



Audit and Risk Committee Charter

August 2024

1. Purpose

The role of the Audit and Risk Committee (“ARC”) is to assist the Board to fulfil its responsibilities in relation to Contact’s:

- External financial reporting;
- Internal control environment;
- Business Assurance and external audit functions; and
- Risk management.

2. Responsibilities

The responsibilities of the ARC are:

2.1 Integrated Reporting and Internal Control

- Review Contact’s half and full year statutory reporting, including financial and nonfinancial metrics, and recommend to the Board for approval.
- Review Contact’s annual Climate Statement and recommend to the Board for approval.
- Review and approve changes to material accounting policies proposed by management.
- Consider the adequacy of internal controls after consultation with Business Assurance, the external auditors and management.
- Consider Business Assurance and external audit findings in relation to significant internal control deficiencies.

2.2 Business Assurance

- Approve the Assurance plan and Assurance mandate.
- Regularly monitor and review the Business Assurance work plan, regular reports from Business Assurance and management responses. Consider the level and standard of controls.
- Oversee the independence and objectivity of the Business Assurance function.
- Review, and where necessary recommend, any Business Assurance manager and co-source partner appointment. While the Head of Risk and Business Assurance reports to the Chief Financial Officer on a day-to-day basis, he or she shall also have a direct reporting line to the Chair of the ARC on matters set out in this Charter. The co-source partner shall also have a direct reporting line to the Chair of the ARC on matters set out in this Charter.
- Review the remuneration incentive arrangements and performance objectives for the Head of Risk and Business Assurance.

2.3 External Audit

- Monitor the independence and effectiveness of the external auditors.
- Make recommendations to the Board on the appointment and termination of the external auditors.

- Review the performance of the external auditors every three years.
- Approve the external audit terms of engagement, audit partner rotation and audit fee.
- Review the annual audit plan of the external auditors.
- Review and approve non-audit services performed by the external auditor in accordance with the External Audit Independence Policy.
- Review the External Audit Independence Policy on a regular basis.

2.4 Risk Management

- Ensure that management has established a risk management framework in line with the Board's expectations which includes policies and procedures to effectively identify, treat and monitor principal risks, and regular reporting to the ARC and Board. Specific responsibilities of the ARC include:
 - assess the effectiveness of, and monitor compliance with, the risk management framework, including legal and compliance risks, climate-related risks, cyber security risks and prevention of fraud;
 - identification of fulsome reviews on significant risks for inclusion in the agenda of the responsible Board and/or Board Committee meeting, as considered appropriate;
 - review the effectiveness of systems for monitoring Contact's compliance with laws, regulations and Government policies and relevant government policies;
 - review the effectiveness of systems to identify, manage and monitor IT risks and protect personal information;
 - monitor progress on embedding climate-related risk responses into business practices;
 - reporting to the board on progress with risk management work.

2.5 Other responsibilities

- Review the Treasury Policy and recommend for confirmation by the Board.
- Review reporting to the financiers and supervisors regarding compliance with debt covenants.
- Assess the effectiveness of the ARC every two years. The findings should be considered by the ARC and Board and actioned appropriately.

3. Composition

- The ARC has a minimum of three members.
- All members must be non-executive independent directors and financially literate. The ARC must have at least one member who has an accounting or financial background.
- The Chair and members of the Committee are appointed by the Board.
- The Chair of the ARC must not be the Chair of the Board.
- The term of each member will be determined by the Board through annual review.

4. Meetings

- The ARC shall meet at least four times a year, and as required to undertake its role effectively.
- A quorum shall comprise two members.
- Meetings will be attended by Business Assurance, external auditors (for relevant sections of the agenda), Chief Executive Officer, Chief Financial Officer, General Counsel and other members of management, external advisors or third parties as appropriate, at the discretion and invitation of the ARC.

- The ARC shall meet with Business Assurance and the external auditors without management present at each meeting and at any other time during the year at the discretion of the ARC Chair.
- The Chief Financial Officer acts as secretary of the ARC and attends all meetings of the Committee as required. This role is accountable to the ARC through the ARC Chair on all corporate governance matters and all matters to do with the proper functioning of the ARC.
- Matters considered by the ARC will generally be decided by consensus, or, if a consensus cannot be reached, by majority of votes from the members present.
- The ARC Chair will report to the Board following each meeting of the ARC at the next Board meeting following the ARC meeting.

5. Access to Independent Advice and Resources

- The Committee, and any individual Committee member may, with the approval of the Chair, obtain external independent legal or other professional advice at Contact's expense where the Committee or director considers it necessary to carry out its or his or her functions.
- The ARC has direct access to any resources and information of Contact as it may reasonably require.

6. Conflicts of Interest

- Committee members will be invited to disclose conflicts of interest at the start of each meeting. Where members of invitees are deemed to have a real or perceived conflict of interest, they will be excused from committee discussions about the issue where the conflict exists.

7. Approval and Review of Charter

- The ARC Charter shall be approved by the full Board.
- The ARC shall regularly review the Charter to ensure its relevance and the effectiveness of the ARC and make recommendations for any amendments to the Board.
- The performance of the ARC against this charter will be reviewed every two years.
- To the extent of any inconsistency between this Charter and the Constitution, the Constitution will prevail.