

## 1. Role

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- 1.1 The Audit and Compliance Committee of the Board of Directors (the Committee) assists the Board of Directors (the Board) in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing, financial reporting and financial risk practices of the Company, and such other duties as directed by the Board.
- 1.2 The Committee's purpose is to oversee the accounting and financial reporting processes of the Company, the audits of the Company's financial statements, the performance of the Company's internal and external auditors and the Company's processes to manage financial risk.
- 1.3 The Committee is responsible for overseeing and making recommendations to the Board regarding the appointment, compensation, retention and oversight of the external auditor.
- 1.4 The external auditor reports directly to the Committee.
- 1.5 The Committee reviews and approves the appointment or, if necessary, the dismissal of the General Manager Risk & Assurance.
- 1.6 The General Manager Risk & Assurance reports directly to the Committee and may request any member to call a meeting of the Committee.

## 2. Structure and Composition

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- 2.1 The Committee shall consist of at least three directors, all of whom shall be non-executive directors and the majority of whom shall meet the independence requirements established by the Board and applicable laws, regulations and listing requirements.
- 2.2 The Committee members between them should have, in the judgement of the Board, the accounting and financial expertise and a sufficient understanding of the industry in which the Company operates, to be able to discharge the Committee's role effectively.
- 2.3 At least one member of the Committee shall, in the judgment of the Board, be a qualified accountant or other finance professional with relevant experience of financial and accounting matters.
- 2.4 The Board appoints the members of the Committee and the Committee chairman. The Committee chairman must be considered by the Board to be an independent director and cannot be Chairman of the Board.
- 2.5 The secretary of the Committee will be the Company Secretary, or such other person as nominated by the Board.

### 3. Operations

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- 3.1 The Committee will meet at least quarterly. Additional meetings may occur as the Committee or the Committee chairman deems advisable.
- 3.2 A quorum for any meeting will be two members of the Committee.
- 3.3 Any member of the Board who is not a Committee member is entitled to attend Committee meetings and receive copies of all papers provided to the Committee.
- 3.4 The Committee will cause to be kept adequate minutes of all its proceedings, and will report on its actions and activities at the next scheduled meeting of the Board. Committee members will be provided with copies of the minutes of each meeting and any action taken by unanimous consent. Copies of the minutes will also be circulated to the Board at the next scheduled meeting. Additionally, the Committee chairman will formally advise the Chairman of the Board of any matters or recommendations requiring the attention of the Board, and will ensure that the Board is made immediately aware of any matters brought to the attention of the Committee chairman that may significantly affect the financial condition or reputation of the Company.
- 3.5 The action statement from each Committee meeting will be approved by the Committee chairman, and circulated to all Committee members as soon as practicable, after each meeting. The action statement will include accountabilities, performance expectations and the nature and timing of subsequent reporting.

### 4. Education

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- 4.1 The Company is responsible for providing new members with appropriate orientation briefings and educational opportunities, and for providing the Committee with educational resources related to financial reporting principles and procedures, financial topics pertinent to the Company, and such other materials as may be requested by the Committee.
- 4.2 The Company will assist the Committee in maintaining appropriate financial literacy.
- 4.3 Members of the Committee will advise the Company of topics or issues of interest or concern which may be relevant to their education.

### 5. Authority

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- 5.1 The Committee will have the resources and authority necessary to discharge its duties and responsibilities, including obtaining information and interviewing management and internal and external auditors (with or without management present).
- 5.2 The Committee has sole authority to retain and terminate outside advisors, experts or consultants, as it deems appropriate, including sole authority to approve the firms' fees and other retention terms.

- 5.3 The Committee will be provided with appropriate funding by the Company, as the Committee determines, for the payment of compensation to the Company's external auditors, any outside advisors, experts or consultants as it deems appropriate, and ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
- 5.4 In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company, and the Committee will take all necessary steps to preserve the privileged nature of those communications.
- 5.5 The Committee may form and delegate authority to subcommittees and may delegate authority to one or more designated members of the Committee.

## 6. Responsibilities

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- 6.1 The Committee is responsible for developing an annual agenda, in the form of the Audit and Compliance Committee Responsibilities Agenda, to ensure that the Committee, in carrying out its oversight role, reviews, assesses or reports as applicable on each of the areas for which it has responsibility. The Responsibilities Agenda forms part of this Charter.
- 6.2 The Committee is entitled to rely on the information or advice of management and employees of the Company on matters within their expertise and area of responsibility, and the advice of the internal auditors and the external auditors in carrying out its oversight responsibilities, provided that reliance is permitted by law.
- 6.3 The Company's management is responsible for ensuring that the Company's financial statements correctly record and explain transactions and financial position and performance, give a true and fair review and are in accordance with generally accepted accounting principles.
- 6.4 The external auditor is responsible for auditing the Company's financial statements. It is not the duty of the Committee to plan or conduct audits, to determine that the financial statements give a true and fair view and are in accordance with generally accepted accounting principles, to conduct investigations, or to assure compliance with laws and regulations or the Company's standards or internal controls.

## 7. Review and Assessment

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- 7.1 The Committee Charter and Responsibilities Agenda will be updated annually or as required to reflect changes in regulatory requirements, authoritative guidance, and evolving oversight practices, and to meet the needs of the Company and the Committee.
- 7.2 The Committee will complete an annual evaluation of its performance having regard to its responsibilities and provide a report on its findings to the Board.

## 8. Audit and Compliance Committee Responsibilities Agenda

Responsibilities of the Committee	
<b>General</b>	
1.	The agenda for Committee meetings will be prepared in consultation between the Committee chairman (with input from Committee members), finance management, the internal auditor and the external auditor.
2.	Review and update the Audit and Compliance Committee Charter and Responsibilities Agenda annually or as required to ensure it complies with relevant requirements, best practice and meets the needs of the Company and the Committee.
3.	The Committee will complete an annual evaluation of its performance having regard to its responsibilities and provide a report to the Board regarding its performance including that the Committee consists of at least three members who are financially literate, one of whom is a financial expert.
4.	Advise the Board, at the next scheduled Board meeting, of matters arising out of each Committee meeting.
<b>External Audit</b>	
5.	Review the terms of appointment of the external auditor in order to: <ul style="list-style-type: none"> <li>(a) make recommendations to the Board regarding the appointment or replacement of the external auditor; and</li> <li>(b) approve the terms on which the external auditor is engaged for the ensuing fiscal year.</li> </ul>
6.	As part of the terms of engagement and to ensure the effectiveness of subsequent process the Committee will: <ul style="list-style-type: none"> <li>(a) Evaluate and adopt the audit plan for incorporation in the external auditor's terms of engagement.</li> <li>(b) Ensure that risk areas identified by the Committee are incorporated in the audit plan. (External Auditor Report (Audit Plan and Strategy and Terms of Appointment))</li> <li>(c) Discuss with the external auditor problems and reservations arising from the interim and final audits, and provide a forum (without the CEO or his nominees being present) for discussing and resolving problems and any other items raised by the external auditor.</li> <li>(d) Discuss and approve the external auditor's process for the rotation of audit partners including managing any transition and the requirement that the lead audit partner must be rotated at least every five years, or otherwise in accordance with the Corporations Act.</li> </ul>
7.	At least annually, evaluate the external auditor's qualifications, performance, and independence, including that of the lead partner and auditor's fees, and make recommendations to the Board

### Responsibilities of the Committee

	<p>regarding the rotation of the external auditor’s lead partner as applicable. The evaluation will include obtaining a written report from the external auditor describing:</p> <ul style="list-style-type: none"> <li>(a) the firm’s internal quality control procedures;</li> <li>(b) any material issues raised by the most recent internal quality control review or peer review of the firm or by any inquiry or investigation by governmental or professional authorities within the past five years concerning an independent audit or audits carried out by the firm, and any steps taken to deal with those issues; and</li> <li>(c) all relationships between the external auditor and the Company.</li> </ul> <p>(Above evaluation of Items 7(a) – (c) known as “External Auditor – Review of Performance and Independence (Annual Review)”)</p> <ul style="list-style-type: none"> <li>(d) At least annually, presentation to the Committee seeking approval of external audit fees.</li> </ul>
8.	Establish and oversee a policy designating permissible services that the external auditor may perform for the Company, providing for pre-approval of those services by the Committee subject to the <i>de minimis</i> exceptions permitted under applicable rules, and review all approvals and related fees at each meeting.
9.	Ensure receipt from the external auditor of a formal written statement delineating all relationships between the auditor and the Company and actively engage in a dialogue with the auditor about any disclosed relationships or services that may impact the objectivity and independence of the auditor, and take appropriate action to oversee the independence of the external auditor.
10.	Set clear hiring policies for the Company's hiring of employees or former employees of the external auditor who were engaged in the audit of the Company's accounts, and ensure the policies comply with any regulations applicable to the Company.
<b>Internal Audit</b>	
11.	Review and approve the appointment, and if necessary the dismissal, of the General Manager Risk & Assurance.
12.	<p>Review the responsibilities, functions and performance of the Company's internal audit department including the following areas:</p> <ul style="list-style-type: none"> <li>(a) Group internal audit objectives.</li> <li>(b) Risk assessment and evaluation systems.</li> <li>(c) Internal audit plans.</li> <li>(d) Quality surveys.</li> <li>(e) The resourcing of the internal audit function.</li> </ul>

### Responsibilities of the Committee

(f) The independence, performance and objectivity of internal audit.

#### Risk Management

13. Review the Company's policies for risk assessment and risk management, by:
- (a) Assessing the steps management has taken to control such risks to the Company.
  - (b) Reviewing the Company's business risk management framework and policy for risk appetite including the procedures for identifying strategic and business risks and controlling their financial impact on the Group and the operational effectiveness of the policies and procedures related to risk and control.
  - (c) Reviewing internal audit's analysis and independent appraisal of the adequacy and effectiveness of the company's risk management and internal control system in accordance with the ASX Corporate Governance Principles.

#### Financial Risk Management

14. Review with the internal auditor, the external auditor and finance management, the audit scope and plan, coordination of audit efforts to ensure completeness of coverage, the effective use of audit resources, and the use of independent public accountants other than the appointed auditors of the Company.
15. Consider and review with finance management, the external auditor and the internal auditor:
- (a) The Company's annual assessment of the effectiveness of its internal controls over financial reporting and financial risk management.
  - (b) The adequacy of the Company's internal controls over financial reporting and financial risk management including computerised information system controls and security.
  - (c) Any related significant findings and recommendations of the external auditor and internal audit together with management's responses.
16. Review reports by management on the systems of internal control over financial reporting and financial risk management. Such review to include:
- (a) The evaluation of the effectiveness of the processes and reporting systems put in place by management to deal with inappropriate business conduct and ethics.
  - (b) Arrangements for the protection of the Group's ownership of intellectual property and other non-physical assets.
  - (c) Policies and practices for detecting, reporting and preventing fraud and serious breaches of business conduct and making recommendations to the Board in relation to any incident involving fraud or other break down of the Company's internal controls.

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	<ul style="list-style-type: none"> <li>(d) Policies and practices for whistleblowing procedures and reporting to the Committee.</li> <li>(e) Policies, information systems and procedures put in place by management for the preparation and dissemination of information to shareholders, stock exchanges and the financial community, including actions taken and compliance with continuous disclosure obligations (Continuous Disclosure Framework Effectiveness).</li> <li>(f) The Company's insurance program, having regard to its business and the insurable risks associated with its business.</li> </ul>
17.	Review with management any reports issued by external consultants on risk assessment and risk management and discuss management's response to such reports.
18.	Review and discuss with finance management and the external auditor any reports or communications submitted by the external auditor.
19.	<p>Consider and review:</p> <ul style="list-style-type: none"> <li>(a) Significant findings of the internal and external auditors during the year and management's responses.</li> <li>(b) Any difficulties encountered in the course of their audits, including any restrictions on the scope of their work or access to required information.</li> <li>(c) Any changes required in planned scope of their audit plan.</li> </ul>
<b>Financial Reporting</b>	
20.	<p>Review with finance management and the external auditor at the completion of the half year and annual audit:</p> <ul style="list-style-type: none"> <li>(a) *The Company's half year and annual financial statements and related footnotes, including related transactions between the Company and officers and directors, or affiliates of officers or directors, or transactions that are not a normal part of the Company's business (Draft Interim/Annual Financial Report and Analytical Commentary).</li> <li>(b) *The external auditor's audit of the financial statements and its report thereon (External Auditor Half Year/Annual Report).</li> <li>(c) *Appendix 4D (Half Year) or 4E (Full Year) Report as required under the ASX Listing Rules</li> <li>(d) Any serious difficulties or disputes with management encountered during the course of the audit and management's response.</li> <li>(e) *Any audit representation letter from management to the external auditor (Summary of Interim/Annual Financial Reporting including Management Representation Letter).</li> </ul>
21.	The Committee will evaluate at least annually the appropriateness of, and changes to, accounting policies and practices. Management will present reviews of the policies and practices adopted by the Group, indicating the basis for judgments that have been made, and their effect on the financial

### Responsibilities of the Committee

	<p>statements of the Group. The review presented by management will cover:</p> <p>(a) Major estimates or judgmental areas/unusual transactions, including the financial impact of occupational health, safety, environment, community and legal issues.</p> <p>(b) Significant accounting issues.</p> <p>(Update on Key Accounting Matters). This item will be considered by the Committee as well as the Board.</p>
22.	The Committee will consider and review with finance management and the external auditor an accounting update considering accounting issues, policies and reporting standards that may have a material impact on the financial statements and disclosures (AIFRS and Amendments to Standards).
23.	*The Committee will consider with finance management whether, in accordance with the Corporations Act and accounting standards, the carrying value of non-current assets at each reporting date is appropriate (Valuation of Non-Current Assets).
24.	Review policies and procedures with respect to transactions between the Company and officers and directors, or affiliates of officers or directors, or transactions that are not a normal part of the Company's business (Related Party Transactions).
25.	<p>Review:</p> <p>(a) Management processes and responses in relation to the Company's internal control framework to ensure that it is operating effectively in relation to financial reporting risks (ASX Management Certifications and Representations Process ICE).</p> <p>(b) *The contents of the Chief Executive Officer's and the Chief Financial Officer's declarations and statements in relation to financial statements, financial records and internal controls under the Corporations Act.</p>
26.	Receive and consider from finance management an update on the Control Self Assessment Program with the objective of enhancing the Company's Governance and Internal Control Framework (Control Self Assessment – Status Update).
27.	<p>The Committee will evaluate, in conjunction with the Board:</p> <p>(a) *The draft financial statements, Annual Report and other related information, to shareholders and to the financial community in line with the annual and semi-annual reporting cycle, including earnings press releases and financial information provided to analysts.</p> <p>(b) *With respect to external reporting, the Committee will assess whether external reporting by the Company is consistent with Committee members' information and knowledge and is adequate for shareholder needs.</p>
<b>General Monitoring of Financial Matters</b>	
28.	Review with the Group General Counsel, legal and regulatory matters that may have a material impact on the financial statements, related Company compliance policies, and programs and reports received



### Responsibilities of the Committee

	from regulators.
29.	<p>Develop, review and oversee procedures for:</p> <p>(a) Receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls and auditing matters.</p> <p>(b) The confidential, anonymous submission and investigation of employee concerns regarding accounting or auditing matters including matters referred under the Company's whistleblower policy (known as the Orora Integrity Reporting Service), and the treatment thereof.</p>
30.	Consider the Governance and Internal Control Environment pertaining to separately listed companies/joint ventures and associates in which the Company has a significant investment.
31.	Meet with the external auditor to discuss any matters the Committee or the external auditor believes should be discussed privately with the Committee.
32.	Meet with the internal auditor in executive session to discuss any matters the Committee or the internal auditor believes should be discussed privately with the Committee.
33.	Meet with finance management in executive sessions to discuss any matters the Committee or finance management believes should be discussed privately with the Committee.
34.	Annually, and as required, the Committee will consider the Company's tax position with a specific focus on tax risk and the implications of restructuring.

Items marked with \* will be considered by the Committee in the Board meeting scheduled for that quarter.