



# **RISK AND COMPLIANCE COMMITTEE CHARTER**

**EDU Holdings Limited  
ACN 108 962 152**

**Adopted on 12 August 2022**

## **RISK AND COMPLIANCE COMMITTEE CHARTER**

### **1 THE PURPOSE AND ROLE OF THE COMMITTEE**

The Risk and Compliance Committee (**Committee**) is a committee of the Board of Directors of EDU Holdings Limited (**Company**), established in accordance with clause 15.10 of the Company's Constitution.

The purpose of the Committee is to assist the Board in the effective discharge of its responsibilities for risk management and compliance which includes;

- (a) to provide objective review and oversight across the Company for all categories of risk; and
- (b) to provide objective oversight, review and advice on the implementation and operation of the Company's risk management framework.

The Committee may delegate all or a portion of its responsibilities to a subcommittee of the Committee. However, the Board retains ultimate responsibility for these matters.

The Committee will, in discharging its duties, seek to co-ordinate its activities with the Audit and Finance Committee where appropriate. The Chair of the Committee must liaise with the Chair of the Audit and Finance Committee on an ongoing basis to ensure that material matters are not overlooked by the two Committees.

### **2 MEMBERSHIP AND STRUCTURE**

#### **2.1 Membership and appointment**

The Board will review and/or appoint the Committee annually and where practicable, ensure that the Committee will consist of:

- (a) a minimum of two members of the Board;
- (b) only non-executive Directors; and
- (c) where practicable, a majority of independent Directors (as assessed by the Board in accordance with the Board Charter).

The Board may appoint additional non-executive Directors to the Committee or remove and replace members of the Committee by resolution. Members may withdraw from membership by written notification to the Board.

Members of the committee will, between them, have experience in identifying, assessing, and managing risk exposures, relevant technical knowledge and an understanding of the industries in which the Company operates.

#### **2.2 Chair**

Where practicable the Chair of the Committee will:

- (a) be an independent non-executive Director; and

- (b) will not be the Chair of the Board.

In the absence of the Committee Chair, one of the Committee Members (either nominated by the Committee Chair or elected by the Committee) will act as the Committee Chair for that meeting.

### **2.3 Secretary**

The secretary of the Committee will be the Company Secretary.

## **3 MEETINGS OF THE COMMITTEE**

### **3.1 Meetings**

- (a) Any member of the Committee may call a meeting of the Committee.
- (b) The Committee will meet at least two times annually, and more frequently if it is deemed necessary to fulfil its role.
- (c) Notice will be given to every member of the Committee, of every meeting of the Committee, at the member's advised address (including electronic email address) for service of notice (or such other pre-notified interim address where relevant).
- (d) The quorum is two members of the Committee.
- (e) Directors (who are not members of the Committee) may attend meetings of the Committee.
- (f) The Committee may invite any person to attend all or part of a meeting of the Committee. The Chief Executive Officer, the Chief Financial Officer and other managers will be invited as required.
- (g) The Board will disclose in the Company's Annual Report the number of times the committee met throughout the relevant reporting period and the individual attendances of the members of the Committee at the meetings held throughout the period.

### **3.2 Voting**

- (a) Each member shall have one vote.
- (b) The Chair will not have a second or casting vote.

### **3.3 Minutes**

- (a) Minutes of Committee meetings will be prepared by the Secretary, approved by the Chair in draft and circulated to all members.
- (b) The minutes of a Committee meeting will be approved at the next Committee meeting and signed by the Chair.

### **3.4 Reporting**

The Chair of the Committee will report on the actions and recommendations of the Committee to the Board at the next Board meeting following a meeting of the Committee. All Directors will be

permitted, during a Board meeting, to request information from the Chair of the Committee or members of the Committee.

The Committee will refer an issue to the Board or another Board Committee where the issue falls within the Board or that Board Committee's responsibility, or if it would benefit from having the Board or that Board Committee's consideration.

## **4 ROLES AND RESPONSIBILITIES OF THE COMMITTEE**

### **4.1 Risk management and compliance**

The key responsibilities of the Committee are to:

- (a) monitor management's performance against the Company's risk management framework, including whether it is operating within the risk appetite set by the Board;
- (b) make recommendations to the Board in relation to changes that should be made to the Company's risk management framework or to the risk appetite set by the Board;
- (c) review and evaluate and monitor, by receiving reports from management, the adequacy and effectiveness of:
  - (i) the management reporting and control systems used to monitor adherence to policies and guidelines and the Company's delegated authority framework and limits;
  - (ii) the Company's operational risk management control systems by reviewing risk registers and reports from management;
  - (iii) the structure and adequacy of the Company's own insurances on an annual basis;
  - (iv) internal audit or controls and systems to identify and manage business risks; and
  - (v) processes to identify and manage any material exposure to economic, environmental and social sustainability risks;
- (d) arrange for management to report to the Board on whether the Company's material business risks (including any sustainability risks, but excluding those risks which are included as responsibilities in the Charters of other Board Committees) are being managed effectively;
- (e) review and evaluate, by receiving reports from management, the procedures the Company has in place to ensure compliance with laws and regulations (particularly those which have a major potential impact on the Company in areas such as trade practices, and the environment) and the Company's own codes of conduct (but excluding those which are included as responsibilities in the Charters of other Board Committees);
- (f) review the procedures in place to ensure compliance with insider trading laws, continuous disclosure requirements and other best practice corporate governance processes (including requirements under the ASX Listing Rules, *Corporations Act 2001* (Cth) and AASB requirements);
- (g) oversee the Company's insurance program, having regard to the Company's business and the insurable risks associated with its business;

- (h) review the Company's policies and culture with respect to the establishment and observance of appropriate ethical standards;
- (i) review and discuss with management the overall adequacy and effectiveness of the Company's legal, regulatory and ethical compliance programs; and
- (j) receive reports, at least every three years, on an external review of the Company's risk management program undertaken by a suitably qualified consulting organisation, together with management's responses to that review.

## **5 AUTHORITY AND ACCESS**

In carrying out its responsibilities, the Committee:

- (a) will have access to the company records and any other document, report, material or information in the possession of an employee or external adviser of the Company, as reasonably necessary to perform its functions; and
- (b) may invite an employee or any other person to attend a meeting of the Committee, including without management present for the purpose of seeking explanations and additional information from a person.

The Committee may seek the advice of independent advisers on any matter relating to the powers, duties or responsibilities of the Committee.

The Committee may initiate special investigations as it sees fit, or as directed by the Board, in relation to matters set out in this Charter.

## **6 COMMITTEE PERFORMANCE**

The Board will:

- (a) review the membership of the Committee at least annually to ensure an appropriate balance of expertise, skills and experience; and
- (b) make an evaluation of the performance of the Committee at least annually to determine whether it is functioning effectively by reference to current best practice.

## **7 REVIEW OF CHARTER**

This Charter will be reviewed periodically and updated as required to ensure it remains consistent with the Board's objectives and developments in current law and practice. The latest version of this Charter can be found on the Company's website or obtained from the Company Secretary.

**8 MATERIAL REVISIONS**

| <b>VERSION</b> | <b>APPROVAL DATE</b> | <b>EFFECTIVE DATE</b> | <b>DETAILS</b>                                 |
|----------------|----------------------|-----------------------|--|
| 1.1            | 12 August 2022       | 12 August 2022        | Charter approved by a resolution of the Board. |
| 1.0            | 23 February 2022     | 25 February 2022      | Charter approved by the Board.                 |