

Aroa Biosurgery Limited
Audit & Risk Committee Charter

The board of directors of Aroa Biosurgery Limited (**Company**) has established the Audit & Risk Committee (**Committee**). The Committee is accountable to the Company's board (**Board**) for its performance in respect of the responsibilities delegated to the Committee by the Board.

This charter outlines the objectives, roles, responsibilities, authority, composition and procedural matters relating to the Committee.

1. Purpose/Objectives: The purposes and objectives of the Committee are set out below.

Financial systems and processes

- 1.1. To assist the Board in performing its oversight responsibilities relating to, and ensuring the integrity of, the Company's:
- a) financial reporting processes;
 - b) financial risk management system;
 - c) internal and external financial audit processes; and
 - d) compliance management and associated internal controls.

Systems and processes to manage Business Risks

- 1.2. To assist the Board in performing its oversight responsibilities relating to, and ensuring the integrity of:
- a) the Company's Business Risk Management Framework to ensure that the Company has in place mechanisms and internal controls to identify and manage areas of material Business Risk; and
 - b) internal and external audit processes relating to areas of Business Risk.
- 1.3. Business Risk is:
- a) commercial, business continuity, quality, health & safety, regulatory, sustainability, climate change and conduct risk, and
 - b) risks relating to cyber-security and/or digital disruption, privacy and/or data breaches.
- 1.4. The Business Risk Management Framework is the Company's management system for Business Risk, and includes:
- a) the quality management system;
 - b) the health and safety management system;
 - c) the operational risk management system;
 - d) non-financial risk assessment system; and
 - e) non-financial internal control systems.

2. Board's responsibility

- 2.1. Notwithstanding the establishment of the Committee, the Board is ultimately responsible for the integrity of the Company's:
- a) financial reporting process and financial statements; and
 - b) Business Risk Management Framework.

3. Roles and responsibilities

- 3.1. The Committee's financial related roles and responsibilities are set out below.

Financial reporting

- a) Review the Company's half year and annual audited financial statements and make recommendations to the Board about them.
 - i. The Committee's review should cover any significant accounting estimates and judgements included in the financial statements, and compliance with applicable accounting standards, and ASX and statutory requirements relating to financial reporting.
 - ii. The Committee should require the Chief Executive Officer (**CEO**) and Chief Financial Officer (**CFO**) to provide the Board with a declaration that:
 - In their opinion, the financial records of the Company have been properly maintained.
 - In their opinion, the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company.
 - Their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
- b) Review and make recommendations to the Board in relation to the appropriateness of the accounting policies, judgements and positions adopted by management in preparing the Company's financial reports.
- c) Review and approve all significant changes in accounting policies or practices.
- d) Review the impact of any significant regulatory, accounting or reporting issues on the Company's financial reporting processes.
- e) Consider the external auditors' reports relating to the Company's financial statements and the effectiveness of the annual audit.
- f) Review ASX releases relating to interim and annual financial statements and make recommendations to the Board about them.
- g) Review, discuss with the CFO, and confirm the integrity of, any periodic corporate report that contains financial information that is not subject to an audit or review by an

external auditor, prior to release to market and before recommending the periodic corporate report for Board approval and release to the market.

Financial auditing

- h) Review and recommend to the Board the engagement, appointment, removal and retirement of external financial auditors, including:
 - i. the audit fee (which may also be subject to shareholder approval) and any non-audit fee; and
 - ii. the scope, performance, objectivity and timing of the audit of financial statements.
- i) Oversee the independence of external financial auditors including reviewing disclosed relationships, the amount of non-audit services performed and the rotation of the lead financial audit partner at least once every five years.
- j) Provide a formal forum for communication between the Board, external financial auditors and management including addressing any difficulties encountered during the course of the audit, any restrictions on the scope of work or access to required information.
- k) Review external financial auditors' reports, and discuss the Company's financial internal control systems and processes, the integrity of the Company's processes and any other related matters with financial external auditors.
- l) Review and approve financial annual audit plans and any changes to the audit plans for both internal and external financial audits.
- m) Ensure that procedures are in place that verify the existence and effectiveness of accounting and financial systems and other systems of internal control relating to financial risk management.
- n) Oversee and review the scope, quality, adequacy and objectivity of internal and external financial audits.
- o) Monitor and review the Company's internal financial auditing processes including reviewing internal financial audit reports and ensuring that management implement agreed changes as required.
- p) Review the Delegated Financial Authorities policy every two years.

Other

- q) Review the Company's treasury policies including debt, interest and foreign exchange management every two years.
- r) Review and monitor the Company's tax position and areas of potential tax risk.
- s) Consider any proposal for the external financial auditor to provide non-audit services to the Company and whether it might compromise the independence of the auditor.

- t) Monitor and supervise the implementation and effectiveness of the Company's Anti-Bribery and Corruption Policy (including considering and taking appropriate action relating to reported material breaches of that policy).
- u) Any other duties or responsibilities assigned to it by the Board, from time to time.

3.2. The Committee's roles and responsibilities relating to Business Risk are set out below.

Auditing

- a) Review external auditors' reports, and discuss with external auditors:
 - i. the Company's internal control systems and processes relating to any area of Business Risk;
 - ii. the integrity of the Company's processes relating to any area of Business Risk; and
 - iii. any other related matters.
- b) Review and approve annual audit plans (and any changes to those plans) for internal and external audits relating to areas of Business Risk.
- a) Oversee and review the scope, quality, adequacy and objectivity of internal and external audits relating to areas of Business Risk.
- c) Oversee the Company's internal audit programme of Business Risk and review the summary findings of that programme.

Business Risk Management and Internal Controls

- d) Review (annually) and monitor the Company's Business Risk Management framework and programme including the Company's insurance coverage and business continuity plans.
- b) Review and evaluate the Company's Business Risk management policies, practices and procedures, and receive reports from management relating to incidents within material identified Business Risk areas and actions, and report to the Board as appropriate.
- c) Monitor changes anticipated for the economic, regulatory and business environment, including considering emerging trends. Review reports from management on new and emerging non-financial risks and associated controls and mitigation measures.
- d) Review and monitor at least annually the Company's exposure to environmental or social risks and disclose in its Annual Report whether it considers that it has any material exposure to those types of risks. The Committee will, where required, make recommendations to the Board on how the Company may make changes to its business methods to mitigate any such risks.
- e) With the exception of its quality system, the Company does not maintain an internal audit function. However, it regularly undertakes internal reviews to ensure ongoing compliance with respect to the following matters:

- i. quality system;
 - ii. health & safety laws and regulations; and
 - iii. Business Risk management.
- f) In place of an internal audit function, the Committee, through its annual review of the Company's Business Risk Management Framework, will evaluate and look for improvements in the effectiveness of the Company's governance, Business Risk management and internal control processes.
- g) The Company engages an independent third party to review its quality system on an annual basis. The Committee, may, from time to time, engage an independent third party to audit any of the Company's other activities.

Other

- h) Monitor and supervise the implementation and effectiveness of the Company's Whistleblower Policy (including considering reports of reportable conduct under, and dealing with complaints of non-compliance with, that policy).
- i) Any other duties or responsibilities assigned to it by the Board, from time to time.

4. Policies

4.1. The Committee will review the Company's:

- a) Whistleblower Policy;
- b) Delegated Financial Authorities Policy;
- c) Anti-Bribery and Corruption Policy;
- d) Sustainability Policy;
- e) Risk Management Policy, Risk Management Framework, and related practices and procedures; and
- f) treasury policies,

5. every two years (or as set out in this Charter if shorter) Authority

- 5.1. The Committee will have access to senior executives, all employees, Company records, the Company's financial advisors, legal advisors and auditors (internal and external) without management present, and the right to seek explanations and additional information from employees, management, regulatory authorities and auditors.
- 5.2. The Committee may seek independent advice from external consultants and may require the attendance of such external consultants at Committee meetings, as appropriate.
- 5.3. The Committee may undertake on behalf of the Board any such tasks including investigations or actions it deems appropriate and consistent with its responsibilities.

6. Composition

- 6.1. To the extent practicable given the size and composition of the Board from time to time, the Committee will comprise of at least three members appointed by the Board, a majority of whom will be independent directors, and all of whom will be non-executive directors.
- 6.2. The Chairperson of the Committee will be appointed by the Board and will be an independent director who is not the chair of the Board.
- 6.3. All members of the Committee:
 - a) must be able to read and understand financial statements and at least one member of the Committee must have financial expertise or past employment experience in finance or accounting and an understanding of the industry in which the entity operates; and
 - b) must have a thorough understanding of the Company's activities and should be conversant with the Company's business plans, objectives and values.

7. Meetings and Procedures

- 7.1. The Committee will meet as frequently as required to fulfil its responsibilities, but no less than two scheduled meetings will be held in a year.
- 7.2. The quorum for a meeting of the Committee is at least two members of the Committee.
- 7.3. If the Chairperson of the Committee is absent from a meeting, the members of the Committee participating in that meeting may elect one of themselves as the chairperson for the meeting.
- 7.4. The Company Secretary will ensure that meeting minutes are kept.
- 7.5. The proceedings of the Committee will be governed by the provisions of the Constitution that govern meetings of the Board of directors with all necessary modifications.
- 7.6. The Committee may invite such other persons to attend Committee meetings as it deems necessary or required. The CEO, CFO and Company Secretary will attend each meeting of the Committee. The Director of Quality will attend meetings as requested by the Committee.
- 7.7. All directors have a standing invitation to attend any meetings of the Committee.

8. Reporting

- 8.1. The Chairperson of the Committee will report back to the Board at its next scheduled meeting the key matters discussed, its decisions and any recommendations of the Committee.
- 8.2. The minutes of the Committee meetings will be provided to the Board at the next scheduled meeting of the Board.

9. Review

- 9.1. The Committee will conduct an annual review of the Committee's objectives and activities.
- 9.2. The Committee will review this charter at least every two years. Any changes to this charter must be approved by the Board.

9.3. The Charter will be available on the Company's website within a reasonable time after any such updates or amendments have been approved.

Approved by the Board in March 2026

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<i>Custodian</i>	<i>Company Secretary</i>
<i>Date previously approved by the Board</i>	<i>N/A</i>
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