

Millennium & Copthorne Hotels New Zealand  
LIMITED (“MCK” or the “Company”)

AUDIT COMMITTEE CHARTER  
(Revised February 2024)

**1. Purpose and objectives**

The Audit Committee (“the Committee”) is a standing committee of the MCK Board. The primary objective of the Committee is to assist the Board in fulfilling its responsibilities relating to financial accounting and reporting, external audit, tax planning and compliance, and treasury matters.

The roles and responsibilities of the Committee are to:

- ensure processes are in place and monitor those processes so that the Board is properly and regularly informed and updated on corporate financial matters;
- recommend to the Board the appointment and removal of the independent auditor;
- meet regularly to monitor and review the independent auditing practices;
- have direct communication with and unrestricted access to the independent auditors and accountants;
- review the financial reports of MCK and advise the Board whether they comply with the appropriate laws and regulations;
- ensure that the Key Audit Partner (as that term is defined in the NZX Listing Rules) is changed at least every five years;
- assist the Board in discharging its responsibility to exercise due care, diligence and skill in relation to oversight of:
  - the integrity of MCK’s external financial reporting, accounting policies and practices;
  - MCK’s financial management;
  - internal control systems;
  - related party transactions; and
  - compliance with applicable laws, regulations and standards;
  - any ESG / sustainability reporting.
- improve the quality, credibility and objectivity of MCK’s financial reporting;
- oversee and monitor the performance of the Company’s external (and, if applicable, internal) auditors and their remuneration;
- assess the external auditor’s independence and qualifications and ensure that the

external auditor’s independence is maintained;

- oversee and monitor any non-audit services which may be performed by the external auditors from time to time;
- act as a forum for free and open communication between the Board, the external auditors and management; and
- any other duties and responsibilities which have been assigned to it from time to time by the Board.

**2. Membership and Meetings:**

2.1 Membership of the Committee will consist entirely of non-executive Directors of the Company and shall not be less than three (3) directors. A quorum of the Committee shall be at least two members of the Committee.

2.2 A majority of the members of the Committee shall be Independent Directors (as that term is defined in the NZX Listing Rules). At least one member of the Committee shall have an adequate accounting or financial background. A member shall be considered to have an adequate accounting or financial background if he or she is a qualified finance professional with experience in finance and accounting matters and has the experience or qualifications deemed satisfactory by the Board.

2.3 The Board shall appoint the Chairperson of the Committee. The Chairperson shall be independent and shall not be the Chairperson of the Board. The appointment and removal of Committee members shall be the responsibility of the Board.

2.4 The Secretary to the Audit Committee shall be the Company Secretary or his designate. The Secretary shall, in consultation with the Chair, maintain a true record of discussions and actions of all meetings of the Audit Committee. Minutes of Meetings shall be circulated within 20 working days after each meeting. Published Minutes of the Audit Committee Meetings shall be submitted to the next meeting of the Board.

2.5 Members of the Audit Committee attend by right. All directors of the Company shall be entitled to attend meetings of the



- Committee [provided that executive directors shall not be entitled to attend those meetings which the Committee chooses to hold without any Company executives present]. Employees may attend meetings but only at the invitation of the Audit Committee.
- 2.6 At least three (3) days' notice of Meetings of the Audit Committee will be given, such notice to be given informally. Where this is not possible or where the Audit Committee is required to meet as a matter of urgency, the requirement for notice may be waived by all the members of the Committee. The business to be conducted will be set out in an agenda accompanying the notice of the meeting.
- 2.7 The Committee itself shall determine the frequency of its meetings but it shall meet at least twice a year in line with MCK's reporting cycle. At least once a year, the Audit Committee shall meet with the external auditors without any executive directors being present.
- 2.8 Any member of the Committee, the Managing Director, the Vice President Finance, or the external auditors may request a meeting at any time if they consider it necessary.
- 3. Committee Members' authority:**
- 3.1 The Committee may delegate any of its responsibilities to the Chairperson of the Committee from time to time and on such conditions as the Committee considers appropriate.
- 3.2 The Committee is authorised by the Board to investigate any activity covered by its role.
- 3.3 The Committee members may communicate with any MCK employee, or any employee of the Company's subsidiary/s, to seek any information they require in order for the Committee to carry out its role. All MCK or subsidiary company employees must co-operate with any request made by the Committee.
- 3.4 The Committee is authorised by the Board to obtain, at MCK's expense, outside legal or other independent professional advice and to arrange for the attendance at meetings, at MCK's expense, of outside

parties with relevant experience and expertise if it considers this necessary.

- 3.5 Management is responsible for the preparation, presentation and integrity of the financial statements. Management is responsible for implementing and maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations.
- 3.6 The external auditors are responsible for planning and carrying out each independent audit and review, in accordance with applicable auditing and review standards. The external auditors are accountable to shareholders through the Committee.

#### **4. Reporting:**

- 4.1 The Committee shall maintain direct lines of communication with the external auditors, the Managing Director/Chief Executive, the Vice President Finance, the internal auditors (if any) and with Management generally including those responsible for non-financial risk management.
- 4.2 The Managing Director/Chief Executive and/or the Vice President Finance shall be responsible for drawing to the Committee's immediate attention any material matter that relates to the financial condition of the company, any material breakdown in internal controls, and any material event of fraud or malpractice.
- 4.3 The Chairperson of the Committee will report back to the Board the findings and recommendations of the Committee at the Board meeting immediately following the Committee meeting.

#### **5 Accountability to the Board**

The Board reviews annually the Committee's performance against this Charter.

This Charter will be reviewed annually.

**Adopted by the MCK Board, February 2024**