

AUDIT, COMPLIANCE & RISK MANAGEMENT COMMITTEE CHARTER

1. PURPOSE

To assist the Australian Leisure and Entertainment Property Management Limited (**ALEPML**) Board of Directors (**the Board**) in fulfilling its oversight responsibilities for the financial management and reporting process, operational risk management and the system of internal controls, efficiency and effectiveness of the ALE Property Group's process for monitoring compliance with laws and regulations.

2. AUTHORITY

The Audit, Compliance & Risk Management Committee (**the Committee**) has authority to conduct or authorise investigations into any matters within its scope of responsibility, or regarding any other matters as delegated by the Board from time to time. It is empowered to:

- Retain outside counsel, accountants or others to advise the Committee or assist in the conduct of an investigation.
- Seek any information it requires from employees – all of whom are directed to co-operate with the Committee's requests – or external parties.
- Meet with company officers, external auditors, or outside counsel, as necessary.

The Committee's authority is limited to referring or recommending matters for Board approval or review, other than as directed by the Board.

3. COMPOSITION

The Committee will consist of at least three of the Non-Executive, independent Directors of ALEPML and the majority will be independent.. The Board will appoint Committee members and the Committee chair, and may also appoint independent consultants with particular expertise as members of the Committee to assist it in performing its role.

The Committee will be chaired by an independent Non-Executive Director, who is not chair of the Board.

Each Committee member will be financially literate (i.e. able to read and understand financial statements); at least one member shall have financial expertise (i.e. is a qualified accountant or other financial professional with experience of financial or accounting matters); and some members shall have an understanding of the industry in which the ALE Property Group operates as well as funds management compliance and regulatory requirements.

4. MEETINGS

The Committee will meet at least four times a year, with authority to convene additional meetings, as circumstances require. All Committee members are expected to attend each meeting, in person, or via telephone or virtual technology. The Committee will invite members of management, auditors or others to attend meetings and provide pertinent information, as appropriate. It will hold private meetings with auditors (see below) as appropriate and executive sessions. Meeting agendas will be prepared and provided in advance to members, together with appropriate briefing materials. Minutes will be prepared and tabled at the next Board meeting. The Chairman of the Committee may make verbal reports to the Board.

Other Directors may attend Committee meetings.

5. RESPONSIBILITIES

The Committee is responsible for:

- **Financial Statements** - review and make recommendations as to whether the ALE Property Group's financial statements provide a true and fair view the Group's financial condition, results of operations and plans and long-term commitments.
- **Corporate Control** – review and make recommendations regarding the adequacy and integrity of the company's operational risk management framework and system of internal control, and the monitoring of the control process. On an annual basis, the Committee will appoint an independent expert to undertake an internal audit review and report on ALE Property Group's operational risk management framework and system of internal control.
- **Risk Management** – receive regular reports from management for review on risk management matters, and review on an annual basis ALE Property Group's risk management policy and appetite to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the Board. An external independent review of the Risk Management Policy will be undertaken regularly or when there is a substantial change in the risk environment.

- **Compliance** – undertake the duties and role of the Independent Compliance Committee for the Registered Schemes and monitor compliance with AFS Licence conditions and obligations and if applicable, the ALE Property Group’s compliance with the Anti-Money Laundering/ Counter Terrorism Financing laws and to report on its findings to the Board.
- **Reporting Responsibilities** – report to the Board following each meeting about matters relevant to the Committee’s role and responsibilities.

The Committee will exercise these responsibilities as follows:

Financial Statements

- Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Review the appropriateness of the accounting judgements or choices exercised by management in preparing the financial statements.
- Review with management and the external auditor the results of the financial audit, including any difficulties encountered.
- Review the annual financial statements, consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles.
- Review other sections of the annual report and related regulatory filings before release and consider the accuracy and completeness of the information.
- Review with management and the external auditor all matters required to be communicated to the Committee under generally accepted auditing standards.
- Understand how management develops interim financial information, and the nature and extent of external auditor involvement.
- Review interim financial reports with management and, as appropriate, the external auditors before filing with regulators, and consider whether they are complete and consistent with the information known to Committee members.
- Ensure that the Board and Committee receives a declaration from the Managing Director and Finance Manager prior to its approval of the half yearly and annual financial statements that confirms that in their opinion, the financial records of

the ALE Property Group have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of ALE Property Group, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Internal Control

- Consider the effectiveness of the ALE Property Group's internal control framework and the process for managing and monitoring operational, financial and non-financial risk.
- Understand the scope of external auditors' review of internal controls, and obtain reports on significant findings and recommendations, together with management's responses.

External Audit

- Review the external auditor's proposed audit scope and approach. Make recommendations to the Board to approve the annual plan and budget, including any variations.
- Review the performance of the external auditor, and make recommendations to the Board on the appointment, re-appointment or discharge of the auditor.
- Review any proposal from the external auditor to provide non-audit services and consider whether it might compromise the independence of the external auditor.
- Review and make recommendations to the Board in relation to the rotation of the audit engagement partner.
- Review and confirm the independence of the external auditor by considering overall extent and significance of remuneration, obtaining statements from the auditors on relationships between the auditor and the company, including non-audit services provided and ALE Property Group employment of senior ex-auditor personnel, and discussing the various relationships with the auditor. Approve nature, scope and budget for any non-audit services.
- On a needs basis, meet separately with the external auditor to discuss any matters that the Committee or auditor believe should be discussed privately.
- Ensure that the external auditor attends ALE Property Groups AGM and is available to answer questions from Stapled Securityholders relevant to the audit.

Risk Management

- Review any material incident involving fraud or a breakdown of the risk controls and the ‘lessons learnt’.
- Receive report from management on new and emerging sources of risk and the risk controls and mitigation measures that management has put in place to deal with those risks.
- Make recommendations to the board in relation to changes that should be made to the risk management framework or to the risk appetite set by the Board.
- Oversee the insurance program, having regard to the business and the insurable risks associated with the business.
- Obtain quarterly reports from management on risk management matters.
- Review and make recommendations to the Board in relation to the adequacy of ALE Property Group’s processes for managing risk.
- Review on an annual basis the ALE Property Group’s risk management policy and risk management assessment to satisfy itself that it continues to be sound, and that ALE is operating within the risk parameters set by the Board.

Compliance

- Review the effectiveness of the system for monitoring the ALE Property Group’s compliance with the Registered Scheme Compliance Plans, AFS licence and conditions, laws and regulations including the Anti-Money Laundering / Counter Terrorism Financing laws (if applicable) and the results of management’s investigations and follow-up of any instances of non-compliance.
- Obtain regular reports from management on compliance matters.
- Review the findings of any examinations by regulatory agencies, and any auditor observations.
- Meet with the Registered Scheme Compliance Plan Auditor as required to discuss compliance with the Compliance Plan and AFS Licence conditions and obligations. Receive and review any reports provided by the Compliance Plan Auditor and ensure that any recommendations are discussed with management and implemented.
- Undertake the function of the independent compliance committee including:

- monitoring to what extent the responsible entity complies with the compliance plan and report on its findings to the responsible entity;
- reporting to the responsible entity any breaches of the Corporations Act or the constitution that the committee becomes aware of or suspects;
- reporting to ASIC if the committee is of the view that the responsible entity has not taken, or does not propose to take, appropriate action to deal with a reported breach of the Corporations Act or the constitution; and
- assessing at regular intervals whether the compliance plan is adequate, report to the responsible entity on that assessment and make recommendations to the responsible entity about any changes that it considers should be made to the compliance plan.

Reporting Responsibilities

Regularly report to the Board about matters relevant to the Committee's role and responsibilities, including:

- Assessment of whether external reporting is consistent with Committee member's information and knowledge and is adequate for Stapled Securityholder needs,
- Assessment of the management processes supporting external reporting,
- Procedures for the selection and appointment of the external auditor and the rotation of external audit engagement partners,
- Recommendations for the appointment or removal of an auditor,
- Assessment of the performance and independence of the external auditors and whether the committee is satisfied that independence of this function has been maintained having regard to the provision of non-audit services, and
- The results of its review of risk management and internal compliance and control systems.

Other Responsibilities

- Perform other activities related to this Charter as requested by the Board.
- Institute and oversee special investigations as needed including any whistleblower investigations.

- Review and assess adequacy of the Committee Charter annually, and present to the Board for approval of proposed changes.
- Confirm annually that all responsibilities outlined in this Charter have been carried out.
- Evaluate the Committee's and individual members' performance on an annual basis.

6. DATE OF LAST REVIEW December 2020