



TASSAL GROUP
a better tomorrow

Level: Board

Policy: Audit Committee Charter

Version: 1

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Approved by: Board

AUDIT COMMITTEE CHARTER

The Audit Committee (**Committee**) is a Committee of the Board of Directors (**Board**) of Tassal Group Limited (**Tassal**). This Charter sets out the composition, role and responsibilities of the Committee.

1. OBJECTIVE

The Committee's role is to oversee the integrity and adequacy of Tassal's accounting and financial reporting systems, policies and processes, review and recommend to the Board Tassal's external financial reporting, monitor financial risks, oversee Tassal's external audit and actively promoting ethical and responsible decision-making with respect to financial reporting and risk management.

2. RESPONSIBILITIES

2.1. Financial Risk Management and internal controls

The Committee is responsible for:

- (a) reviewing and approving for recommendation to the Board, policies governing the oversight and management of Tassal's material financial risks, including information flows pertaining to the reporting of financial risks and appropriate elevation of financial risk issues to the Board;
- (b) considering all material capital management, financing, tax planning and treasury risk management proposals and making associated recommendations to the Board;
- (c) monitor, review and assess the propriety of any related party transactions and ensure that they are elevated to the Board;
- (d) overseeing Tassal's internal controls and procedures with respect to financial reporting, tax compliance, compliance with associated legal and regulatory obligations, including relevant monitoring of controls to assess their effectiveness and adequacy;
- (e) reviewing the policies and procedures designed to ensure compliance with ASX Listing Rules continuous disclosure obligations; and
- (f) monitoring material changes to Tassal's financial risk profile.

2.2. External Reporting

The Committee is responsible for:

- (a) overseeing the development and implementation of a structure of review and authorisation to ensure the integrity of Tassal's financial reporting and compliance with associated legal and regulatory obligations;

- (b) reviewing and assessing any significant accounting policies, estimates and judgments applied in the preparation of Tassal's financial reports;
- (c) reviewing the draft financial statements and other associated information to be included in Tassal's annual and half yearly reporting;
- (d) assess whether Tassal's external financial reporting is consistent with the information and knowledge of members of the Committee and whether it is adequate for the needs of Tassal's shareholders;
- (e) recommending to the Board whether the half yearly and annual financial reports should be approved by the Board; and
- (f) reviewing earnings releases and other financial announcements to ASX.

2.3. External Audit

The Committee is responsible for:

- (a) annually reviewing the performance of Tassal's external auditors and making recommendations to the Board about their appointment or reappointment, the terms of engagement and their remuneration;
- (b) reviewing the scope of the annual external audit plan and audit services to be provided;
- (c) ensuring that there are no internal restrictions or limitations on the external auditor and monitoring the responsiveness by Executives to the external auditor's inquiries, findings and recommendations;
- (d) considering Tassal's external auditor's assessment of financial statement materiality and the impact of any audit adjustments on Tassal's financial reporting;
- (e) exercising its discretion to meet with the external auditors without Executives being present to discuss any issues within the Committee's responsibilities;
- (f) considering and reviewing reports prepared by the external auditor to ensure that any significant findings and recommendations are received, discussed and acted upon appropriately and on a timely basis;
- (g) considering prior to any engagement any proposal from Management for the engagement of external advisors or consultants which may influence the independence of Tassal's financial accounts or records;
- (h) regularly reviewing and assessing the independence of Tassal's external auditor; and
- (i) assessing whether any non-audit services provided by the external auditor or any other relationship between Tassal and the external auditor impacts on the independence and objectivity of the external auditor.

2.4. Internal Audit

The Committee is responsible for:

- (a) reviewing and approving the scope, plan terms and cost for any internal audit activities relating

- to financial reporting;
- (b) overseeing and assessing the quality, effectiveness and objectivity of any such internal audits; and
 - (c) monitoring the resolution and implementation of any recommendations from any internal audits.

3. AUTHORITY, COMPOSITION AND ADMINISTRATION

3.1. Authority

The Board retains ultimate responsibility for financial risk oversight.

The Committee has unrestricted access to Executives with the power to direct any special investigations it deems necessary.

3.2. Qualifications

Each member of the Committee must be financially literate and able to read and understand financial statements.

At least one member of the Committee must be a qualified accountant or other finance professional with experience in financial and accounting matters, and more than one member must have an understanding of the industry in which Tassal operates.

3.3. Operational Guidelines

Tassal's *Operational Guidelines for the Board Committees* (**Guidelines**) sets out the procedures and requirements to ensure the Committee fulfils its specific role and responsibilities.

The Guidelines form part of, and must be read with, this Charter. If there is an inconsistency about a specific procedure or requirement between this Charter and the Guidelines, the arrangements set out in this Charter apply.