

AUDINATE

AUDIT & RISK MANAGEMENT COMMITTEE CHARTER

Audinate Group Limited ("Company")

1. Objectives

The Committee is responsible for:

- The review of and monitoring the integrity of the half year and annual financial statements prepared by management;
- The review and oversight of the Group's financial controls and systems, including accounting policies;
- The appointment, oversight, and evaluation of the external auditor;
- The review and oversight of risk management, internal control and regulatory compliance in accordance with the Group's Risk Management Policy; and
- Determining (in conjunction with the Board) that there is an adequate and effective process to identify and manage all areas of potential risk.

2. Roles & Responsibilities

2.1 Overview

- Other than in relation to the work of the external auditor the function of the Committee is oversight. It is recognised that members of the Committee are not full-time employees of the Group and generally do not represent themselves to be experts in the fields of accounting or auditing, except in relation to the "financial expert" as required and described in the Corporations Act. As such, it is not the responsibility of the Committee personally to conduct accounting or auditing reviews or procedures. The eligibility criteria and required financial skills of Committee members are set out in Section 3.1.
- Management of the Group is responsible for the preparation, presentation and integrity of the Group's financial statements. Management is responsible for implementing and maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures designed to ensure compliance with accounting standards and applicable laws and regulations.
- The external auditors are responsible for planning and carrying out each audit and review, in accordance with applicable auditing standards. The external auditor is accountable to shareholders through the Committee.

The Committee's responsibilities with respect to External Audit, Financial Reporting, and Risk & Compliance are set out in the following sections:

2.2 External Audit

- Approve the scope of the audit.
- Review the effectiveness of the annual audit, placing emphasis on areas where the Committee or the external auditors believe special attention is necessary.
- Review the performance, independence and objectivity of the external auditors.

- Review the procedures for selection and appointment of the external auditors and for the rotation of external audit engagement partners, as necessary.
- Assume responsibility for the appointment (including the termination of an engagement), compensation, the terms of engagement and other contractual terms of the external auditors.

- Maintain the Company’s policy on the engagement of the external auditor to supply nonaudit services and ensure compliance with that policy.
- Require the external auditor to provide a formal written statement annually confirming its independence.

2.3 Financial Reporting

- Review the half year and annual financial statements presented by management, together with reports and opinions from external auditors.
- Review significant financial reporting issues and assess the appropriateness of accounting policies and methods chosen by management, particularly those relating to significant estimates and judgments.
- Assist the Board with consideration of major changes to Group accounting policies and procedures.
- Review the reliability and appropriateness of disclosure in the financial statements and financial reporting to stakeholders, particularly with regard to estimates and judgments.
- Make appropriate recommendations to the Board about the adequacy of corporate reporting process and as to whether financial statements should be approved.
- Address any concerns or complaints raised internally regarding financial or accounting processes and practices.
- Monitor the Company’s processes to provide assurance over the integrity of material data contained in periodic corporate reports that the Company releases to the market (that have not been subject to audit or review by an external auditor).

2.4 Risk & Compliance

- Review and monitor compliance with the Company’s Risk Management Policy.
- At least annually review the Company’s risk management framework to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the Board.
- Review and assess that Management have implemented adequate policies and procedures to manage identified financial and non-financial risks within the risk appetite set by the Board.
- Review any material incident involving fraud or a break-down of the of the entity’s risk controls and the “lessons learned”.
- Make recommendations to the Board in relation to changes that should be made to the risk management framework or to the risk appetite set by the Board.
- Ensure accountability at an Executive level for risk oversight, remediation and management.

- Ensure an appropriate approach has been taken in establishing business continuity planning arrangements.
- Ensure that there is an appropriate consideration of contemporary and emerging risks and suitable risk mitigation controls.
- Monitor the effectiveness of Group policies and practices that relate to compliance with laws, regulations and accounting standards.
- Consider the impact of changes in accounting standards, ASX listing rules and the Corporations Act.
- Approve and regularly review delegations of authority.
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3. Administrative Matters

3.1 Composition of the Committee

- The Committee should consist of:
 - only non-executive directors;
 - an independent chair, who is not chair of the Board;
 - a minimum of 3 members of the Board; and,
 - where practical should comprise of a majority of independent directors.
- 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.
- Non-committee members, including members of management and the external auditor may attend meetings of the Committee at the invitation of the Committee chair.
- It is intended that all members of the Committee should be financially literate and have familiarity with financial management and at least one member should have relevant qualifications and experience (ie be a qualified accountant or other finance professional with experience of financial and accounting matters).
- The Company Secretary attends all Committee meetings as minute secretary.

3.2 Meetings

- The Committee will meet as often as the Committee members deem necessary in order to fulfil their role, which is considered to be not less than twice a year.
- The quorum is at least two Committee members.
- Any Committee member may convene a meeting of the Committee or request the Secretary of the Committee to do so.
- In the absence of the Committee chair, the Committee members must elect one of their number as chair for that meeting. The chair does not have a casting vote.
- Minutes of meetings of the Committee must be kept by the Company Secretary and, after approval by the Committee Chair, be circulated to all Board Members.
- The Committee chair will provide a brief oral report as to any material matters arising out of the Committee meeting for the Board meeting next following a meeting of the Committee. All directors will be permitted, within the Board meeting, to request information of the Committee chair or members of the Committee.

- Copies of the Committee papers and reports, together with minutes of each Committee meeting, will be circulated to all Board members.

3.3 Access to resources and independent advisers

- The Committee has rights of access to management and to auditors (external and internal) without management present, and rights to seek explanations and additional information from both management and auditors.
- The Committee may seek the advice of the Company's auditors, solicitors or other independent advisers (including external consultants and specialists) as to any matter pertaining to the powers or duties of the Committee or the responsibilities of the Committee, as the Committee may require.
- At least annually the Committee shall meet separately with the external auditor without Management present.

4. Review

The Board will regularly review the membership and Charter of the Committee to determine its adequacy for current circumstances and the Committee may make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise