



**AIMS Funds Management**  
A Member of AIMS Financial Group

## **AUDIT, RISK AND COMPLIANCE COMMITTEE CHARTER**

**June 2020**

## **1. PURPOSE OF CHARTER**

The Audit, Risk and Compliance Committee shall provide assistance to the Board of Directors in fulfilling its corporate governance and oversight responsibilities in relation to the Company's financial reporting, internal controls structure, risk identification and management systems and the internal and external audit functions. In doing so, it is the responsibility of the Audit, Risk & Compliance Committee to maintain free and open communication between the Committee, the external auditors and the management of the Company.

In discharging its oversight role, the Audit, Risk and Compliance Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company and the authority to engage independent counsel and other advisers as it determines necessary to carry out its duties.

## **2. ROLE AND RESPONSIBILITIES OF THE COMMITTEE**

The major duties and responsibilities of the Audit, Risk & Compliance Committee are:

- Ensuring it understands the Company's structure, controls and types of transactions to fully assess the risks faced;
- Oversee the Company's internal control, risk management, financial reporting and compliance monitoring processes;
- Oversee the utilisation of the resources provided to the Company and the protection of the Company's assets;
- Review and make recommendations on the Company's risk profile, including identifying, assessing and prioritising the Company's key operational and strategic risks and key risk indicators, monitoring significant business risks and reviewing risk and compliance reports from management;
- Review and make recommendations on the Company's compliance with the Company's AFSL, as well as the Company's compliance with the Compliance Plans and Constitutions of each of the Company's Registered Managed Investment Scheme;
- Make recommendations on the Company's Anti-Money Laundering and Counter-Terrorism Financing (AML / CTF) Program (Program) and AML / CTF Policy (Policy) in addition to reviewing and making recommendations on compliance with the AML / CTF Program and the Policy;
- Assess the adequacy and effectiveness of the accounting and financial controls;
- Recommend the appointment and remuneration of the external auditors;
- Review and discuss with the external auditors the scope of the examination;

- Review and assess the report of the external auditors on the Company's internal control procedures and any material matters raised therein;
- Assess the continued independence of the external auditor;
- Review and discuss ASIC and ASX requirements, reports, continuous disclosure and press releases as well as financial information provided to third parties;
- Review any transaction between the Company and the Directors, or any interests associated with the Directors, to ensure the structure and terms of the transaction are in compliance with the Corporations Act and are appropriately disclosed;
- Review and Approve any other matter requested by the Board;
- Review its own performance on an annual basis;
- Report the results of its activities to the Board of Directors.

### **3. COMMITTEE STRUCTURE**

The Audit, Risk and Compliance Committee shall comprise entirely of Non-executive Directors, with a majority being Independent Directors. The Board of Directors shall appoint one of the Audit, Risk and Compliance Committee members as Chairman. The Company Secretary will act as Secretary to the Committee.

At least one member of the Committee must have accounting or related financial management expertise. All members of the Committee must have a working knowledge of basic financial and accounting practices.

Any Board member may attend any meeting if he or she wishes.

At the discretion of the Committee, the internal and external auditors, Chief Executive Officer, Legal and Compliance Officer and any other members of management may be invited/requested to attend Audit, Risk and Compliance Committee meetings.

A quorum of the Committee shall consist of no less than two (2) members.

### **4. ACCESS**

The Committee shall have access as required to external auditors and to senior management of the Company. Such access will include the authority to see any information it requires from any employee or external party.

### **5. MEETINGS**

Members of the Committee will hold meetings as required in order to meet the Committee's key objectives with a minimum of four meetings a year timed to coincide with releases of financial results. In addition, the Chairman is

required to call a meeting of the Committee if requested to do so by any Committee member, external auditor, or if specifically requested by the Board.

The Chairman of the Audit, Risk and Compliance Committee must determine the Meeting Agenda in consultation with management, the external auditor and committee members. Any Director of the Board may put forward a matter to the Chairman, which must be included on the Meeting Agenda for consideration by the Committee.

The Chairman of the Audit, Risk and Compliance Committee is to report to the Board on the activities of the Audit, Risk and Compliance Committee and to formally table the minutes of the intervening Audit, Risk and Compliance Committee meetings.

## **6. AUDITORS**

The external auditors shall have a direct line of communication at any time to either the Chairman of the Audit, Risk and Compliance Committee or the Chairman of the Board.

## **7. REVIEW OF CHARTER**

- 8.** The Committee will review this Charter from time to time to ensure it remains consistent with the Committee's objectives and responsibilities. Any changes to the Charter must be approved by the Board.. **Definitions**  
In this Charter, unless the context otherwise requires:

**AFSL** means Australian Financial Services Licence.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means the Australian Securities Exchange.

**Charter** means this charter adopted by the Committee.

**Committee** means the Audit, Risk and Compliance Committee.

**Company** means a company within the AIMS Financial Group.

**Corporations Act** means the *Corporations Act 2001* (Cth).