
Wellard
28 June 2016



Audit, Risk and Compliance Committee Charter

What is the purpose of this Charter?

This Charter describes the Committee's role as a committee of the Board.

This Charter has been approved by the Board. It may be reviewed and amended by the Board at any time.

The Committee will review this Charter each year to ensure that it appropriately documents, and assists the Committee to perform, its role.

What is the Committee's role?

The Committee will assist the Board to fulfil its responsibilities to oversee financial reporting, internal control structure, risk management systems and the external audit function.

What are the Committee's responsibilities?

External reporting

Oversee the external reporting process.

Review the adequacy of Wellard's accounting policies and principles and any significant estimates and judgments adopted by management in the preparation of external reports.

Review representations made by management in relation to external reporting, including declarations from the CEO and the CFO about financial statements as recommended in the ASX Recommendations.

Review the processes used by management to monitor and ensure compliance with laws, regulations and other requirements relating to the preparation of accounts and external reports.

Review information from external auditors that may affect the quality of financial reports.

Recommend to the Board whether external reports should be approved.

Interview or otherwise obtain information from management in relation to:

- any changes in accounting policies or their application during the reporting period;
- whether the methods chosen by management are consistent with relevant accounting standards;
- the methods used to account for unusual transactions, for which there may be no specific accounting standard, including management's reasoning in determining that method; and
- the method and process used in making material estimates and judgments, including management's reasoning in determining that method.

External audit

Review the adequacy, expertise and independence of the external auditor.

Make recommendations to the Board about the appointment, reappointment or replacement, remuneration, tenure and terms of engagement of the external auditor.

Review the external auditor's engagement and performance annually, having regard to relevant legislative and regulatory requirements.

Ensure there is unfettered access for the external auditor to raise matters directly with the Board or the Committee, including inviting the external auditor to attend the Committee's meetings to present the audit plan, discuss audit results and consider the implications of external audit findings.

Ensure that the external auditor attends Wellard's annual general meetings and is available to answer questions from shareholders relevant to the audit.

Regularly review the scope of the external audit to ensure that it covers all material risks and financial reporting requirements.

Monitor management's responsiveness to, and appropriate and timely resolution of, the external auditor's findings and recommendations.

Review all representation letters signed by management and satisfy ourselves that the information provided is complete and appropriate.

At least annually, meet with the external auditor without the presence of management.

Internal control and risk management

Assist the Board in setting the risk management policy and appetite and monitoring whether the business is operating within that policy and appetite.

Review management's system of risk management and internal control at least annually to ascertain whether it:

- has been designed to effectively manage material business risks; and
- is operating effectively in all material respects in relation to the financial reporting risks.

Review the steps taken by management to monitor and manage all material risks consistent with the strategic objectives, risk appetite and policies approved by the Board.

Ensure Wellard has in place appropriate systems and procedures to ensure compliance with all relevant laws, regulations, codes, standards and best practice guidelines.

Review management's anti-bribery and anti-corruption, fraud control and whistleblower policies.

Review any material insurance matters.

Consider reports concerning material risk events and incidents and oversee management's processes for ensuring that issues identified are addressed in an appropriate and timely manner.

Ensure appropriate disclosures are made regarding any material exposure Wellard has to economic, environmental and social sustainability risks.

Related party transactions

Review and monitor related party transactions and investments involving Wellard and the Directors, including maintaining a register of related party contracts which is reviewed at least annually.

Review and approve all transactions in accordance with the Related Party Transactions Policy in which Wellard is a participant and in which any parties related to Wellard (including its officers, Directors, substantial shareholders, their immediate family members and anyone else the Board considers may be considered related parties of Wellard) has or will have a direct or indirect material interest.

Approve only those related party transactions that are in the best interests of Wellard and its shareholders, after taking into account all available facts and circumstances.

Ensure that Wellard complies with all laws and regulations about related party transactions.

Who does the Committee report to?

The Chairman will report to the Board and, if appropriate, make recommendations to the Board after each Committee meeting, concerning matters dealt with by the Committee.

Who are the Committee members?

The Board will appoint at least three non-executive Directors to the Committee and the majority of the Committee members will be independent Directors. The Chairman of the Committee will be an independent Director and not the Chairman of the Board. The Board will ensure that Committee members have the accounting and financial expertise and a sufficient understanding of Wellard's industry, to be able to discharge their role effectively.

The Committee's composition will be disclosed and reviewed on an annual basis by the Board. However, the Board may in its discretion, remove and replace any of the Committee's members at any time.

Can the Committee obtain external advice?

If the Committee considers it necessary or appropriate to do so, it can retain external consultants or advisers to provide advice and/or reports in discharging its responsibilities.

How are the Committee's meetings regulated?

The Committee will meet at least twice annually and more frequently if determined appropriate by the Committee or the Board.

The Committee's meetings will be regulated in accordance with the Constitution. Administrative support will be provided to the Committee by the Company secretary.

The CEO, CFO and the external auditor may attend any of the Committee's meetings.

The Committee may invite any Director or senior executive of the Company or any external consultant or adviser to attend the Committee's meetings.

Definitions

ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited ACN 008 624 691 or the stock market operated by it, as the context requires.
ASX Recommendations	The ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.
Board	The board of directors of Wellard.
CEO	The chief executive officer of Wellard.
CFO	The chief financial officer of Wellard.
Chairman	The chairman of the Committee.
Charter	This document as amended from time to time.
Committee	The Audit, Risk and Compliance committee of the Board.
Constitution	The constitution of the Company.
Director	A director of Wellard.
Wellard	Wellard Limited ACN 607 708 190, including all subsidiaries.