

UNICEF AUSTRALIA

AUDIT & RISK COMMITTEE

TERMS OF REFERENCE

1. Establishment of Committee

The Audit & Risk Committee is established by the Board under Article 22.9 of the Constitution.

2. Membership of Committee

The Committee must comprise the President (ex officio) and at least three other members, each of whom must be a Director.

The Board appoints all members of the Committee, including the Chair who must be a Director.

The Committee may recommend to the Board that one or more additional members, who are not Directors but who have appropriate professional qualifications and experience, be appointed and the Board may make such appointment(s) but subject to the requirement that the Committee must always comprise a majority of members who are Directors.

The President is an ex officio member of all Board committees.

The Committee's members must, between them, bring together the qualifications and experience considered by the Board to be necessary to enable it to discharge its responsibilities competently and to a high professional standard.

3. Meetings and Proceedings of the Committee

The Committee must meet at least twice each year to consider the annual audit plan submitted by UA's external auditor and to receive and consider UA's audited financial statements and the external auditor's report and audit opinion.

The Committee will also normally meet immediately prior to each Board meeting.

The Committee Chair may schedule additional meetings at his/her discretion.

The Chief Executive and the Chief Operations Officer are entitled to attend all meetings of the Committee and to participate fully in the Committee's deliberations. However, neither the Chief Executive nor the Chief Operations Officer may be members of the Committee nor may they vote on any matter before the Committee.

The external auditor may attend meetings of the Committee as and when he/she may wish to do so and must be invited to attend the meetings at which the annual audit plan and the audited financial statements and the auditor's report and audit opinion are being considered.

The Committee may conduct its meetings in such manner as it considers necessary to ensure the orderly and competent discharge of the business to be dealt with at each meeting.

The Committee must ensure that an adequate record of each of its meetings is kept and submitted to the Board at its next available meeting for the Board's information.

4. Roles and Responsibilities of the Committee

The roles of the Committee are:

- (i) to assist the Board to effectively discharge its responsibilities to oversight UA's financial performance and reporting; to ensure adequate and effective risk identification and management processes are in place and operating effectively; and to ensure UA's compliance with its statutory and other reporting obligations;
- (ii) to provide a direct link between the Board and UA's external auditor;
- (iii) to monitor UA's corporate governance processes to ensure their continuing effectiveness and to recommend to the Board any changes considered necessary.

The Committee may do all the things it considers necessary to carry out its roles, including, but not limited to:

- (i) reviewing on a regular basis the financial reports prepared by UA and reporting thereon to the Board;
- (ii) considering, in consultation with UA's external auditor, the annual audit plan for recommendation to the Board;
- (iii) considering, in consultation with UA's external auditor, the results of the annual audit, the auditor's report and audit opinion and the audited financial statements for recommendation to the Board, including any actions considered necessary arising out of the auditor's report;
- (iv) ensuring the continuing independence of UA's external auditor;
- (v) recommending to the Board the appointment of UA's external auditor;
- (vi) reviewing on a regular basis UA's risk management and statutory reporting/compliance protocols and making recommendations to the Board in relation thereto;
- (vii) reviewing at least annually UA's corporate governance systems and protocols and making recommendations thereon to the Board