



# Audit Committee Charter

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## DOCUMENT MANAGEMENT

Version	Date	Submitted By	Position
1.0	14 June 2022	John Larsen and Rebecca Weir	Audit Committee Chair and Company Secretary

Authorised By: Board of Directors of Sequoia Financial Group (“SFG”)

### 1. ROLE

The Board of directors (“the **Board**”) of Sequoia Financial Group Ltd (“the **Company**”) is responsible for the Company’s financial reports including the appropriateness of the accounting policies and principles that are used by the Company.

The external auditors are responsible for auditing the Company’s financial reports and for reviewing the unaudited interim financial reports.

The role of the Audit Committee (“the **Committee**”) is to assist the Board in fulfilling its corporate governance and oversight responsibilities in relation to the Company’s financial reporting, internal control structure, risk management systems, and the external audit function.

### 2. SCOPE

The scope of the Committee extends to the operations and activities of all the Company’s legal entities.

In performing its functions, it is the responsibility of the Committee to maintain free and open communication between the Committee, external auditors and management of the Company.

### 3. AUTHORITY

The Committee’s function is principally one of oversight and review. Responsibility thus resides with the Board of the Company.

### 4. COMPOSITION

The Committee shall be appointed by the Board and shall comprise at least three directors that have diverse complementary backgrounds, with the majority being independent in accordance with the Company’s Board Charter.

All Committee members shall be financially literate or become financially literate within a reasonable period of time after appointment. At least one member shall have accounting and/or related financial management expertise as determined by the Board.

The Chairman of the Committee will be the person appointed by the Board.

The Chairman of the Committee must be independent and must have leadership experience and a strong finance, accounting or business background.

Should the Chairman be absent from a meeting, the members of the Committee present at the meeting shall choose one of the other members of the Committee to Chair that particular meeting.

The Company Secretary will be the secretary to the Committee.

### 5. COMMITTEE PROCEDURES

The Committee will meet at least four times per year, or more frequently if required, and will be convened and conducted on the same principles as those that apply to the Boards.

A quorum for a meeting of the Committee is when two members are present.



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A meeting of the Committee may be held by members communicating with each other by any technological means by which they are able simultaneously to hear each other and participate in the discussion. The minutes of the meeting shall record the method by which the meeting was conducted.

Matters arising for determination at Committee Meetings shall be decided by a majority of votes of members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

In the case of equality of votes, the Chairman of the meeting, in addition to his deliberative vote, has a casting vote.

The Committee may deal with matters requiring a decision by the way of a Circular Resolution. Such resolutions will be deemed to have been passed when the proposed resolution is signed by a majority of members eligible to vote on the resolution.

The Committee may invite members of management or others to attend meetings from time to time.

The Committee has authority, within the scope of its responsibilities, to seek information it requires from any employee or external party.

With the prior consent of the Board, the Committee and its individual members may obtain outside legal or other independent professional advice at the expense of the Company to assist in discharging its responsibilities. Any advice obtained will be made available to all directors.

The Committee will report to the Board regularly on its activities.

### **6. DUTIES AND RESPONSIBILITIES**

The primary responsibility of the Committee is to oversee the Company's financial reporting processes on behalf of the Board.

The Committee shall ensure that it understands the Company's structure, controls and types of transactions in order to adequately assess the significant risks faced by the Company in the current environment.

The Committee shall discuss with management and the external auditors, the adequacy and effectiveness of the accounting and financial controls, including the Company's policies and procedures to assess, monitor and manage business risk, and legal and ethical compliance programs.

Subject to any applicable shareholder ratification, the Committee shall be directly responsible for making recommendations to the Board on the appointment, reappointment, replacement, remuneration, effectiveness and independence of the external auditors.

The Committee will pre-approve all audit and non-audit services provided by the external auditors and shall not engage the external auditors to perform any non-audit or non-assurance services that may impair or appear to impair the external auditor's judgment or independence in respect of the Company. The Committee may delegate pre-approval authority to a member of the Committee. Any decision made by authority of such delegation must be presented to the Committee at its next scheduled meeting.

The Committee shall obtain from, review and meet with the external auditors to discuss (at least annually) a written report detailing:

- The audit firm's internal quality control procedures;
- Any material issues raised by the most recent internal quality control review, or peer review, of the audit firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits

- carried out by the firm, and any steps taken to deal with any such issues; and,
- (to assess the auditor's independence) all relationships between the external auditor and the Company.

The Committee shall review and assess the independence of the external auditor, including, but not limited to, any relationship with the Company or any other entity that may impair or appear to impair the external auditor's judgement or independence in respect of the Company.

The Committee shall, pursuant to Sections 300 (11B) and 300 (11D) of the *Corporations Act 2001 (Cth)* (the **Act**), draft an annual statement for inclusion in the Company's annual report as to whether the Committee is satisfied that the provision of non-audit services is compatible with external auditor independence.

The Committee shall discuss with the external auditors the overall scope of the external audit, including identified risk areas and any additional agreed-upon procedures.

The Committee shall review the external auditor's remuneration to ensure that an effective, comprehensive and complete audit can be conducted for the agreed compensation level.

The Committee shall review half-year and annual financial reports as well as any financial information and earnings guidance to be provided to external parties.

The Committee shall review all representation letters signed by management to ensure that the information provided is complete and appropriate,

The Committee shall discuss the results of the annual audit and any other matters required to be communicated to the Committee by the external auditors under generally accepted accounting standards.

The Committee shall receive corporate legal reports of evidence of a material violation of the Act, the ASX Listing Rules or breaches of fiduciary duty.

### **7. REVIEW OF THIS CHARTER**

The Committee will review and assess tri-annually, the adequacy of this Charter and recommend any proposed changes to the Boards for approval.

The Committee will conduct an annual self-appraisal of its performance with respect to this Charter.