

Finance, Audit and Risk Management Committee Charter

Guide Dogs NSW/ACT Limited ABN 52 000 399 744 (**Company**) and its controlled entity (the Group)

Adopted by the Board on 26 October 2020

1 Committee Composition

The Committee must consist of:

- only non-executive directors,
- a minimum of four members of the Board, and
- a maximum of five members of the Board.

The Board may appoint additional non-executive directors to the Committee or remove and replace members of the Committee by resolution. The Board may appoint a non-director to the Committee on such terms as it sees fit by resolution, subject to this being in the Company's best interests. Members may withdraw from membership by written notification to the Board.

At least one committee member should have appropriate qualifications and experience but all committee members are expected to have a reasonable level of finance and risk literacy.

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.

Management should attend the Committee meetings as needed, in particular the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) are expected to attend with the CEO an ex-officio member of the Committee.

2 Role & Responsibilities

2.1 Overview

The Committee's key responsibilities and functions are to oversee the Company's:

- management of reserve funds.
- financial and other periodic corporate reporting.
- relationship with the external auditor and the external audit function generally.
- processes for identifying and managing financial and non-financial risk.
- internal controls and systems.
- processes for monitoring compliance with laws and regulations.

2.2 Investments

The responsibilities of the Committee in relation to investments are as follows:

- Oversee the credibility and objectivity of the accountability process, including financial reporting.
- Implement the Board-approved investment policy and review the performance of the investment managers (against benchmarks) on an annual basis and report conclusions to the Board.
- Review periodically the investment objectives, investment policies, and investment processes of the Company and report conclusions to the Board.
- Authorise management to withdraw funds under investment, in accordance with the financial authority matrix.
- Monitor the investment performance of the Company's funds under investment, and the performance of the Company's investment managers, and to report and make recommendations to the Board in this regard.

2.3 Finances, financial and other periodic corporate reporting

The responsibilities of the Committee in relation to finances and financial reporting are as follows:

- Review and report to the Board on progress towards achieving the Group's financial objectives.
- Review the Group budget and forecast processes and make recommendations to the Board as to the reasonableness of management projections.
- Consider any significant matters relating to the financial affairs of the Group and make recommendations to the Board.
- 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 Group's financial reports, including significant changes in the selection or application of accounting principles.
- Review the Group's financial statements for adherence to accounting standards and policies, and to ensure 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 Group, as a basis for recommendation to and adoption by the Board.
- Recommend to the Board whether financial and non-financial statements should be signed based on the Committee's assessment of them.
- Review the Group's corporate and financial reporting and make recommendations to the Board in relation to the adequacy of those processes.

2.4 Audit Activities

The responsibilities of the Committee in relation to the audit activities are as follows:

- Review and approve the audit plan and any major changes to the plan ensuring that is linked with and covers the material business risk and key internal controls.
- Review the significant audit findings and ensure management adequately addresses the shortcomings identified.
- Meet privately with the external auditor engaged to audit the financial statements at least once per year, and periodically when deemed appropriate.
- Review the external auditors' proposed audit scope and approach

- Review the performance of the external auditor engaged to audit the financial statements on an annual basis.
- Recommend to the Board the selection and removal of the external auditor, subject to any shareholder approval.
- Review plans for and the results of any additional assurance activities.

2.5 Risk management

The Committee's primary roles with respect to risk management are as follows:

- Oversee and advise the Board on high-level risk related matters, including risk acceptance in determining strategy, as well as management of key financial and non-financial risks, including new and emerging risks.
- 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.
- Review the Group's risk management framework at least annually and make a recommendation to the Board about whether it continues to be sound and whether the Group is operating with due regard to the risk appetite set by the Board.
- Oversee management's implementation of the risk management framework, including that management has appropriate processes for identifying, assessing and responding to risks and that those processes are operating effectively.
- Review the trends in the Group's risk profile and report to the Board on material risks.
- Evaluate the structure and adequacy of business continuity plans.
- Consider the need for assurance in relation to specific risk areas.

2.6 Internal Control

The Committee's primary roles with respect to internal control are as follows:

- Review the adequacy and effectiveness of the Group's internal control framework.
- Review Management's approach to instilling an appropriate risk culture.
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- Review any material incidents including breaches of risk appetite, including major compliance breaches or fraud, or a significant break-down of the Group's internal controls. Review to consider underlying root causes and any lessons learned.
- At least annually, evaluate and make recommendations to the Board in relation to the structure and adequacy of the Group's insurance program having regard to the Group's business and the insurable risks associated with its business.

2.7 Compliance

The responsibilities of the Committee in relation to compliance are as follows:

- Review the procedures the Group has in place to ensure compliance with laws and regulations.
- Consider with management (and, if required the external auditor) the overall adequacy and effectiveness of the Group's legal, regulatory and ethical compliance programs.

3 Rights of access and authority

The Committee has unrestricted access to information it considers relevant to its responsibilities. The Committee has rights of access to management and to auditors without management present, and rights to seek explanations and additional information from both management and auditors.

4 Review of Charter

The Board will, periodically and at least once every three years, review the membership of the Committee and the Charter of the Committee to determine its adequacy for current circumstances. The Committee may make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise at any time.

5 Administrative matters and procedures

5.1 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.

5.2 Quorum

The quorum is at least three members.

5.3 Secretary

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

5.4 Convening and notice of meeting

Any member may, and the Company Secretary must upon request from any member or by the external auditor, convene a meeting of the Committee. Notice will be given to every member of the Committee for 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.

5.5 Independent advice

The Committee may seek the advice of the Company's auditors, solicitors or such 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, as the Committee may require.

5.6 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 open at all times for inspection by any director.

5.7 Reporting

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