



MyState Limited

# Group Audit Committee Charter



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## 1. Purpose

The Group Audit Committee (GAC) is responsible for overseeing all financial reporting, financial control and audit related activities other than those undertaken by the Board or other Board committees.

## 2. Delegations to the Committee

The GAC is a Board Committee; it is given its delegation for overseeing financial reporting, financial control and audit related activities in the MyState Limited group by the Board of Directors of MyState Limited. The GAC performs the functions outlined in this charter.

## 3. Committee Composition

Refer to the Board Committee Standing procedures.

## 4. Committee Governance

Refer to the Board Committee Standing Procedures.

## 5. Responsibilities of the Committee

The Committee has power delegated by the Board in relation to the following:

### *Financial Reporting*

To review and report to the Board on the annual and half year financial reports, and in particular:

- The reasonableness of significant estimates and judgments applied;
- The appropriateness of the accounting principles and policies used as well as associated disclosures;
- The CEO and CFO attestation on the financial reports; and
- Compliance relating to financial reporting, including corporations laws, ASX listing rules, taxation law, and ASIC and APRA regulations.

### *Internal Audit*

To review and report to the Board on internal audit, and in particular:

- Recommend the appointment or removal of the internal auditor;
- Endorse the internal audit plan, and evaluate progress against the plan;
- Evaluate the terms of engagement, qualifications, resources, independence, effectiveness and reporting lines of internal audit; and
- Evaluate findings from internal audit reports, implications for the control environment and management actions to address findings.

### *External Audit*

To review and report to the Board on the external audit, and in particular:

- Recommend the appointment or removal<sup>1</sup> of the external auditor;
- Endorse the external audit plan, audit scope, and evaluate progress against the plan;
- Evaluate the terms of engagement and the reasonableness of fees to conduct an efficient and effective external audit;
- Evaluate the effectiveness, fitness and propriety and independence of external audit as well as partner rotation requirements;
- Evaluate external audit reports and letters, implications for the control environment and management actions to address findings;
- Review management representations to be provided to external audit; and
- Discuss with external audit any significant disagreements with management (whether resolved or unresolved).

### *Other Matters*

To review and report to the Board on the following, and in particular:

- Consider any matters pertaining to the effectiveness of the internal control environment and management's approach to managing the risk of fraud and corruption;
- Review any correspondence with regulators or agencies, as well as legal matters with potential material implications for financial reporting;
- The effectiveness of whistleblowing policies and procedures enabling employees to raise concerns confidentially regarding financial reporting, internal controls, fraud, compliance and other matters;
- Meet with both external and internal audit without management present to discuss matters relating to the free and fair conduct of the audit, cooperation received, independence, relationships, fee reliance and any matters as deemed appropriate by the GAC;
- The Chair will also meet separately with the internal audit partner, external audit partner, the CFO, CRO and any other parties as appropriate; and
- The GAC will refer to the GRC any matters brought to its attention of relevance to the GRC for noting or consideration by the GRC, and likewise consider similar matters referred to it by the GRC.

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<sup>1</sup> Appointment and removal of internal or external auditors subject to regulatory notification time-frames

## **6. Specific Complaints Procedures**

The GAC will handle complaints (including anonymous complaints from employees or third parties) regarding accounting and auditing, as follows:

- The Company Secretary brings complaints to the attention of the GAC;
- The GAC will evaluate complaints and establish whether an investigation is required and if so, determine the scope and instruct the Company Secretary to initiate an investigation and report findings to the GAC;
- The GAC may request the external auditor to assist in any investigation;
- The GAC will instruct the Company Secretary to respond to any complaint in the manner it determines to be appropriate; and
- The CRO will maintain a complaints register and report details of complaints received and their status to the GAC at each meeting.

The complaints procedure operates independently of the whistleblower policy. Complaints received in accordance with the whistleblower policy will be investigated in accordance with the procedures outlined in that policy.

## **7. Powers of the committee**

The GAC has the authority to conduct investigations into any matters within its scope of responsibility and obtain advice and assistance from external legal, accounting, or other advisors, as necessary, to perform its duties and responsibilities. In carrying out its duties and responsibilities, the GAC shall also have the authority to meet with and seek any information it requires from employees, officers, directors, or external parties.

## **8. Amendments to the Charter**

Refer to the Board Committee Standing Procedures.