



# Policy

## Finance, Audit and Risk Committee

### Roles and responsibilities

The Finance, Audit and Risk Committee (the Committee), assists and advises the Board of Directors in meeting its responsibilities to the members and other stakeholders of Bridge Housing Limited (the Company). Its role encompasses oversight of financial reporting and viability, audit, risk management, external accountability, and compliance in line with the Company's objectives.

The Committee is not responsible for the activities of the Company's group entities (the Group), except where the Group's accounting activities are consolidated, or where the Company acts as a service provider to the Group. In these instances, the Committee's role is limited to monitoring the Company's compliance with its obligations as a service provider. The Board of each group entity is responsible for managing its own liquidity, project execution and debt obligations.

Except where expressly delegated by the Board, the Committee is not a decision-making body but assists the Board by implementing Board policy and making recommendations which require Board approval.

The objective of the Committee is to assist the Board in fulfilling its responsibilities by reviewing, advising, and making recommendations to the Board on the matters listed below and on any other matters as may be required from time to time.

### Finance

#### Financial viability and affairs objectives

The Committee will consider strategies for ensuring the financial viability and financial sustainability of the Company, including by:

- Ensuring a viable capital structure,
- Maintaining appropriate financial performance,
- Managing financial risk exposure,
- Demonstrating it utilises its assets and funding to meet business goals; and
- Reviewing management's approach to its investment portfolio, its financial instruments, and arrangements to ensure that it is aligned with its financial viability, financial obligations and risk profile.

#### Finance reporting objectives

The Committee will review the annual financial statements in draft when presented by management to the Board, focusing on and considering:

- The consistency in the application of accounting policies and practices
- The adherence to accounting standards and policies and other reporting requirements, including statutory requirements for financial reporting;
- Whether the financial statements provide a true and fair view of the financial position and performance of the Company;

- The external audit opinion, including whether appropriate action has been taken in response to the recommendations and adjustments;
- The appropriateness of significant judgments made by management in preparing the financial statements, including significant audit adjustments; and
- Review, and assess for completeness and appropriateness, all representation letters and financial attestations from management.

The Committee will also consider management's approach to adopting new or proposed accounting policies and practices, principles, standards, developments, disclosure requirements and legislative or regulatory announcements.

The Committee will consider the annual financial statements in draft and management's approach to adopting new or proposed accounting policies in relation to the Group entities, to the extent the Group entities are consolidated.

#### **Audit**

The Committee will consider management's approach to reviewing its internal audit coverage, three-year internal audit plan, and endorse the plan. The Committee will also review all external plans and reports in respect of planned or completed internal and external audits, monitor the implementation of audit recommendations by management and consider strategic issues arising from those audits. If the plan is extended to the Group, the Committee will review the plan and any audits to the extent this is a service the Company provides to any Group entity.

#### **Risk**

The Committee will review the Company's strategies for ensuring coherent and robust strategic, operational, financial and risk planning (for the Company and the Group), including:

- Whether management has in place a current and comprehensive risk management framework, and associated procedures for effective identification and management of business and financial risks, including cyber security and insurance, and a system for preventing, detecting, reporting on and responding to, instances of fraud, corruption and criminal conduct;
- Reviewing the Company's risk management strategy, framework and risk appetite statement at least annually to be satisfied that it continues to be sound and management is operating within the risk appetite set by the Board;
- Reviewing the adequacy of the approach to develop strategic risk management plans for major projects or undertakings;
- The adequacy and currency of internal controls, including risk management policies, and other policies and procedures as relevant;
- Whether appropriate policies and procedures are in place for the management and exercise of delegations;
- Whether management has appropriately considered legal and compliance risks, and reported those appropriately;
- The effectiveness of the system for monitoring compliance with relevant laws, regulations, policies and contractual obligations; and
- Whether management has taken steps to embed a culture with systems that support lawful and ethical behaviour.

## Information and communications technology (ICT)

The Committee will review the Company's strategies for ICT capacity and operations, including considering whether business systems and strategies for the delivery of ICT adequately support the Group's strategic goals and operations.

### Composition and term

- The Finance, Risk and Audit Committee is a Committee of the Board of Bridge Housing Limited and any subsidiaries, if requested by the Board.
- All appointments to the Committee and the appointment of the Committee Chair are non-executive Directors who have been approved by the Board.
- The Committee will comprise at least three non-executive Directors, the majority of whom the Board considers to be independent.
- The Committee Chair may not be the Chair of the Board.
- Appointment to the Committee will be for consecutive terms of three years or as determined by the Board (including to facilitate Director rotations).

### Meetings

- The Committee will hold meetings at least once a quarter and additionally as it considers necessary.
- A quorum will be two non-executive Directors.
- Committee members will be invited to disclose conflicts of interest at the commencement of each meeting.
- If the Committee Chair is absent, members who are present will select a Chair for that particular meeting.
- Meetings of the Committee may be held face to face or using any technology (or a combination of those) which enables members to participate in a discussion.
- The notice and agenda of meetings will include relevant supporting papers. The committee may invite other people to attend as it sees fit, and consult with other people or seek any information which will help it to fulfil its responsibilities.
- Voting matters will generally be decided by consensus or, if a consensus can't be reached, by a majority of votes from those non-executive Directors present.
- The Chair will communicate the decisions of the committee to the Board after each meeting within a reasonable period.
- Proceedings of all meetings will be minuted by a company secretary, ratified by committee members in attendance and signed by the Committee Chair.

### Review

The Committee should review this charter at least every three years to provide assurance that it remains consistent with the Board's objectives and responsibilities and continues to reflect current processes and appropriate corporate governance principles. The Committee must seek the Board's approval of any changes made to the charter as a result of any review.

The Chair will initiate an external review of the performance of the Committee at least once every three years.