



# Audit, Risk and Compliance Committee Charter

**GDI Property Group (“GDI”)**

Dated 29 May 2024

**GDI Property Group**

Level 23  
56 Pitt Street  
Sydney NSW 2000  
Australia  
T +61 2 9223 4222  
F +61 2 9252 4821  
[www.gdi.com.au](http://www.gdi.com.au)

# Audit, Risk and Compliance Committee Charter

---

The responsibilities of the Audit, Risk and Compliance Committee (**Committee**) are set out in this Charter, which is approved by the Board.

GDI Funds Management Limited (**GDIFM**) is the Responsible Entity (**RE**) of GDI Property Trust (**GDIPT**).

Units in GDIPT are stapled to shares in GDI Property Group Limited (**GDIPG** or **Company**) to form the ASX listed GDI Property Group (**GDI**) (ASX "GDI").

GDIFM is a wholly owned subsidiary of GDIPG and shares a common Board.

References to GDI include the consolidated entities of both GDIPG and GDIPT, unless otherwise stated. References to the GDI Board are to the Board's of both GDIPG and GDIFM, unless otherwise stated.

---

## 1 Purpose

The purpose of the Committee is to assist the GDI Board in discharging its audit, risk and compliance obligations relating to:

- (a) the preparation of the financial statements and associated external reports for all GDI reporting entities;
- (b) oversight of the financial systems and related controls of GDI;
- (c) GDI's relationship with its external auditor, as well as the auditor of GDIFM and the Compliance Plan of GDIPT (collectively, External Auditor) as well as its independence, objectivity, performance and fees;
- (d) GDI's risk management framework and its operation; and
- (e) Compliance with GDI's obligations under the Corporations Act, the RE's Australian Financial Services Licence (**AFSL**) conditions and the Compliance Plan of GDIPT, as well as overseeing the operation of GDI's broader compliance framework.

The Committee will work in conjunction with other Board committees to assist the Board to fulfil its responsibility to investors and other stakeholders such that GDI has and maintains appropriate corporate governance procedures.

---

## 2 Committee membership

Committee members will be appointed by the Board. A majority of the Committee members will be independent non-executive directors. The Chairman will be an independent non-executive director who is not the Chairman of the Board.

All members of the Committee should be financially literate. As a whole the Committee will have members with sufficient skills, experience and resources to undertake their responsibilities.

---

## 3 Meetings

The Committee will meet at least four times a year, or more often if required.

Two directors constitute a quorum for meetings of the Committee.

All Non-Executive Directors have a standing invitation to attend Committee meetings and have access to Committee papers, subject to conflicts. Other non-Committee members, including members of management may attend meetings of the Committee at the invitation of the Committee Chairman.

---

GDI's Company Secretary or their nominee will act as the Secretary for the meeting and will minute the meeting and resolutions, which will be circulated to all Committee members.

---

## **4 Responsibilities**

The Committee's primary roles and responsibilities are to review, report to, and where appropriate make recommendations to, the Board in relation to:

- (a) the reporting of financial information and associated external reporting;
- (b) the appropriate application and amendment of accounting policies;
- (c) the appointment, independence and remuneration fees of the External Auditor;
- (d) the risk appetite for GDI, adequacy of the risk management framework (for both financial and non-financial risks) and supporting policies and processes to identify and manage GDI's risk;
- (e) the adequacy and effectiveness of GDI's compliance management framework and supporting policies and processes to ensure compliance with GDI's legal and regulatory obligations; and
- (f) the adequacy and effectiveness of GDI's sustainability framework and supporting policies, processes and programs to address environmental, social and governance issues that have the potential to materially affect the Company's business, strategies and reputation.

The Committee will consider any matter relating to the affairs of GDI delegated to it by the Board. The Committee will undertake the following specific responsibilities:

### **4.1 Governance**

Receive reports from management regarding any significant regulatory enquiries and review and note management responses;

Review and approve for adoption GDI-wide policies previously approved by the Board where no changes or non-material changes are made;

Review and recommend to the Board the adoption of new and/or previously adopted GDI-wide policies where changes are deemed material by the Committee; and

Review and recommend to the Board the annual Corporate Governance statement.

### **4.2 Financial reporting and external audit**

Review the financial statements and disclosures of all GDI reporting entities, for recommendation to their respective Board for approval;

Review the appropriateness of accounting policies, judgements and practices adopted by GDI, and compliance of such with accounting standards, ASX Listing Rules and relevant legislation;

Review and discuss with management and the External Auditor the appropriateness of significant accounting and financial reporting issues, including judgements and choices exercised by management in preparing GDI's financial reports and related disclosures;

Monitor the relationship with the external auditors and make recommendations to the Board on the appointment and removal of external auditors, their terms of engagement.

Annually review and assess their independence and the quality and scope of the services provided;

Meet privately with GDI's external auditor at least twice a year;

Review drafts of the CEO and CFO declarations which are to be provided to the Board relating to the Company's full year and half year financial statements; and

Review and make recommendations to the Board as to the capacity for any proposed payment of a dividend to shareholders.

#### **4.3 Risk management**

Review, at least annually, GDI's Risk Management Framework, including the Risk Appetite Statement, for recommendation to the Board;

Review, at least twice a year, the Risk Register where GDI's key strategic and operational risks, as well as the controls in place to mitigate those risks, are recorded;

Review material risks identified in GDI's risk profile, monitor changes in the risk profile, challenge the risk profile having regard to GDI's risk appetite, and report to the Board on any material risk issues where necessary;

Receive reports from management on new or emerging risks and the risk controls and mitigation measures to address those risks;

Review GDI's disclosures in relation to risk, including in the operating and financial review in GDI's annual report;

Review the implementation of, and evaluate the adequacy and effectiveness of, GDI's policies, procedures and systems in relation to internal controls, management of business risks and safeguarding of assets;

Review the selection and appointment of GDI's insurance broker; and

Review the adequacy of insurance cover, considering GDI's business and the insurable risks associated with that business.

Monitor any related party transactions;

Receive any review any reports from management in the event of an incident of sexual harassment; and

Receive and review reports from management in the event of an incident of bribery, fraud or corruption, or any other breakdown in relevant internal controls.

#### **4.4 Taxation**

Receive and evaluate reports from management on taxation matters, including strategies, key risks, correspondence from regulators, legislative developments and GDI's compliance with applicable taxation legislation and regulations; and

Oversee, and review the adequacy and effectiveness of, GDI's tax risk management and governance framework, including policies, processes and procedures.

#### **4.5 Compliance**

Monitor compliance by GDI and the RE (as the case may be) with the AFSL conditions, the Compliance Plan for GDIPT, the Corporations Act, the Constitution of GDIPT, and any other applicable laws and regulations;

Review the Compliance Plan for GDIPT, at least annually and make recommendations to the Board on any changes required;

Receive and review Compliance Plan and other audit reports from the Compliance Plan Auditors and monitor management's adoption of their recommendations (if any);

Review the AML/CTF Program and make recommendations to the Board on any changes; and

Receive and review reports on any breaches or suspicious matters identified or reported.

#### **4.6 Sustainability**

Receive regular updates from management on sustainability issues and initiatives; and

Review GDI's sustainability strategy, policies and annual sustainability and other ESG reports, for recommendation to the Board for approval.

---

### **5 Access to resources and independent advisers**

The Committee is to have access to GDI's risk, compliance and financial personnel and other parties (internal and external) and may seek the advice of GDI's auditors, solicitors and other independent advisers so that it can adequately monitor and review the operation of the financial reporting, risk management and compliance frameworks and otherwise discharge its responsibilities under this Charter.

---

### **6 Authority**

The Board authorises the Committee to:

- (a) investigate any matter brought to its attention;
  - (b) obtain any information that it requires from any employee of GDI in order to perform its duties; and
  - (c) have direct access to any employee of GDI.
- 

### **7 Reporting**

The Chair of the Committee will give a verbal report on any material matters arising out of the Committee meeting at the next Board meeting, and a copy of the minutes of the Committee meeting will be included in the Board papers for the Board meeting next following a meeting of the Committee.

---

### **8 Charter review, ownership and version control**

This Charter will be reviewed at least every two years, or earlier if required given any change in legislative or regulatory requirements or changes in GDI's operations. The Committee will report to the Board on its own performance against this Charter annually.

**Approved by the Board on 29 May.**