

# AUDIT COMMITTEE CHARTER

Brookfield Capital Management Limited  
(as responsible entity of its underlying Schemes)

## 1. THE PURPOSE OF AUDIT COMMITTEE

The purpose of the Audit Committee is to oversee, on behalf of the Board, the underlying Schemes accounting and reporting practices, the financial and accounting controls and to monitor the integrity of the data.

It achieves this purpose by:

- assessing the control environment;
- overseeing financial reporting to ensure balance, transparency and integrity; and
- monitoring the effectiveness of and evaluating the external audit process.

## 2. AUDIT COMMITTEE STRUCTURE

- The Board of Directors will appoint the members, and the chairperson, of the Audit Committee.
- The Audit Committee will consist of two members. The members should be independent non-executive directors. All members must be able to read and understand financial statements, and at least one member must have financial expertise, that is the person must be either a qualified accountant or other financial professional with experience of financial accounting matters.
- The Chairperson of the Audit Committee will be an independent non-executive director.
- The quorum for any Audit Committee meeting shall be two members and may include the Chairperson.
- The Audit Committee Secretary shall be the Secretary to the Board.
- Management may be invited to attend meetings of the Audit Committee for reasons of efficiency but shall not be entitled to vote.

### **3. MEETINGS**

- The Audit Committee will meet as required to undertake its role effectively.
- Any director may attend a meeting of the Audit Committee for the purposes of discussion but is not entitled to vote.
- The external auditors may be invited to make presentations to the Audit Committee as appropriate.
- Audit Committee members will generally be provided with papers by management in relation to the agenda items.
- The Secretary will keep minutes of the meeting which will be included in papers provided to the next Committee meeting.
- Meetings may be held by electronic means as allowed under the provisions of the Corporations Act 2001.

### **4. RIGHT TO ACCESS AND INFORMATION**

The Audit Committee is entitled to consult with expert advisers and seek expert advice where it considers it reasonable and necessary to carry out its duties.

The Audit Committee will have a right of access to external auditors and senior management. The Audit Committee will also meet separately with the external auditors at least annually or as otherwise required.

### **5. ROLES AND RESPONSIBILITIES**

#### **Financial Reporting**

- The Audit Committee will consider the appropriateness of the underlying Scheme's accounting policies and principles and how those principles are applied.
- Management will provide information relating to the Audit Committee to allow the Committee to review and assess management processes for ensuring compliance with laws, regulations and accounting standards relating to external reporting.
- The external auditors will provide information to the Audit Committee to allow the Committee to assess information that affects the quality of financial reports.
- The Audit Committee will ensure that significant adjustments, unadjusted differences, disagreements with management and critical accounting policies are discussed with the external auditor.

- The Audit Committee will review the financial reports and make recommendation to the Board on their approval or amendment.

#### **External Audit**

- The Audit Committee will make recommendations to the Board on the appointment and, where necessary, the removal of the external auditor.
- The Audit Committee will review the external auditor's procedures for independence on an annual basis together with any relationships or services, which may impair the external auditor's independence.
- The external auditor will be invited to attend Audit Committee meetings to review the audit plan, discuss audit results and consider the implications of the external audit findings for the control environment.

#### **6. REPORTING TO THE BOARD**

The Audit Committee will report to the Board on all matters relating to the roles and responsibilities as outlined in this Charter. It is the responsibility of the Board of Directors to make decisions in relation to matters covered by this charter.

#### **7. PERFORMANCE EVALUATION**

Each year, the Audit Committee will review its Charter and discuss any required changes with the Board.