



**DWS**

**AUDIT, COMPLIANCE & RISK COMMITTEE**

**CHARTER**

## **1. OBJECTIVES & AUTHORITY**

The main objectives of the Audit, Compliance & Risk Committee is:

- A. in relation to its Audit and Compliance responsibilities, to assist the Board of Directors in reviewing any matters of significance affecting financial reporting and compliance including but not limited to:
  - i. exercising oversight of the accuracy and completeness of the financial statements;
  - ii. making informed decisions regarding accounting and compliance policies practices and disclosures;
  - iii. reviewing the scope and results of compliance reviews and external audits;
  - iv. assessing the adequacy of the Company's control framework to ensure compliance with its risk management policies approved by the Committee; and
  - v. ensuring compliance by the Company with laws and regulations and internal compliance guidelines, policies and procedures, and other prescribed internal standards of behaviour.
- B. in relation to its Risk Management responsibilities, to focus appropriate attention on the risk management framework of the Company regarding market, liquidity, equity, credit, operational risk, and in conjunction with the Board and Board Committees, reputation and regulatory compliance risks affecting the Company.

## **2. STRUCTURE**

The provisions of the Constitution of the Company will govern the regulation of the meetings and proceedings of the Audit, Compliance & Risk Committee, so far as the Constitution may be applicable.

This Charter should be read in conjunction with the Board of Directors Charter and the Company's Statement of Corporate Governance Principles.

## **3. COMPOSITION**

The Committee will consist of at least three Non-Executive Directors a majority of whom are independent Directors.

The Chairman of the Board will decide increases or decreases to the number of Directors on the Committee. Periodic rotation of committee members should be considered whilst ensuring that a suitable level of expertise is maintained. Each member should be financially literate with one member having significant recent and relevant financial experience and preferably one member is to have a legal background.

The Chief Financial Officer or equivalent should normally attend meetings of the Committee.

#### **4. CHAIRMAN**

The Chairman of the Committee shall be appointed by the Board of Directors. The Chairman of the Committee must be independent and must not be the Chairman of the Board. If the Chairman of the Committee is not present at a meeting of the Committee, the members present may elect a Chairman for that meeting.

The Chairman is responsible for ensuring the Committee meets its objectives.

#### **5. MEETINGS**

The Committee will hold at least two meetings each year with additional meetings as the Chairman shall deem appropriate in order to fulfill the duties of the Committee. In addition, the Chairman is required to call a meeting of the Committee if requested to do so by any Committee member, the Chief Executive Officer, the Executive Committee, the external auditors and any member of the Board of Directors.

Each member shall have equal voting rights. Voting by proxy will be allowed.

The agenda and papers will be distributed prior to the meeting with the aim of papers being sent 5 calendar days before the meeting. Minutes will normally be drafted within 14 calendar days and be included in the papers for the next meeting.

#### **6. SECRETARY**

The Company Secretary shall act as Secretary to the Committee and shall attend meetings of the Committee. The Secretary will be responsible, in conjunction with the Chairman of the Committee, for drawing up the agenda (supported by explanatory documentation) and circulating it to Committee members prior to each meeting.

The secretary will also be responsible for keeping the minutes of meetings of the Committee, obtaining approval of the minutes by the Chairman of the Committee and circulating them to Committee members and to the other members of the Board of Directors if required. Minutes of meetings shall be confirmed and signed at the next meeting of the Committee or earlier if possible.

## **7. QUORUM**

A quorum will consist of two members of the Committee eligible to vote.

## **8. MOTION**

A motion shall be passed by a simple majority of votes cast in favour by members present and eligible to vote. The Chairman of the Committee shall not have a casting vote. In the event of an equal number of votes being cast for and against a motion, the motion will be referred to the Board of Directors for resolution.

## **9. ATTENDANCE**

The Chief Executive Officer, Chief Financial Officer and the external audit engagement partner will be invited to attend meetings as required and at the discretion of the Chairman. Other Company executives and/or parties external to the Company, as the Chairman of the Committee thinks fit, may be invited to attend meetings.

Parties invited to attend meetings will have no voting rights.

## **10. WRITTEN CONSENT**

Any action required or permitted to be taken at any meeting of the Committee may be taken without a meeting, if a written consent thereto is signed by all the members of the Committee, provided that such written consent is filed with the minutes of the proceedings of the Committee.

## **11. ACCESS**

The Committee shall have unlimited access to the external auditors and senior management of the Company and its related entities.

The Committee shall also have the power to conduct or authorize investigations into or consult independent experts on any matters within the scope of the Committee's responsibilities.

Committee members may seek independent professional advice for Company related matters at the Company's expense subject to the estimated cost being approved by the Chairman of the Board, in advance, as being reasonable.

This Charter will be made available, upon request, to senior management, the external auditor, external regulators and any other parties as deemed appropriate by the Chairman of the Committee.

## **12. DUTIES AND RESPONSIBILITIES**

### **i. General**

The role of the Committee is to assist the Board of Directors of the Company in fulfilling its responsibilities in relation to the Company's corporate governance framework and the monitoring of:

- adherence to the Company's Statement of Corporate Governance Principles;
- maintenance of an effective and efficient external audit;
- management and external reporting;
- compliance with laws and regulations;
- business dealings, by Directors, management and employees giving rise to actual or potential conflicts of interest and the appropriate disclosure of such dealings, including formulating and updating appropriate corporate governance policies and submitting these to the Board for its approval; and
- the Company's risk management framework and profile and any variations to it.

### **ii. Specific**

#### **a. Corporate Governance**

1. Maintain, and where amendments are appropriate, submit such amendments to the Board for its approval, a Statement of Corporate Governance Principles and other associated documents dealing with, amongst other matters:
  - (a) the structure and responsibilities of the Board;
  - (b) the proper relationship between the Board and management including the proper relationship between the roles of Chairman and Chief Executive Officer;
  - (c) the responsibilities of management;
  - (d) the proper relationships between the Company and its shareholders, suppliers, customers and employees; and
  - (e) ethical and any other matter considered by the Committee to be relevant to good corporate governance practice.

The Statement or a summary thereof, will be included in the Annual Report to shareholders.

2. Monitor compliance with the Statement and review or investigate allegations of any significant breach of the Statement or of good corporate governance practice and report to the Board in respect of such compliance, reviews and investigations at least annually, or more frequently if circumstances require.
3. Formulate for Board review and approval and facilitate the implementation of appropriate procedures to enable individual Directors to have access to independent professional advice, as considered necessary, in respect of corporate governance matters.
4. Act as a resource for individual Directors and the Company as a whole on questions of corporate governance and corporate ethics, including providing decisions and/or advice on such matters as are referred to the Committee by the Chairman, the Board, other Board committees or the Chief Executive Officer.

**b. Audit**

1. Evaluate the adequacy of the Company's internal control system as established by management by reviewing written reports from the external auditors and monitor management's responses and actions to correct any noted deficiencies.
2. Ensure, so far as practical, that no management restrictions are being placed upon the external auditors.
3. Recommend to the Board in such terms as the Committee determines the appointment of the external auditors and the level of audit fees.
4. Review the audit plan of the external auditors.
5. Evaluate the overall effectiveness and independence of the external audit.

**c. External Reporting**

1. Review the annual and half yearly financial statements with the Chief Executive Officer, Chief Financial Officer and the external auditors and where appropriate recommend their acceptance by the Board.
2. Review all other statutory financial reports to be made by the Board of the Company to the public and such other financial reports as decided by the Board, prior to their release.
3. Review and where appropriate recommend approval of all significant accounting policy changes.
4. Request as appropriate reports from management and external auditors on any significant proposed regulatory, accounting or

reporting issue, in order to assess the potential impact upon the Company's financial reporting process.

**d. Compliance**

1. Review the effectiveness of, and where appropriate recommend amendments to, the Company's compliance policies.
2. Monitor the effectiveness of compliance policies that are in place to give assurance that continuous disclosure requirements are met and compliance with other laws and regulations that impact on DWS.
3. Review and monitor compliance with and investigate allegations of any breach of appropriate internal controls and reporting standards, mechanisms and procedures to ensure that the Board is informed at all times of all material corporate governance matters affecting the Company.

**e. Risk Management**

1. Review and endorse the Company's risk profile in each area of market, liquidity, equity, credit, regulatory, and operational risk including a review of:
  - i. development in markets in which the Company operates; and
  - ii. experience of losses in each risk category to ensure the Company's policy reflects experience.
2. Review and endorse the Company's capital management plan including information on its capital adequacy;
3. Review and approve matters requiring Board approval including:
  - i. significant variations to policies, limits and delegations of authority;  
and
  - ii. individual transactions beyond the authority delegated to managementwhere these have not been reviewed by the Board.
4. Review limits and risk management policy breaches.

