4.6 provide the Board with regular reports on risk management
- 4.4.7 review any material incident involving fraud or break down in internal controls and any "lessons learned"
- 4.4.8 review the effectiveness of the insurance programme having regard to the insurable risks of the business.

4.5 Legal and Other Regulatory Obligations

In enhancing its understanding of the Company and its business, the Committee may interview management, internal and external auditors (with or without management present), seek advice from external consultants or specialists (where the Committee considers that necessary or appropriate) and request management to furnish it with reports on topics such as (but not limited to):

- 4.5.1 budgets and budgetary scenarios
- 4.5.2 the legal environment facing the Company including any potential actions arising
- 4.5.3 the insurance coverage of Company employees and Directors
- 4.5.4 current issues affecting the industry
- 4.5.5 the effect of change in taxation or company legislation
- 4.5.6 to oversee the processes governing related party transactions.

4.6 Internal Audit

The Committee is responsible for the oversight and independent review of the Company's and Group's internal audit function, including:

- 4.6.1 the appointment and removal of the Head of Internal Audit
- 4.6.2 the scope and adequacy of the internal audit plan and its alignment to the Company's key risks
- 4.6.3 the objectivity of the internal audit function
- 4.6.4 act as a forum for communication between the Board, management, internal audit and external audit
- 4.6.5 review of internal audit reports and provision of advice to the Board on significant issues
- 4.6.6 monitor management's implementation of internal audit recommendations
- 4.6.7 review of any internal audit charter annually to ensure appropriate internal audit structure, authority, access and reporting arrangements



4.6.8 review the independence and performance of internal audit.

4.7 Review of Charter

The Committee will review this Charter periodically to ensure compliance with applicable law and to ensure that it is operating effectively and whether any changes are required. Therefore, this Charter may be amended, modified or waived at the discretion of the Company in accordance with applicable law and regulations.