

RENU ENERGY GROUP

RISK & AUDIT COMMITTEE CHARTER

The Board of Directors of ReNu Energy Ltd (**ReNu**) has resolved to set forth a charter for the Risk and Audit Committee established as part of the governance of ReNu and its member companies.

1 Purpose

The Risk & Audit Committee (Committee) is a committee of the Board of Directors of ReNu Energy Ltd (ReNu) established under clause 16 of ReNu's constitution to assist the Board in discharging its responsibilities by monitoring, advising on and making recommendations to the board regarding:

- ReNu's overall risk management processes and the management of specific risk areas as directed by the Board.
- Financial reporting including:
 - the integrity, truth and fairness of the view given by the financial statements of ReNu; and
 - the integrity of ReNu's financial systems and processes.
- The effectiveness and operation of ReNu's internal controls over financial and other operations and reporting.
- Compliance with legal and regulatory requirements.
- The appointment and performance of the external auditors.

- 1.1 The Committee also exercises such powers and performs such other functions as may be delegated to it by the Board from time to time.
- 1.2 Subject to the authorities set out in item 6 below ("Authority"), the Committee has no additional authority to make decisions on behalf of the Board, to approve financial expenditure or commit the organisation to activities or undertakings not otherwise approved by the Board.
- 1.3 The management of ReNu is responsible for the preparation, presentation and integrity of the company's risk assessments and financial statements. Management is responsible for maintaining an appropriate risk framework, accounting and financial reporting principles and policies and internal controls and procedures.

2 Membership

- 2.1 The Board appoints the members of the Committee and its Chair.
- 2.2 The Committee comprises at least three (3) Directors, the majority of whom are non-executive and independent, who will serve for such a term as the Board determines.
- 2.3 The Chair of the Committee will be an independent Director.
- 2.4 The Chair of ReNu will be precluded from acting as Chair of the Committee.
- 2.5 The Company Secretary of ReNu is the Secretary to the Committee.

3 Meetings

- 3.1 The Committee will meet a minimum of four times in each year, and additionally as the Committee considers necessary.
- 3.2 A Committee meeting may be called or held using any technology consented to by each member.
- 3.3 A quorum for any meeting is more than half the members of the Committee.
- 3.4 In the absence of the Committee Chair (or his or her properly appointed delegate), the members will elect one of their number as Chair of that meeting.
- 3.5 Non-members of the Committee may attend all or part of meetings by invitation of the Committee, including the: other Directors, CEO, Company Secretary, employees and external advisers. Non-members have no voting rights.
- 3.6 Any Committee member or employee of ReNu or any other person who has a material personal interest in a matter that is being considered at a meeting is not to be present for consideration of that matter unless the interest has been fully disclosed to the Committee and the Committee agrees that the person may be present.
- 3.7 Decisions of the Committee may be made:
 - at a duly called and constituted meeting; or
 - by a resolution in writing notified to all members of the Committee and signed by a majority of the members of the Committee who are entitled to vote on the resolution.
- 3.8 All members, Directors and other attendees at Committee meetings are required to keep all information presented (whether written or oral) or discussed at Committee meetings confidential and only use and disclose this information in the proper discharge of their duties to ReNu.

4 Minutes

- 4.1 Minutes are to be prepared for each Committee meeting.
- 4.2 The draft minutes of each Committee meeting are to be reviewed by the Committee Chair and circulated to all Committee members by the Committee Secretary as soon as practicable but no later than the distribution date for the papers for the next Committee meeting.
- 4.3 The Committee must confirm the minutes of each Committee meeting at its next meeting.
- 4.4 A copy of the minutes once they have been reviewed by the Committee Chair must be included in the papers for the next Board meeting.

5 Responsibilities

In performing its role, the responsibilities of the Committee include, but are not limited to:

5.1 Risk Management

- 5.1.1 Reviewing ReNu's risk appetite and risk tolerance, as determined by the Board, on a holistic, enterprise-wide basis and with respect to relevant categories of operational risk.
- 5.1.2 Reviewing and assessing the various categories of risk faced by ReNu, including any concentrations of risk and interrelationships between risks.



- 5.1.3 Reviewing and assessing the likelihood of occurrence, severity of impact of those risks, and any mitigating measure affecting those risks.
- 5.1.4 Reviewing the responsibility for risk oversight and management of specific risks to ensure a common understanding of accountabilities and roles.
- 5.1.5 Reviewing and monitoring the performance of management in implementing risk management responses and internal control rectification and mitigation activities and seeking confirmation that there are appropriate systems in place for identifying, evaluating, analysing and treating risks, which are operating as intended.
- 5.1.6 Reviewing the utility, effectiveness and efficiency of the company's risk management function in the context of the company's size, scale, complexity and scope of operations/activities.
- 5.1.7 Reviewing how the company's risk management policy and strategy is communicated throughout the company to ensure it is embedded as part of the company's corporate culture.

5.2 Financial Reporting

- 5.2.1 Overseeing the periodic financial reporting process implemented by management.
- 5.2.2 Reviewing ReNu's financial statements and as appropriate, discussing them with management and the external auditors prior to their release to determine whether they are complete, reflect appropriate accounting principles, contain appropriate disclosures and are consistent with the information known to the Committee.
- 5.2.3 Obtaining from the Chief Executive Officer, at least annually, written representations:
 - that ReNu's financial records have been properly maintained in accordance with the Corporations Act;
 - that ReNu's financial statements present a true and fair view, in all material respects, of the company's financial condition and operational results and are in accordance with relevant accounting standards; and
 - as to the effective and efficient operation of ReNu's risk management and internal compliance and control system.
- 5.2.4 Reviewing and making recommendations to the board on the Directors' Report.
- 5.2.5 Reviewing and making recommendations to the board on the Annual Report.
- 5.2.6 Reviewing and making recommendation to the board on the Annual Financial Budget including, as appropriate, providing feedback on assumptions, objectives and fulfilment of the strategic objectives of the company.

5.3 Internal Controls

- 5.3.1 Assess the internal process for determining and managing key risk areas including:
 - Reviewing the results of the annual review of the effectiveness of internal controls over financial reporting.
 - Litigation claims.
 - Fraud and theft.
- 5.3.2 Seeking confirmation that any internal control issues identified by management and any recommendations made by the external auditors and approved by the Committee have been addressed by management on a timely basis and within agreed timeframes.

5.4 Compliance

- 5.4.1 Reviewing ReNu's approach to achieving compliance with applicable laws, regulations, standards, best practice guidelines and company policies.
- 5.4.2 Reviewing the results of management's investigation and follow-up (including disciplinary action) for significant identified acts of non-compliance.
- 5.4.3 Obtaining regular updates from management regarding compliance matters that may have a material impact on ReNu's risks, reputation or financial statements.
- 5.4.4 Ensuring the relevance and currency of policies and procedures related to the risk, audit and finance activities of ReNu, providing oversight of their implementation and assessing compliance with their requirements.

5.5 External Audit

- 5.5.1 Making recommendations to the Board on appointing, reappointing, or replacing the external auditor.
- 5.5.2 Reviewing and agreeing on the terms of engagement for the external auditors prior to the commencement of each audit.
- 5.5.3 Reviewing the external auditors' proposed audit scope and audit approach, including materiality levels.
- 5.5.4 Reviewing the relationship of the external auditors with ReNu on an annual basis to satisfy itself of their independence.
- 5.5.5 Reviewing information provided by the external auditors.
- 5.5.6 Reviewing, with the external auditors, any audit issues or difficulties the auditor encountered in the normal course of audit work including any restrictions on audit scope, access to information or disagreements with management and management's response.
- 5.5.7 Ensuring significant findings and recommendations made by the external auditors are received and discussed by the Committee on a timely basis and seeking confirmation management has responded promptly to those recommendations.
- 5.5.8 As appropriate, meeting separately, with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately.
- 5.5.9 On an annual basis, reviewing and assessing the performance and qualifications of the external auditors, including the lead and review partners or equivalents.

5.6 Other

- 5.6.1 Review how certain risks of the company have been mitigated by risk transfer strategies and review and analyse the extent to which any risk transfer strategies give rise to new risks which may be material.
- 5.6.2 Review the company's insurance arrangements and make recommendations to the board including: type of cover, scope of cover, duration of cover, adequacy of cover, cost of cover, terms and conditions of cover including exclusions and limitations, counter party risk of insurer, including through engaging professional insurance broker services.
- 5.6.3 Performing any other duties and undertaking or overseeing any specific projects as requested by the Board from time to time.

6 Authority

- 6.1 The Board has authorised the Committee, within the scope of responsibilities set out in this Charter, to:
- Perform the activities required to address its responsibilities and make recommendations to the Board.
 - Select, engage, terminate and approve the fees and other terms and conditions of the engagement of special or independent experts and other advisors as it deems necessary to carry out its duties, capped at the level of the Chief Executive Officer's delegated authority, and if in excess, to be referred to the Board.
 - Have unrestricted access to management, employees and information it considers relevant to its responsibilities under this Charter.

7 Reporting Responsibilities

- 7.1 In addition to providing the Board with a copy of the minutes of its meetings the Committee will through its Chair, report to the Board on its meetings and make appropriate recommendations for approval by the Board.

8 Evaluating Performance

- 8.1 In order to ensure that the Committee is fulfilling its duties, it will:
- Undertake an annual assessment of its performance against the requirements of this Charter and provide that information to the Board.
 - Provide any information the Board may request to facilitate its review of the Committee's performance and its members.
 - Obtain feedback from the Board on the Committee's performance on an annual basis and implement any agreed actions.

9 Review of the Committee Charter

- 9.1 Any modifications to or replacements of this Charter must be approved by the Board.
- 9.2 The Board shall review the Charter at least every two (2) years or as required, after the annual performance assessment, or when confirming Committee members.

Approved by the Board on 28 April 2022