

Audit and Risk Committee Charter

Approved Date: 23rd April 2025



ESTABLISHMENT OF THE AUDIT AND RISK COMMITTEE

This Charter sets out the basis on which the Board has established an Audit and Risk Committee (the "Committee") pursuant to the authority contained in, and subject to the provisions of, the Constitution.

PURPOSE

The purpose of the Committee is to assist the Board in fulfilling its responsibilities relating to the Company's risk management and internal control framework, its financial reporting and auditing processes and activities. The Committee will carry out this purpose by overseeing, reviewing and providing advice to the Board on the Group's:

- Risk management policy and processes
- Internal control mechanisms
- External audit functions
- Policies and processes adopted to ensure compliance with applicable legislation, regulations, codes of practice, NZX listing rules and government requirements as they relate to financial and non-financial disclosure; and
- Financial information prepared by management for publication to shareholders, regulators and the general public.

Management retains responsibility for the implementation and operation of adequate risk assurance, internal control and audit systems within the Group. The Committee has delegated authority from the Board to oversee and monitor these activities.

MEMBERSHIP

The Committee will comprise a minimum of three directors each of whom will be appointed by the Board annually.

The Committee shall be comprised solely of non-executive Directors, a majority of whom shall be independent directors.

The Chair of the Board shall not be eligible to be Chair of the Committee.

The Committee may, from time to time, co-opt external experts if the Committee believes this would assist the Committee to discharge its responsibilities.

A quorum for meetings shall be two.

RESPONSIBILITIES

The Committee will carry out the following responsibilities.

External Audit:

- Monitor and review the external auditing practices;
- Review and recommend to the Board the appointment and removal of external auditors;
- Establish guidelines for the selection and appointment of the Company's external auditors. Ensure that the external auditor or lead audit partner is changed at least every five years;
- Approve the external auditors' annual engagement, fee, scope and timing of their audit of the Company's financial statements;
- Review and confirm the independence of the external auditor consistent with BLIS' Auditor Independence Policy, including a review and approval of any non-audit services that may be provided to BLIS and any related fees and ensuring that there is no relationship between BLIS (or its Directors and Management) and the external auditor that could compromise the external auditor's independence;
- Review separately with management the performance of the external auditor including any significant difficulties encountered during the course of the audit;
- Periodically discuss with the external auditors out of the presence of management:
- The Company's internal control system and processes;
- The integrity of the Company's financial statements and financial reporting processes;
- Their perception of the Company's financial and accounting personnel;
- Any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information; and
- Any other matters.
- Monitor management's execution of the recommendations highlighted within the external audit reports; and
- Review group tax exposures and meet with the consultant Tax Partner on an as needed basis.

Financial Reporting:

- Review and discuss with management and the external auditors the Company's annual audited financial statements and the interim financial statements, prior to publicly releasing earnings reports to the NZX;
- Review and consider the external auditors report on the Company's annual financial statements;
- Review and consider all significant judgements made by management in the preparation of the financial statements;

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- Consider the external auditor's judgements about the quality and appropriateness of the Company's accounting principles as applied and significant judgements affecting its financial reporting;
- Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- Require the Chief Executive Officer and Chief Financial Officer to state in writing to the Board that, to the best of their knowledge:
- the Company's financial reports 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
- those reports are founded on a sound system of risk management and internal control and that system is operating effectively in all material respects in relation to financial reporting risks.
- Review financial reports and advise all Directors whether they comply with the appropriate laws and regulations.

Risk Management and internal controls:

- Review and monitor the Company's risk management framework to ensure that the Company has in place mechanisms and internal controls to identify and manage areas of material business risk, excluding any risks related to the Company's quality and regulatory functions.
- Review and monitor the Company's environmental and social risk management framework and record of performance on these matters, along with any proposed actions based on the record of performance.
- Ensure that processes are in place so that the Board is properly and regularly informed and updated on corporate, financial, operational, organisational, environmental, social and other risk matters (including information on any material business risk issues raised by senior management and whether the material business risks are being managed effectively).
- Review and monitor the policies and procedures with respect to material business risks, including financial and accounting controls.
- Review and recommend to the Board the approval of reporting to shareholders and other external stakeholders regarding sustainability, corporate social responsibility and environmental activities.
- Review and monitor the Company's insurance program in conjunction with management and recommend changes where deemed appropriate.

General:

- Consider and recommend to the Board, if appropriate, major changes to the Company's

financial reporting, auditing and accounting principles and practices as suggested by the external auditors or management.

- Review with the external auditors and management the extent to which changes or improvements in financial or accounting practices, as approved by the Audit and Risk Committee, have been implemented.
- Review of the Delegated Authority Policy at least every two years;
- Perform any other activities consistent with this Charter, the Company's constitution and applicable law, regulation or listing rule as the Audit and Risk Committee or the Board deems necessary or appropriate.
- Review and monitor communication, including the findings of any examinations, with financial regulators.
- Subject to the requirements of the Company's Market Disclosure and Communications Policy, which regulates the Company's processes for managing its continuous disclosure obligations, the Chief Financial Officer has the duty and responsibility to draw to the Committee's and the Board's attention any material adverse matters which relate to the financial position of the Company, any material breakdowns in internal controls and any material events of fraud or malpractice once evidence of such events is known.

COMMITTEE MEETINGS

Proceedings of Committee meetings will be in accordance with the Company's Constitution and otherwise as determined by the Committee Chair.

The Committee will meet at least four times per year or more frequently if required.

The Committee may invite such other persons, including external auditors and other external experts, to attend their meetings as they consider appropriate and determine the procedures under which this occurs. The Chief Financial Officer and Chief Executive Officer will normally be invited to attend such meetings.

All members of the Board may attend meetings of the Committee.

Minutes will be taken of all Committee meetings. The Committee Chair shall report the findings and recommendations of the Committee to the Board after each meeting and will ensure copies of the minutes are available to Board members.

The Committee Chair shall call a meeting of the Committee if so requested by any member of the Committee, or the external auditor, or as requested by the Board.

The dates, times and venues of each meeting of the Committee will be notified by the Chief Financial Officer to all members as far in advance as possible.

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The Chief Financial Officer will ensure Committee papers are made available to all members of the Board at least two clear working days before each meeting.

CONSULTATION

The Committee and its individual members are entitled to:

- have access to any officer, employee, consultant or advisor of the Group at any time to request additional information or explanations;
- have access to external auditors without management present, to request additional information or explanations; and
- with the Committee Chair's consent, seek independent professional advice at the Company's expense.

REVIEW OF THE COMMITTEE AND THIS CHARTER

The Committee undertakes an annual self-review of its performance against its objectives and responsibilities and advises the Board of the outcome of that review.

This Charter will be reviewed annually with any proposed changes recommended to the Board for approval.