

RISK AND AUDIT COMMITTEE CHARTER

PURPOSE OF THE CHARTER

The purpose of the Risk and Audit Committee is to assist the Board in fulfilling its statutory and fiduciary responsibilities relating to the external reporting of financial information, the internal control and operational risk management framework, the independence and effectiveness of audit and compliance with laws and regulations.

AUTHORITY

The Risk and Audit Committee has the authority to meet with appropriate personnel, obtain relevant records, and discuss matters with internal and external auditors, senior management and, where necessary, independent experts. This authority relates to SECOS Group Limited and its subsidiaries.

ROLE AND RESPONSIBILITIES

The Risk and Audit Committee will:

- independently review the financial information prepared by management
- recommend risk management policies for approval by the Board
- review assurances on the effectiveness of the internal control systems
- oversee, where required, the nomination of the external auditor for approval by the Board and if required by law or the Company's constitution for approval by the shareholders
- oversee and appraise the independence, effectiveness and scope of work of the internal and external auditors
- review the effectiveness of the process implemented to monitor compliance with applicable laws and regulations
- report to the Board on its activities and table the minutes of Risk and Audit Committee meetings.

The Board has delegated certain responsibilities to the Committee which will require formal reporting back to the Board. Ultimate responsibility for Risk and Audit policy matters rests with the Board.

The Committee also serves as the Risk and Audit committee for SECOS Group subsidiary boards. In that context, this charter relates to SECOS Group Limited and its subsidiary companies.

COMPOSITION AND OPERATION

- The members of the Committee and the Committee Chair are appointed by the Board.
- The policy of the Board is that the Committee should be comprised entirely of non-executive directors, all of whom have familiarity with financial management and at least one has expertise in financial accounting and reporting.
- The Committee is to meet on a quarterly basis to a work plan agreed by the Committee.

- The scope of the audit is agreed between the Committee and the auditor. The external audit partner attends meetings of the Committee by invitation and may attend the Board meetings when the annual and half-yearly accounts are signed.
- A quorum is two members or any greater number determined by the Board.

ACCESS AND ADVISERS

- The Committee has unrestricted access to all records and staff of the SECOS Group and has the right to seek explanations and additional information from Management and auditors.
- The CEO attends Committee meetings by invitation. Other SECOS executives may be invited to attend meetings of the Committee. SECOS executives (including the CEO) shall not be present when issues relating to them individually are discussed.
- The Committee Chair may directly seek independent, professional or other advice as required for the Committee to carry out its responsibilities.

RELATIONSHIP WITH OTHER SECOS GROUP GOVERNANCE FORUMS

- The Committee reports to the Board. Committee meeting minutes will be provided to the Board for noting.
- SECOS non-executive directors who are not Committee members may attend Committee meetings.
- The Committee will also provide reporting to Board Committees and the SECOS Group subsidiary boards (as appropriate) on Risk and Audit matters which have been delegated to it or which are relevant to those bodies. These reports may be verbal.
- The Committee may receive reports from the Audit and Risk Committee on risk management matters that are relevant to the Committee's role and responsibilities. These reports may be verbal.
- Each year, the Committee will report to the board a summary of the activities it has carried out, and confirm all obligations delegated to the Committee have been fulfilled.

REVIEW

- The Committee will review the Charter annually to keep it up to date and consistent with the Committee's authority, objectives and responsibilities.
- Amendments to the Charter are to be approved by the Board.