

# Audit and Risk Management Committee Charter

## 1. Purpose

The Audit and Risk Management Committee (**Committee**) is a committee of the Jumbo Interactive Limited (**Company**) Board of Directors (**Board**). This charter sets out the role, responsibilities and operation of the Committee.

## 2. 1. Role

The role of the Committee is to monitor and review, on behalf of the Board, the effectiveness of the Company's control environment and assist the board with governance, risk management, compliance and the implementation of control practices. The Committee is not a policy making body.

The Committee provides oversight of risk management consistent with the Company's risk appetite in order to escalate risks to the Board or management per the Company's risk management framework.

## 3. 2. Objectives

Assist the Board in governance, exercising due care, diligence and skill in relation to:

- Reporting on financial information to users of financial reports;
- Application of accounting policies;
- Financial management;
- The internal control system;
- The risk management system;
- The performance management system;
- Business policies and practices;
- Protection of the assets of the company; and
- Compliance with applicable laws and regulations

## 4. 3. Duties & Responsibilities

The Committee shall consider matters pertaining to the Company's financial affairs, accounting and control policies and practices, internal and external audit, all aspects of risk management, and legal and financial compliance. Specific duties and responsibilities include:

### Accounting

- Monitor and review the adequacy of the Company's accounting system and internal control environment.
- Review the annual and half yearly financial statements of the Company and make recommendations to the Board.

- Review and consider all ASX releases containing any financial material or information.
- Determine Company-specific accounting policies within the ambit of the Accounting Standards.
- Review significant transactions which are not a normal part of the Company's business.

## Compliance

- Establish adequate and effective legal compliance and control systems.
- Monitor and evaluate compliance processes and adherence.
- Ensure Committee members have an oversight of functions and procedures, including the following:
  - Governance
  - Risk management
  - Controls and control environment
  - Financial management, accounting policies, financial statements, and annual reporting
  - External audit
  - Internal audit
  - Implementation of audit recommendations
  - Ethics
  - External accountability
  - Fraud and corruption control
  - Response plans (BCP, Crisis management, ICT, Incident response plans, emergency plans)
  - Security: Physical security, cybersecurity and ICT security
  - Organisational performance and management reporting
  - WHS (Work health and safety)
  - Environmental management
  - Major projects and business initiatives
  - Regulator activities

## External Audit

- Recommend to the Board the appointment, remuneration and removal of external auditors and review their terms of engagement;
- Advise the Board on the rotation of the external auditor at intervals of approximately five years or otherwise as appropriate;
- Pre-approve all audit and non-audit services provided by the external auditors prior to undertaking;
- Determine with the external auditors the audit plan and scope, and their authority and responsibilities;
- Oversee and appraise the quality of audits conducted and monitor their effectiveness;
- Review external audit reports and recommendations and ensure appropriate management response to recommendations;
- Monitor the relationship between management and the external auditors;
- Review and assess the independence of the external auditor; and
- Obtain an independence declaration from the external auditor, as required by the Corporations Act.

## Internal Audit

- Review, assess and approve the appointment, replacement and termination of the employee responsible for internal audit activities (**internal audit lead**) and ensure they have direct access to the Committee Chair and the Chair of the Board (including without management being present if deemed necessary);
- Review and approve the charter, annual audit plans and activities for the internal audit function;
- Ensure that there are sufficient resources for an effective audit to be conducted in the areas identified for internal audit review;
- Review the internal auditor's reports on significant findings and recommendations and monitor management response;
- Review the performance, objectivity, independence and effectiveness of the internal audit function;
- With respect to non-audit related activities:
  - the internal audit lead is not performing internal audit duties when they are responsible for, or performing, non-audit activities; and
  - any Internal Audit review of non-audit activities which are the responsibility of, or being performed by, the internal audit lead, must be directly managed by, and reported to, the Audit and Risk Management Committee.

## Internal Control and Risk Management

- Identify and assess internal processes and areas of risk which might impact on the Company and research appropriate mitigation; inclusive of but not limited to the following:
  - Credit Risk
  - Foreign Exchange Risk
  - Interest Rate Risk
  - Liquidity Risk
  - Fidelity Risk
  - Expenses Risk
  - Revenue Risk
  - Strategic Risk
  - Digital Risk
  - Compliance Risk
  - Macroeconomic Risk
  - Sustainability Risk
- Setting and monitoring the risk appetite for the Company. The Company will tolerate a moderate risk when pursuing its strategic objectives but aims for a low risk in relation to business operations.
- Monitor, review and evaluate the adequacy and effectiveness of the Company's risk management controls, both internally and externally.
- Evaluate the effectiveness of the Company's business continuity plans.
- Evaluate the adequacy of the Company's insurance covers at least annually.

## Whistleblowing

- Review the Whistleblower Policy and framework for identifying and addressing complaints and reviewing material complaints should they arise.

## Related Party Transactions

- Review and monitor the propriety of related party transactions.

## 5. 4. Composition

- The Committee to comprise at least three members who must all be non-executive Directors, with a majority being independent.
- Appointment to the Committee will be for 3 years or as determined by the Board.
- The Committee chair must not be the Chair of the Board and must be an independent non-executive Director.
- Appropriate external consultants may be invited to be Committee members or advisers.
- Committee members should be accounting/finance qualified and/or bring relevant skills to the Committee.
- The CEO and/or CFO and/or external auditors' representative may be invited to Committee meetings.
- The Company Secretary will act as Committee Secretary.
- Only the Board can appoint Committee members.
- The Committee will assess the Committee's membership and performance at least annually or as required.
- Members may resign by providing sufficient notice to the Chair of the Board. The date of resignation will be included in the minutes of the meeting by the Secretary.
- Members can be dismissed by the Board. Dismissal will be performed verbally as well as in writing and will be effective immediately. The date of dismissal will be included in the minutes of the meeting by the Secretary.
- It is the responsibility of a Committee member to disclose any actual, potential or perceived conflict of interest to the chairperson who shall decide whether a Committee member be excused from deliberations for a particular matter. If necessary, the final arbiter. A register of interests will be maintained for the Committee chairperson and members to demonstrate transparency and as a safeguard against conflict of interest (whether real or perceived).

## 6. 5. Meetings

- The Committee shall meet at least four times in each financial year.
- Additional meetings as Committee members deem necessary to fulfil their role.
- The Committee shall be provided the opportunity to meet with the external auditor or internal audit lead without management at least once a year.
- A quorum shall be 2 members, or any greater number determined by the Committee from time to time.
- Any matters requiring a decision will be decided by a majority of votes of members present.

## 7. 6. Reporting

- Proceedings of all meetings are to be minuted and presented to the next following Board meeting for inclusion in the Minute Book.
- The Committee chair is to report on Committee activities to the Board.
- Any Committee recommendations are to be considered and decided on by the Board.

## 8. 7. Access

- The Committee has the authority to seek any information it requires from any Director, officer, employee or consultant of/to the Company.
- The Committee also has unrestricted access to the external auditors.
- The Committee is authorised to take such professional advice it considers necessary to execute its duties and responsibilities.

## 9. 8. Compliance with standards

All activities and responsibilities of the Committee are to be prepared to the standards prescribed by The Institute of Internal Auditors – Australia (IIA-Australia), the Board and relevant accounting and auditing standards.

## 10. 9. Review

The Audit and Risk Management Committee Charter is to be reviewed by the Board at least annually to ensure it remains consistent with Board’s objectives and responsibilities.

## 11. 10. Publication

The Audit and Risk Management Committee Charter is displayed on the Company’s website and a copy is available on request from the Company Secretary.

### Revision and authorisation

Approval date	Replaces version dated	Sponsor	Approved by	Next review date
28 November 2024	24 April 2024	General Counsel	Board	28 November 2025