



Audit and Risk Committee Charter

GrainCorp Limited
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Contents

1	Purpose and Authority	2
2	Composition	2
3	Meetings	3
4	Duties and Responsibilities	4
5	Reporting	5
6	Risk Management Strategy, Policies, Procedures and Systems	5
7	Trading Risk Management	7
8	Financial Controls and Systems	7
9	Preparation and Presentation of Financial Statements and Reports	8
10	Compliance with Laws and Regulations	9
11	Release of information and announcements	9
12	Working with Auditors.....	9
13	Access to Information and Independent Advice	11
14	Committee Performance	11
15	Approval and Review	11

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Policy Manager	Company Secretary
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1 Purpose and Authority

- 1.1. The Board of Directors of GrainCorp Limited (**GrainCorp**) and its related bodies corporate and subsidiaries (**Company**) has constituted this Audit and Risk Committee (**ARC**) to assist the Board in fulfilling its responsibilities for corporate governance and oversight of the Company's financial reporting, internal control structure, risk management systems and internal and external audit functions.
- 1.2. The ARC is empowered to investigate any matter, with full access to all books, records, company operations, and people of the Company and the authority to engage independent accounting, legal, compliance, risk management or other professional advisers as it determines reasonably necessary to carry out its duties.
- 1.3. The ARC is a committee of the Board established in accordance with the Company's constitution (**Constitution**) and authorised by the Board to assist it in fulfilling its statutory and regulatory responsibilities. It has the authority and power to exercise the role and responsibilities set out in this Charter and granted to it under any separate resolutions of the Board from time to time.

2 Composition

- 2.1. The ARC shall be comprised of at least three members, all of whom shall be non-executive Directors and a majority of whom are independent Directors, including, where possible, at least one member who has formal financial qualifications and experience. Each member should have the requisite skills and experience appropriate to the Company's business for the purpose of discharging the role of the ARC effectively and assessing and questioning information presented in meetings of the ARC.
- 2.2. A quorum of any meeting will be two members.
- 2.3. The Chair and members of the ARC shall be appointed by the Board. The Chair of the ARC shall be an independent Director who is not the Chairman of the Board. The Chairman of the Board may however be a member of the ARC. In the absence of the Chair of the ARC, the remaining members will elect one of their number as Chair of the meeting.
- 2.4. The Chair of the ARC reserves the right to exclude a member or other invited attendee from attending an ARC meeting, on the basis that the ARC may deal with a sensitive matter which could relate to that particular member/attendee, or a matter concerning that member/attendee where there may be an actual or perceived conflict.
- 2.5. The Company Secretary of the Company shall be the secretary of the Committee (**Secretary**).

3 Meetings

- 3.1. All Directors are entitled to attend meetings. The ARC may invite such other persons to its meetings, as it deems necessary.
- 3.2. The ARC is expected to maintain free and open communication with the external auditor, the internal auditor and Company's management (**Management**).
- 3.3. Meetings shall be held not less than four times a year and should correspond with the Company's financial reporting cycle to ensure a consistent program of compliance oversight is applied.
- 3.4. Special meetings may be convened as required. The Secretary will convene a meeting on receipt of a request by the internal auditor or the external auditor, with the approval of the ARC Chair.
- 3.5. Meetings may be held by the members communicating with each other through any means by which they can participate in discussion even though they may not be physically present in the same place.
- 3.6. The Secretary is responsible for coordinating the timely completion and despatch of meeting agendas and committee papers to members prior to each meeting.
- 3.7. The Secretary will take minutes of all meetings and keep records of all meetings held, papers submitted to meetings and recommendations made by the ARC.
- 3.8. Decisions of the ARC will be by majority vote. Any dissenting member of the ARC shall be entitled to have his/her opinion recorded in the minutes.
- 3.9. The ARC may pass or approve resolutions by circular resolution as required. A circular resolution will be deemed to be passed when the last member entitled to vote signs or consents to the resolution. A copy of the written resolution passed by the ARC shall be provided to the ARC's next meeting.
- 3.10. The ARC will meet separately with the external auditor at least twice per year and internal auditor at least once per year, without Management present.
- 3.11. The ARC will meet with the Company's taxation advisor at least once per year.
- 3.12. The ARC shall periodically meet separately with the Chief Financial Officer and Management to discuss any matters that the ARC or Management believe should be discussed privately.

4 Duties and Responsibilities

- 4.1. The ARC's key responsibilities and functions are to assist the Board in discharging its responsibilities:
- 4.1.1. to oversee the establishment of and approving the Company's risk management framework (for both financial and non-financial risks) including its strategy, policies, procedures and systems;
 - 4.1.2. to review at least annually and monitor the effectiveness of the Company's risk management framework to satisfy itself that it continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.
 - 4.1.3. in relation to the Company's financial reporting, which, without limitation, includes:
 - a. reviewing the suitability of the Company's accounting policies and principles, how they are applied and ensuring they are used in accordance with the statutory financial reporting framework;
 - b. assessing significant estimates and judgements in financial reports;
 - c. assessing information from the external auditor to ensure the quality of financial reports;
 - d. assessing whether the financial statements reflect the understanding of the ARC members of, and otherwise provide a true and fair view of, the financial position and performance of the Company; and
 - e. recommending to the Board whether the financial and associated non-financial statements should be signed based on the ARC's assessment of them.
 - 4.1.4. in relation to the entry into, approval or disclosure of related party transactions (if any);
 - 4.1.5. in overseeing the Company's financial controls and systems;
 - 4.1.6. to manage audit arrangements and auditor independence, including considering whether an internal audit function is required and, if not, ensuring that the Company discloses the processes it employs to evaluate and improve its risk management and internal control processes;
 - 4.1.7. overseeing the Company's management of tax risks and governance and the policies and practices for managing compliance with tax laws, including but not limited to reviewing and approving the Tax Risk Management Policy; and
 - 4.1.8. ensuring that the Company has a process to verify the integrity of any periodic corporate report the Company releases to the market that has not been subject to audit or review by an external auditor.

5 Reporting

- 5.1. The ARC will:
 - 5.1.1. regularly report to the Board on all matters relevant to the ARC's role and responsibilities;
 - 5.1.2. advise the Board in a timely manner of audit, financial reporting, internal control, risk management and compliance matters which may significantly impact upon the Company;
 - 5.1.3. report and, as appropriate, make recommendations to the Board after each meeting on matters dealt with by the ARC;
 - 5.1.4. review and make recommendations to the Board in relation to the adequacy of the financial reporting processes and internal control framework, and
 - 5.1.5. as and when appropriate, seek direction and guidance from the Board on audit, risk management and compliance matters.

6 Risk Management Strategy, Policies, Procedures and Systems

- 6.1. The ARC will oversee the risk management function (as detailed below) and evaluate the structure and adequacy of the Company's insurance coverage periodically, having regard to the entity's business and the insurable risks associated with its business.
- 6.2. The risks faced by the Company may include, but are not limited to, regulatory and compliance risk, investment risk, legal risk, economic risk, environmental risk, climate related risk, social risk, occupational health and safety risk, financial risk, reputation risk, operational and execution risk, trading risk and strategic risk.
- 6.3. Responsibility for risk management is shared across the organisation. Key responsibilities include the following:
 - 6.3.1. The Board is responsible for:
 - a. approving the Company's risk management framework (for both financial and non-financial risks) including its strategy, policies, procedures and systems; and
 - b. overseeing the disclosure of material risks (including, without limitation, material exposures (or a lack thereof) to environmental and social risks) and how the Company intends to manage those risks.
 - 6.3.2. Management is responsible for:
 - a. establishing the Company's risk management framework, including identifying actual or potential key risk areas and developing the Company's policies, procedures and systems, which are designed to effectively identify, treat, monitor, report and manage key business risks;

- b. setting the appropriate “control culture” by communicating the importance of internal control and the management of business risk to ensure that all employees understand their roles and responsibilities.

6.3.3. The Board has delegated to the ARC responsibility for:

- a. reviewing and monitoring the Company’s risk management framework to provide assurance that key business risks (including emerging risks) are identified, consistently assessed and appropriately addressed. In addition, the ARC should undertake a review of the Company’s risk management framework with Management (at least once annually) to satisfy itself that the Company’s risk management framework continues to be sound (including whether there have been any changes to material business risks and whether the Company is operating within the risk appetite set by the Board). The ARC should ensure that the Board discloses whether such a review has taken place in the Company’s annual report;
- b. evaluating the ratings applied to business risks on the Corporate Risk Register, taking into consideration any changes to GrainCorp’s risk profile and the effectiveness of controls implemented;
- c. setting and overseeing execution of the Independent Assurance Program and ensuring that significant findings and recommendations resulting from the Independent Assurance Program are received, discussed and appropriately acted upon by Management;
- d. evaluating and if appropriate approving, rejecting or imposing any conditions on any proposed or ongoing contractual relationship with any high risk third party in relation to which a Red Flag (as defined in GrainCorp’s Anti-Bribery and Corruption Policy) has been raised, in accordance with GrainCorp’s Anti-Bribery and Corruption Procedures;
- e. reviewing potential dealings with sanctioned countries and counterparties in sanctioned countries, and the processes, systems and controls implemented by Management to ensure ongoing compliance with global sanctions regimes;
- f. ensuring that risk considerations are incorporated into strategic and business planning;
- g. reviewing any material incident involving fraud or a break-down of the risk management framework and identifying “lessons learned”;
- h. providing risk management updates to the Board and any supplementary information required to provide the Board with confidence that key risks are being appropriately managed and appropriate “control culture” is effectively being implemented;
- i. reviewing reports from Management concerning new and emerging sources of risk and the risk controls and mitigation measures that management has put in place to deal with those risks;

- j. reviewing reports from Management concerning compliance with key laws, regulations, licences and standards which the Company is required to satisfy to operate;
- k. reviewing any significant findings of any examinations by regulatory agencies;
- l. reporting to the Board about the Company's adherence to policies and guidelines approved by the Board for the management of risks, including bringing to the Board's attention any instances where the Company either has or may need to operate outside the current risk appetite set by the Board or where disclosure to the market might be required; and
- m. providing periodic reports as required to the People, Remuneration and Nominations Committee (**PRNC**) to assist the PRNC in its assessment of risk outcomes and whether remuneration adjustments are required.

6.4. The ARC will make recommendations to the Board on changes to the Company's risk management framework or the risk appetite set by the Board.

7 Trading Risk Management

7.1. The ARC will oversee the trading risk management function (as detailed below), including:

- 7.1.1. The development of, and review and recommend to the Board for approval at least annually, a Position and Trading Risk Management Policy to manage trading risks;
- 7.1.2. The development of, and review and approve (or recommend to the Board for approval in the case of the Treasury Policy) at least annually, appropriate trading related credit and treasury policies, including delegation limits and parameters, to manage trading credit and treasury risks;
- 7.1.3. Management's compliance with the Position and Trading Risk Management Policy, and related credit and treasury policies and review reports from Management of any non-compliance including actions taken to remedy instances of non-compliance;
- 7.1.4. Receiving reports from Management on trading strategies, and as required, review new trading business initiatives and control measures; and
- 7.1.5. Receiving periodical reports from Management concerning trading related credit, treasury, liquidity, foreign exchange, derivative, country and sovereign risks, and assessing their alignment to the Company's business risk appetite.

8 Financial Controls and Systems

8.1. The ARC will oversee the effectiveness of the Company's financial controls and systems (as detailed below). The ARC will:

- 8.1.1. Understand the internal control systems implemented by Management for the approval of transactions and the recording and processing of financial data.

- 8.1.2. Understand and review the effectiveness of the controls and processes implemented by Management to ensure financial statements derived from the underlying financial systems, comply with relevant standards and requirements, and are subject to appropriate Management review.
- 8.1.3. Consider with Management and the internal and external auditors any fraud, illegal acts, deficiencies in internal control or other similar issues, and when appropriate, escalate any issue of significant non-compliance or fraud to the Board in accordance with the Company's Incident Escalation Procedure.
- 8.1.4. The Chair of the ARC will review all significant correspondence relevant to financial reporting and the preparation of the financial statements received by the Chair of the ARC, the Company Secretary, and the Chief Executive Officer or other senior officers of the Company about which Directors should be aware.
- 8.1.5. Review at least annually the Company corporate structure. Receive reports periodically from Management regarding changes to the Company corporate structure.
- 8.1.6. Review at least annually the GrainCorp Delegation of Authority Policy and recommend any amendments to the Board for approval. The ARC may approve changes to delegations at Authority Level 1 as required. CEO delegations are reviewed by the ARC and approved by the Board. Delegations below Authority Level 1 are managed and approved by the CEO/Authority Level 1.

9 Preparation and Presentation of Financial Statements and Reports

9.1. The ARC will:

- 9.1.1. after review with Management and the external auditor, recommend to the Board the draft interim and full year financial statements, and other related information, to be lodged with ASX;
- 9.1.2. review representation letters to be signed by Management to ensure that all relevant matters are addressed;
- 9.1.3. discuss matters raised by the external auditor as a result of their work;
- 9.1.4. assess the impact of changes in accounting standards and review recommendations for adoption of such changes in the financial accounts; and
- 9.1.5. ensure that appropriate processes are in place to form the basis upon which the Chief Executive Officer and Chief Financial Officer execute their certifications under section 295A of the Corporations Act 2001 (Cth) (**Corporations Act**) to the Board at financial year end in relation to the systems of internal controls, and that that system is operating effectively in all material respects in relation to financial reporting risks.

10 Compliance with Laws and Regulations

10.1. The ARC will:

- 10.1.1. Obtain regular updates from Management regarding compliance matters that have a material impact on the Company's financial statements and/or compliance policies.
- 10.1.2. Be satisfied that all financial reporting regulatory compliance matters have been considered in the preparation of the financial statements.
- 10.1.3. Oversee and review the Company's anti-bribery and corruption framework, including the antibribery and corruption policy and its applicable procedures, and any reported non-compliance with same.
- 10.1.4. Receive reports of potentially material incidents under the Company's Group Whistleblower Policy and refer matters regarding material incidents to the Board.
- 10.1.5. Oversee and review the Company's processes, systems and controls implemented by Management to ensure ongoing compliance with global sanctions regimes.

11 Release of information and announcements

11.1. The ARC will:

- 11.1.1. Review the other sections of the annual report before its release and consider whether the information is understandable and consistent with ARC members' knowledge about the Company and its operations and lacks bias.
- 11.1.2. Oversee the periodic financial reporting process implemented by Management and review the interim and full year financial statements and preliminary announcements prior to their release.
- 11.1.3. Review Management's process for ensuring that information contained in analyst briefings and media announcements is consistent with published financial information, balanced and transparent.

12 Working with Auditors

12.1. Internal Audit (outsourced)

The ARC will:

- 12.1.1. Review the internal audit plan and ensure that the plan addresses the strategic and operational risks which have been selected for evaluation by the ARC in the current year.
- 12.1.2. Review the program activities of the internal audit function and ensure no unjustified restrictions or limitations are made.
- 12.1.3. Ensure that significant findings and recommendations made by the internal auditor are received, discussed and appropriately acted upon by Management, as agreed,

on a timely basis. The ARC must be advised if Management does not agree with any internal audit recommendations.

- 12.1.4. Receive reports from internal audit on its reviews of the adequacy of the entity's processes for managing risk.
- 12.1.5. Review the professional qualifications of the internal auditor (including the experience of the lead internal audit partner and auditing personnel).
- 12.1.6. Review the independence, objectivity and performance of the internal auditor and recommend to the Board the appointment, reappointment or termination of the internal auditor as appropriate.

12.2. External Audit

The ARC will:

- 12.2.1. Review the external auditor's proposed audit scope, approach, plan, fees, expertise and resources for the current year in light of the Company's present circumstances and changes in regulatory and other requirements.
- 12.2.2. Discuss with the external auditor the appropriateness of the accounting policies applied in the Company's financial reports and whether they are considered aggressive, balanced or conservative.
- 12.2.3. Discuss with the external auditor any audit problems encountered in the normal course of audit work, including any restriction on audit scope or access to information. This includes resolving any disagreements between Management and external auditors with regards to financial reporting and advising the Board of any issues or the nature of any disagreements.
- 12.2.4. Ensure that significant findings and recommendations made by the external auditor are received, discussed and appropriately acted upon by Management, as agreed, on a timely basis. This will include review of the external auditor's summary management report, detailing the results and significant findings from the audit as well as management responses. The ARC must be advised if Management does not agree with any external audit recommendations.
- 12.2.5. Review the professional qualifications of the auditor (including the experience of the lead audit partner and auditing personnel).
- 12.2.6. Review on an annual basis the performance of the external auditor and make recommendations to the Board for the appointment, reappointment or termination of the appointment of the external auditor, having regard to the requirement that no individual may be the external audit partner for the Company for more than five consecutive years. This will include the review and approval of the external auditor's process for the rotation and succession of audit and review partners, including their approach to managing the transition.
- 12.2.7. Consider and regularly review the independence of the external auditor, including reviewing the range, volume and value of audit and non-audit services provided in the context of all consulting services bought by the Company.

12.2.8. Ensure the Company has appropriate policies regarding the hiring of audit firm personnel for senior positions after they have left the audit firm.

12.2.9. Obtain from the external auditors and consider the independence declaration required under the Corporations Act.

13 Access to Information and Independent Advice

13.1. The ARC may seek any information or advice it considers necessary to fulfil its responsibilities.

13.2. The ARC has access to:

13.2.1. Management, to seek explanations and information from them; and

13.2.2. external and internal auditors to seek explanations and information, without Management being present.

13.3. The Chief Financial Officer, General Manager – Risk and Assurance and Company Secretary shall have free and unfettered access to the ARC.

13.4. Subject to approval from the Chairman of the Board, the ARC may seek professional advice from appropriate external advisers, at the Company's cost. The ARC may meet with these external advisers without Management being present.

14 Committee Performance

14.1. The ARC will evaluate its performance on an annual basis.

15 Approval and Review

15.1. The ARC will review this Charter every two years (or earlier if required) and recommend any required or desired changes to the Board for approval.

Revised and approved by the Board on 13 November 2024.

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