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AUDIT COMMITTEE CHARTER

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Version: 6 December 2019

Role of Committee

The Committee has been established by the Board to assist the Board by providing an objective review of the effectiveness of Tyro's financial reporting and risk management framework.

The responsibilities of the Committee include oversight of:

- all APRA statutory reporting requirements;
- other financial reporting requirements;
- professional accounting requirements;
- internal and external audit;
- the appointment and removal of Tyro's auditor; and
- prior endorsement of the appointment or removal of the Head of Internal Audit.

Membership

Composition of Committee

The Committee will:

- be appointed and removed by the Board;
- be of sufficient size, independence and technical expertise to discharge its mandate effectively;
- consist of at least 3 non executive directors, the majority of whom must be independent;
- have an independent Chair, who is not Chair of the Board and who will be appointed and can be removed by the Board; and
- appoint a chair for any meeting of the Committee where the Chair of the Committee is absent.

Ceasing to be a member of the Committee

A person will cease to be a member of the Committee if:

- the person gives reasonable notice in writing to the Committee Chair of the person's resignation as a member of the Committee;
- the Committee Chair, with approval of the Board, gives the person notice in writing that the person is to cease to be a member of the Committee; or
- the person ceases to be a director, in which case the person automatically ceases to be a member of the Committee.

Secretary

The Committee will have a secretary, which is to be the Company Secretary or such other person as nominated by the Board (**Committee Secretary**). The Committee Secretary will attend all Committee meetings.

Internal Auditor

The Head of Internal Audit has a reporting line and direct and unfettered access to the Audit Committee and may meet with the Committee without other members of management present.

Meetings & Authority

Meetings

The Committee will meet often enough to undertake its role effectively. The Chair will call a meeting of the Committee if requested to do so by any member of the Committee or by the Chair of the Board. The quorum for any meeting will be 2 members.

The internal auditor, external auditor and Chief Financial Officer are required to attend all Audit Committee meetings in an advisory and reporting capacity unless their attendance would be inappropriate. The Committee may invite such other persons including Tyro employees, external service providers, external advisors or consultants to its meetings, as it deems necessary, whether on a permanent or ad hoc basis.

Unless otherwise prescribed in this Charter, the rules governing the meetings and resolutions (including written resolutions) of the Board shall apply to the Committee, with such changes considered necessary. The proceedings of all meetings will be minuted and these will be included in the papers for the next Committee meeting.

Authority

The Committee has all of the power necessary to enable it to perform its functions.

The authority of the Committee is derived from:

- Tyro's Constitution;
- this Charter; and
- separate Board delegations, resolutions and approvals.

The Committee has the authority to conduct or direct any investigation required to fulfil its responsibilities. In doing so it has free and unfettered access to senior management, the internal auditor, the heads of all risk management functions, the external auditor and other parties (internal and external).

The Committee may obtain outside legal, compliance, risk management or other professional advice as it determines necessary to carry out its responsibilities and has the power to do so in a manner that ensures that the engagement, including the advice received is independent.

The Committee may form and delegate authority to individuals and to sub-committees made up of Committee members or others. Any sub-committee will have the full power of authority delegated to it and must report to the Committee in relation to matters arising in the exercise of that authority.

The Committee will be available to meet with APRA on request.

Duties and responsibilities

The duties and responsibilities of the Committee are further particularised in this section.

Financial Reporting

The Committee's primary financial responsibility is to oversee the Company's financial reporting process on behalf of the Board and to report on the results of its activities and make recommendations to the Board. The Committee will regularly review and make recommendations to the Board in relation to:

- the adequacy and effectiveness of Tyro's corporate reporting process and internal controls framework;
- Tyro's significant accounting and tax policies;
- any significant changes in financial reporting requirements and professional accounting requirements and standards;
- matters relating to Australian Prudential Regulation Authority (**APRA**) statutory reporting;
- other financial information distributed externally as required;
- any significant accounting and financial reporting judgements, estimates or issues; and
- the Company's financial statements to determine whether they reflect the understanding of the Committee of, and otherwise provide a true and fair view of, the financial position and performance of the Company and make any necessary recommendations to the Board.

Risk management

The Committee will review the effectiveness of Tyro's enterprise risk management framework, including by receiving annual reviews of its effectiveness from internal audit and/or the external auditor.

Audit

The Committee will regularly review and make recommendations to the Board in relation to:

- the approval of the internal and external audit plans;
- the scope and adequacy of the internal and external audit plans ensuring that they cover all material risks and financial reporting requirement applicable to Tyro;
- the findings and recommendations arising from audits and the implementation of plans to address audit issues in an appropriate and timely manner;
- the review and approval the terms of engagement of the external auditor and the rotation of the audit engagement partner;
- the adequacy, independence and performance of the internal and external auditor;
- the internal auditor's charter and resources to ensure no unjustified restrictions or limitations are imposed upon internal audit staff and that resourcing is adequate.

Pre-approval of audit and non-audit services provided by external statutory auditors

The Committee will pre-approve all audit and non audit services provided by the external statutory auditors and will not engage the external statutory auditors to perform any non audit/assurance services that may impair or appear to impair the external statutory auditor's judgement or independence in respect of the Company.

The Committee may delegate pre-approval authority to a member of the Committee. The decisions of any Committee member to whom pre-approval authority is delegated must be presented to the full Committee at its next scheduled meeting.

Review of media releases, announcements and complaints

The Committee will:

- regularly review the operation of the Company's Continuous Disclosure and Communications policies, media releases, ASX announcements, and any other information provided to analysts;
- review the appropriateness of processes management has in place to ensure that the information and representations contained in all representation letters signed by management is complete and appropriate;
- establish, and ensure the communication to employees of, procedures for the receipt, retention, and treatment of complaints or material incidents received regarding accounting, internal accounting controls, or auditing matters. This includes procedures to maintain the confidentiality and anonymity of submission by employees regarding such matters;
- review corporate legal reports for evidence of any material violation of the Corporations Act 2001 (Cth), the ASX Listing Rules or breaches of fiduciary duties.

Reporting to the Board

The Chair will report and as appropriate make recommendations to the Board after each meeting of the Committee on matters dealt with by the Committee. The Committee will ensure that the Board is made aware of audit, financial reporting, and internal control matters which may significantly impact upon the Company in a timely manner.

The Chair will also refer and report to the Board Risk Committee and the Board Nominations and Remuneration Committee any matter that the Committee determines is relevant for that Committee, in a timely manner.

Committee performance

Each year, the Chair of the Board will facilitate an assessment of the performance of the Committee and its Chair, comparing their performance with the requirements of the Committee Charter and the reasonable expectations of the Board regarding the Committee.

Adoption and Amendment of Charter

This Charter was adopted by the Board on the date on the front cover of this Charter, and takes effect from that date and replaces any previous Charter. This Charter can only be amended with the approval of the Board. The Board will review and reassess this Charter periodically.