Audit, Risk and ESG Committee Charter

CROMWELL PROPERTY GROUP

Cromwell Corporation Limited ACN 001 056 980

Cromwell Property Securities Limited ACN 079 147 809

Audit, Risk and ESG Committee Charter

1. Introduction

a) Cromwell Property Group (Cromwell or Group) comprises Cromwell Corporation Limited (CCL) and the Cromwell Diversified Property Trust (Trust) (the responsible entity of which is Cromwell Property Securities Limited (CPS)), and subsidiaries of those entities. The units in the Trust are stapled to ordinary shares in CCL and trade jointly on the Australian Securities Exchange (ASX) as Cromwell Property Group stapled securities (ASX:CMW).

b) CPS is a wholly owned subsidiary of CCL and therefore is a Group entity.

c) The Audit, Risk and ESG Committee (Committee) is a committee of the Board of Directors of CCL and CPS (each a Company with its own Board). The Boards of CCL and CPS are collectively referred to in this Charter as the Board.

d) This Charter outlines the roles, responsibilities and composition of the Committee and the way it discharges its responsibilities.

2. Purpose and objectives

The Committee's primary purpose is to assist the Board in discharging its responsibilities by:

a) providing objective review and oversight of the Group's:
   i) financial and ESG reporting;
   ii) application of accounting policies;
   iii) legal and regulatory compliance;
   iv) internal control framework and controls;
   v) environmental, social and governance (ESG) strategy;
   vi) effective risk management; and
   vii) health, safety and wellbeing initiatives

b) supporting the Board in ensuring objective non-executive oversight of the development and implementation of the Group's ESG, risk management and health, safety and wellbeing objectives;

c) maintaining and improving the quality, credibility and objectivity of the financial and ESG accountability process (including financial reporting on a consolidated basis);

d) promoting a culture of compliance;

e) ensuring effective communication between the Board and the senior executives with corporate reporting responsibilities;

f) providing a forum for communication between the Board and senior finance executives;

g) ensuring effective external audit function and communication between the Board and the external auditor; and

h) ensuring compliance strategies and compliance functions are effective.

3. Responsibilities

3.1 External financial reporting

The Committee is responsible for:

a) assessing the appropriateness and application of accounting policies and principles, and any changes to them, so that they accord with the applicable financial reporting framework;

b) obtaining an independent judgment from the external auditor about:

   i) the acceptability and appropriateness of accounting policies and principles put forward by management; and

   ii) the clarity of current or proposed financial disclosure practices as put forward by management;

c) assessing any significant estimates or judgments in the financial reports (including those in any consolidated financial statements) by:

   i) querying management as to how they were made; and

   ii) querying the external auditors as to how they concluded that those estimates were reasonable;

d) reviewing compliance with all related party disclosures required (where applicable) by accounting standards and the *Corporations Act 2001* (Cth) (Corporations Act);

e) assessing information from the external auditor that may affect the quality of financial reports (for example, actual and potential material audit adjustments, financial report disclosures, non-compliance with laws and regulations and internal control issues);

f) reviewing any half-yearly and annual financial reports (including those prepared on a consolidated basis) with management, advisors and the external auditor (as appropriate) to assess (among other things):

   i) the compliance of accounts with accounting standards and the Corporations Act; and

   ii) the nature and impact of any changes in accounting policies during the applicable period;

g) discussing any draft audit opinion letter with the external auditors before it is finalised;

h) receiving any management letter from the external auditors;

i) forming a view as to whether, based on their knowledge of the entity, the financial reports provide a true and fair view of the financial position and performance of the entity;

j) recommending for adoption by the Board interim and final financial reports and the annual report;

k) reviewing documents and reports to regulators and recommending to the Board their approval or amendment; and

l) following up on any matter raised by the Board regarding financial reports, audit opinions and management letters.

3.2 External audit

The Committee is responsible for:

a) approving and recommending to the Board for acceptance, the terms of engagement with the external auditor at the beginning of each year;

b) regularly reviewing with the external auditor:

   i) the scope and adequacy of the external audit;

   ii) identified risk areas; and

   iii) any other agreed procedures;

c) approving and recommending to the Board for adoption, policies and procedures for appointing or removing an external auditor, including criteria for:

   i) technical and professional competency;

   ii) adequacy of resources; and

   iii) experience, integrity, objectivity and independence;

d) recommending to the Board for approval, the appointment or removal of an external auditor based on those policies and procedures referred to in paragraph c);

e) reviewing and assessing on a regular basis the compliance of the external auditor with criteria referred to in paragraph c);

f) recommending to the Board the remuneration of the external auditor;

g) regularly reviewing the effectiveness and independence of the external auditor taking into account:

   i) the length of appointment;

   ii) the last dates lead engagement partners were rotated;

   iii) an analysis and disclosure of fees paid to external auditors, including the materiality of fees paid for non-audit services and the nature of those services; and

   iv) any relationships with Cromwell Property Group or any other body or organisation that may impair or appear to impair the external auditor's independence;

h) satisfying itself that the external auditor can do an effective, comprehensive and complete audit for the external auditor's set fee;

i) recommending to the Board for approval the types of non-audit services that the external auditor may provide without impairing or appearing to impair the external auditor's independence;

j) meeting periodically with the external auditors and inviting them to attend Committee meetings to:

   i) review their plans for carrying out internal control reviews;

   ii) consider any comments made in the external auditor's management letter, particularly any comments about material weaknesses in internal controls and management's response to those matters; and

   iii) make recommendations to the Board;

k) asking the external auditor if there have been any significant disagreements with management and whether or not the disagreements have been resolved;

l) monitoring and reporting to the Board on management's response to the external auditor's findings and recommendations;

m) reviewing all representation letters signed by management and ensuring information provided is complete and appropriate; and

n) receiving and reviewing the reports of the external auditor.

3.3 Compliance

The Committee will:

a) monitor the extent to which CPS, as responsible entity of the Trust, complies with the Compliance Plan/s and report its findings to the CPS Board at such times as it considers necessary or desirable or the CPS Board requires;

b) report to the CPS Board any actual or suspected breach of the Corporations Act in relation to the Trust, a provision of a constitution, or a procedure in a Compliance Plan after it becomes aware of the breach;

c) assess at regular intervals (determined by the Committee) whether the Compliance Plan is adequate;

d) make recommendations to the CPS Board about necessary or desirable amendments to the Compliance Plan; and

e) do such other things the Corporations Act or regulators such as ASIC and AUSTRAC require.

3.4 Internal controls and key financial risk

The Committee's responsibilities include:

(internal controls)

a) overseeing management's design and implementation of the Group's internal control framework and the processes for assessing the effectiveness of the Group's internal controls;

b) obtaining assurance from management and the external auditor on a periodic basis, and reporting to the Board, on the adequacy and effectiveness of the Group's internal control framework and implementation of that framework;

c) monitoring the timely resolution of significant internal control deficiencies identified by the external auditor, management or regulators;

d) providing information to the Board or any other relevant Board Committee about any significant internal control matter where the control is inadequate or has not operated, or is not operating, as intended, and could have a significant impact on the Group's risk profile, including the Enterprise Risk Management Framework and risk appetite; and

(key financial risk)

e) monitoring and reporting to the Board on the implementation, operation and adequacy of the financial risk management.

3.5 Audit policies and procedures

The Committee is responsible for ensuring the audit policies and procedures are:

a) adequately documented and that those documents are reviewed and updated including for any legal and regulatory developments; and

3.6 ESG

The Committee is responsible for assisting the Board in:

a) reviewing the Group strategy with respect to sustainability and ESG matters (including climate-related, biodiversity, water and waste management and human rights matters) (ESG Strategy);

b) considering and monitoring policies, practices, and disclosures that align with the ESG Strategy;

c) developing, implementing, and monitoring initiatives based on the ESG Strategy,

d) reviewing measurable objectives and targets against the ESG Strategy and determining their appropriateness;

e) monitoring the level of performance and achievements of objectives and targets by the Group;

f) ensuring that there is an appropriate system of governance and controls over ESG related data to ensure integrity and accuracy;

g) reviewing and recommending to the Board for approval the ESG Report (or equivalent), and other related information regarding ESG matters, including targets and results;

h) recommending specific actions and decisions the Board should consider in relation to the ESG Report and other public disclosures;

i) reviewing public positions on key ESG issues and non-financial governance issues considering the risk appetite set by the Board;

j) reviewing and recommending to the Board for approval of the Group's Modern Slavery Statement and overseeing the measurement and reporting of modern slavery risk in the Group's operations and supply chains;

k) overseeing communications with employees, investors and stakeholders with respect to ESG matters;

l) monitoring and assessing developments relating to, and improving the Group's understanding of ESG matters, and disclosing ESG matters to internal and external stakeholders efficiently and in a timely manner.

3.7 Risk management

a) agreeing and recommending for Board approval, the Enterprise Risk Management Policy and Enterprise Risk Management Framework and ensuring that the risk management framework is appropriate for the Group;

b) reviewing and updating the Board's risk appetite for material risk areas;

c) regularly reviewing and updating the Group's risk profile against the agreed risk appetite and risk management framework via management reports;

d) monitoring the effectiveness of risk frameworks in supporting business performance and the Group's risk appetite;

e) overseeing the establishment and implementation of risk management and internal compliance and control systems and ensuring there is a mechanism for assessing the efficiency and effectiveness of those systems at least annually;

f) assessing the Group's risk culture, by maintaining a dialogue with management with the objective of having a view on the health of the Group's risk culture, and to report any significant issues or concerns to the Board.

g) approving and recommending to the Board for adoption policies and procedures on risk oversight and management to establish an effective and efficient system for:

- identifying, assessing, monitoring and managing risk; and
- disclosing any material change to the risk profile;

h) ensuring the risk management system considers all material risks, including risks arising from:

- implementing strategies (strategic risk);
- operations or external events (operational risk);
- legal and regulatory compliance (legal risk);
- changes in community expectation of corporate behaviour (reputation risk);
- a counterparty's financial obligations within a contract (credit risk);
- changes in financial and physical market prices (market risk);
- being unable to fund operations or convert assets into cash (liquidity risk); and
- contemporary and emerging risks such as conduct risk, digital disruption, cybersecurity, privacy and data breaches, and sustainability and climate change.

i) receiving reports from management of any actual or suspected fraud, theft or other breach of internal controls and the 'lessons learned';

3.8 Disclosure and reporting

a) ensuring management establishes a comprehensive process to capture information that must be disclosed to ASX;

b) reviewing management's processes for ensuring and monitoring compliance with laws, regulations and other requirements relating to the external reporting of financial and non-financial information (including, among other things, preliminary announcements, interim reporting, open or one-on-one briefings and continuous disclosure);

c) assessing management's processes for ensuring non-financial information in documents (both public and internal) does not conflict inappropriately with financial reports and other documents;

d) assessing internal control systems relating to the release of potentially adverse information; and

3.9 Compliance assurance, internal risk and control testing

The Committee is responsible for:

a) ensuring the external auditor does not provide compliance assurance and internal risk control testing services;

b) overseeing the scope of the compliance assurance and internal risk control testing programme;

c) reviewing and approving the scope of the compliance assurance and internal risk control testing programme;

d) monitoring the progress of the programme and considering the implications of the findings for the control environment;

e) monitoring and reporting to the Board on management's responsiveness to compliance assurance and internal risk control testing findings and recommendations; and

3.10 Health, Safety and Wellbeing

The Committee's role relating to in relation to health, safety and wellbeing of people is to assist the Board in fulfilling its responsibilities, and to also assist the Board to ensure that Cromwell:

a) has appropriate systems, policies and frameworks in place to comply with all relevant health and safety legislation;

b) monitors Cromwell's safety performance;

c) regularly reviews and updates policies and frameworks for health and safety compliance;

3.11 Other responsibilities

The Committee is responsible for:

a) overseeing the implementation of Cromwell's Code of Conduct, assessing compliance with it and receiving reports from management of any material breaches of the Code of Conduct or material incidents under the Whistleblower Protection Policy;

b) reporting to the Board on any industry development affecting the control environment; and

c) receiving reports 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.

4. Committee composition

a) The Committee must comprise:

   i) at least three Cromwell Directors. These Directors must, between them, have the accounting and financial expertise and understanding of the industry(ies) in which Cromwell Property Group operates to meet the Committee's objectives; and

   ii) a majority of independent Cromwell Directors.

b) The Committee will appoint its Chair. The Chair of the Committee must be an independent Cromwell Director and may not be the Chair of the Cromwell Board.

c) The Committee will appoint a secretary(ies).

d) The Cromwell Board decides appointments (when applicable), rotations and resignations within the Committee having regard to the ASX Listing Rules, the Corporations Act and each Company's constitution.

5. Committee meetings

a) The Committee will meet often enough to undertake its role effectively. As a general rule, the Committee will meet at least three times per year. Additional meetings will be held as the work of the Committee demands.

b) A quorum for a Committee meeting is two Committee members.

c) Committee meetings may be held by any technological means allowing its members to participate in discussions even if all of them are not physically present in the same place. A member who is not physically present but participating by technological means is taken to be present.

d) The Committee may pass or approve a resolution without holding a meeting in accordance with the procedures (so far as they are appropriate) in section 248A of the Corporations Act.

e) The Committee may invite other persons it regards appropriate to attend Committee meetings.

6. Minutes of Committee meetings

a) The Committee must keep minutes of its meetings.

b) Minutes of each Committee meeting must be included in the papers for the next Board meeting after the Committee has approved those minutes.

c) Minutes, agenda and supporting papers are available to Directors upon request to the Committee secretary, except if a conflict of interest exists.

7. Reporting to the Board

The Committee Chair must report the Committee's findings to the next Board meeting after each meeting of the Committee.

8. Access to information and independent advice

a) The Committee has access to any information it considers necessary to fulfil its responsibilities.

b) The Committee has access to:

i) management to seek explanations and information; and

ii) auditors to seek explanations and information from them, without management being present.

c) The Committee may seek professional advice from employees of Cromwell Property Group and any independent professional advice from appropriate external advisors, at Cromwell Property Group's cost. The Committee may meet with these external advisors without management being present.

9. Review and changes to this Charter

a) The Committee will review this Charter annually or as often as it considers necessary and make recommendations to the Board for any changes.

b) The Board may change this Charter at any time by resolution.

10. Approved, adopted and reviewed

This Charter was adopted by the Audit, Risk and ESG Committee, and approved by the Cromwell Board, effective 1 July 2024.

The Board reviewed this Charter in June 2025.