

# CELLNET GROUP LIMITED

ACN 010 721 749

## Risk Committee Charter

### 1. INTRODUCTION

The board of directors (**Board**) of Cellnet Group Limited (**Company**) has established a Risk Committee (**Committee**) which operates in accordance with this charter (**Charter**) and the constitution of the Company.

### 2. ROLE AND RESPONSIBILITIES

- 2.1. The Committee will assist the Board to fulfil its responsibilities on matters relating to the Company's governance and exercising of due care, diligence and skill in relation to risk assessment, treatment strategies and monitoring. The Committee is not a policy making body but assists the board by implementing board policy.
- 2.2. In discharging its role, the Committee will investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company.
- 2.3. The primary responsibilities of the Committee will be to assist the Board to understand risks which may:
  - impede the Company from achieving its goals and objectives;
  - impact on the Company's performance;
  - affect the health, safety or welfare of employees, visitors and others in relation to the Company's operations;
  - threaten compliance with the Company's regulatory and legal obligations;
  - impact on the community and the environment in which the Company operates;
  - impact on the Company's reputation, or that of its people; or
  - result in personal liability for the Company officers arising from the Company's operations.
- 2.4. The Company's risk policy objectives will be achieved by company-wide implementation of effective risk identification, management and mitigation programs, including:
  - monitoring and reviewing issues that may impede the goals, objectives and performance of the Company;
  - maintenance of an enterprise risk management framework and appropriate operational risk management frameworks based on industry accepted standards;
  - maintenance of internal control systems in order to provide accurate, relevant, timely and reliable financial and operational information;
  - monitoring and reviewing safety systems throughout the Company's operations;
  - monitoring of operations and maintenance of records, to ensure compliance with Company policies and regulatory requirements;

- the reporting to the Committee and Board on significant circumstances and risk related issues, which may materially affect the Company;
- implementation of management systems and loss prevention and control measures directed at managing the potential for loss or damage to the Company;
- management of insurance programs to ensure appropriate coverage by reputable insurers at competitive premium levels with regard to the Company's circumstances and needs; and
- ensuring an appropriate risk-aware culture has been embedded throughout the Company.

### **3. COMPOSITION**

- 3.1. The Committee will comprise at least three members. The Committee members:
- must preferably be non-executive directors of the Company;
  - will be appointed by the Board; and
  - must select a Committee member as Chairman of the Committee, preferably an independent director of the Company, who must not be the Chairman of the Board.
- 3.2. Appointment as a member of the Committee is automatically terminated when the person ceases to be a director of the Company.
- 3.3. The duties and responsibilities of a member of the Committee are in addition to those set out for a director of the Company.

### **4. MEETINGS**

- 4.1. The Committee may with the approval of the Chairman conduct meetings by telephone or videoconference provided that all Committee members involved in the meeting are able to participate in discussion.
- 4.2. The Committee will meet a minimum of three times each year. The Committee will also meet at any other time the Chairman considers appropriate. Each Committee member is entitled to reasonable notice of a meeting.
- 4.3. The Chairman will call a meeting of the Committee if so requested by any member of the Committee or the Chairman of the Board.
- 4.4. The quorum for a meeting will comprise any two Committee members or any greater number determined by the Committee from time to time.
- 4.5. The Committee may invite any executives and other parties, external to the Company, to attend any meeting of the Committee.

### **5. SCOPE, ACCESS, AUTHORITY**

- 5.1. The Committee has the authority to seek any information it requires to carry out the Committee's duties from any officer or employee of the Company.
- 5.2. The Committee has authority to engage independent risk, actuarial, insurance or other consultants to advise the risk committee or assist in the conduct of risk related issues to assist in meeting its responsibilities.

### **6. REPORTING**

- 6.1. The Chairman of the Committee will provide a verbal report to the Board at the earliest possible Board meeting after each Committee meeting. Minutes of the Committee will be tabled when available.
- 6.2. The Committee will prepare and submit to the Board any additional reports as

appropriate.

**7. CONFLICTS OF INTEREST**

Committee members will be invited to disclose conflicts of interest at the commencement of each meeting. Ongoing conflicts of interest need not be disclosed at each meeting once acknowledged. Where members or invitees are deemed to have a real or perceived conflict of interest, they will be excused from committee discussions on the issue where a conflict exists.

**8. PERFORMANCE REVIEW / AMENDING THE CHARTER**

8.1. The Committee must review its Charter and performance annually, or otherwise, as it considers necessary.

8.2. The Charter may be amended at any time by a resolution of the Board.

**9. ACCESS TO CHARTER**

The Charter is available to the Board, management, external auditors, shareholders and other interested parties as appropriate.