



AUDIT AND RISK COMMITTEE CHARTER



Last revised December 2022

The Board of Directors of Seeka Limited (the “Board”) has resolved to establish a delegated subcommittee to be known as the Audit and Risk Committee (the “Committee”). The Committee’s objectives, structure and composition, term of office, and duties and responsibilities, are as follows:

Objectives

The Committee’s primary function is to assist the Board in fulfilling its responsibilities by reviewing and having oversight of the:

- Financial and operational information provided to the Stakeholders and others.
- Systems of internal controls which management and the Board have established.
- Audit process.
- Business risk management.

Memberships and meetings

- Membership of the Committee shall comprise solely of Directors of the Company and consist of an independent Chair and at least two members of the Board as designated by the full Board by majority vote.
- Membership of the Committee shall comprise a majority of independent Directors.
- The Committee shall have at least one member with an accounting or financial background.
- Members of the Committee shall be appointed each year at the Board’s discretion.
- The Chair of the Committee should not also be the Chair of the Board.
- The duties and responsibilities of the members of the Committee are in addition to those as a member of the Board.
- The Committee shall meet at least three times per year or more frequently if circumstances require.
- The Committee may ask members of management or others to attend meetings to provide necessary and relevant information.
- The Chief Executive Officer (“CEO”) will be invited to attend Committee meetings in an ex-officio capacity
- The Chief Financial Officer (“CFO”) will act as secretary for the Committee. The CFO is responsible for circulating the meeting agenda and supporting material to all Committee members, management, and external audit representatives. Normal committee distribution requirements for minutes, agendas and supporting material apply.
- A quorum is considered to be at least two members of the Committee.

Duties and Responsibilities

- Biennial review and update the Committee’s Charter.
- Determine from time to time whether to recommend to the Board that the position of auditor be put up for review.
- Reviewing the half year and annual financial statements, and any other financial statements to be released by the Company, before submission to the Board, focusing particularly on:
 - o Any changes in accounting policies and practices;
 - o Major judgmental areas;
 - o Significant adjustments or sensitive matters such as disclosure of unusual, non-recurring, complex or related party transactions;

- The tax position of Seeka, compliance and any exposures;
- Solvency and the going concern assumption;
- Compliance with accounting standards;
- Compliance with legal, NZX and other regulatory requirements.
- Monitoring and reviewing the authorities, delegations and procedures under which Seeka may be committed.
- Considering the findings of any internal investigations and management's response thereto.
- Meet with the External Auditor and management separately to discuss any matters that the Committee or these groups believe should be discussed privately.
- Report the Committee's actions to the Board with appropriate recommendations.
- Perform such other functions as required by law or the Board.

External audit

Consider in consultation with management and the External Auditor:

- The audit scope of the statutory audit and proposed audit fees.
- The audit programme to ensure that the audit effort is co-ordinated to ensure completeness of coverage and efficient and effective use of all audit resources.
- The adequacy of Seeka's internal controls including computerised information system controls and security.
- Any related significant findings and recommendations of the External Auditor and Internal Audit together with management's responses.
- Provide an open avenue of communication between the External Auditors and the Board.

External audit – Independence

The Committee will take steps to ensure the independence of the External Auditor through procedures that include;

- Maintaining communication with the Company's External Auditor via at least two formal meetings each year;
- Ensuring that the ability of the External Auditor to carry out its statutory audit role is not impaired, or could reasonably be perceived to be impaired;
- Monitoring what, if any, services (whether by type or level) other than their statutory audit roles may be provided by the External Auditor to the Company;
- The annual level for such other service fees in aggregate is to be no more than 100% of the annual statutory audit fee unless approved by the Committee;
- The nature of such other services will not create a conflict of interest; and
- Ensuring that the External Auditor is invited to attend the Annual Shareholders Meeting.

Internal Audit

Undertake or commission Internal Audit reviews as required, and consider and review regularly with management regarding internal audit:

- Significant audit findings and management's responses.
- Any difficulties encountered in undertaking the Internal Audit programme, including any restrictions on the scope of its work or access to required information.
- Any changes required in the planned scope of future audit plans.
- Internal Audit's annual budget and staffing requirements.

Risk

Establish a formal risk management policy and programme:

- Develop a risk framework and library that describes and categorises each identified risk.
- Establish a regular reporting and review process.
- Establish a risk improvement process.

Insurance

Establish an appropriate insurance programme:

- Review insurable risks each year.
- Establish the insurance policy framework before each annual review.
- Review the outcome of the annual insurance review.
- Review the use of the proposed captive insurance company in Seeka's material damage and business interruption programme.

Review of the Charter

This Charter will be reviewed biennially by the Board.

Adopted: June 2012

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Next review due: December 2024



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