



EROADLIMITED

Finance, Risk and Audit Committee Charter

1. ESTABLISHMENT

This Charter sets out the basis on which the Board has established a Finance, Risk & Audit Committee ("Committee") pursuant to the Constitution.

2. OBJECTIVES AND PURPOSE

- 2.1. The objectives and purpose of the Committee are to assist the Board in meeting its responsibility to shareholders to exercise due care, diligence and skills in relation to:
 - a. risk management and internal control principles;
 - b. financial reporting;
 - c. auditing processes and activities; and
 - d. the oversight of executive management, specifically performing the responsibilities of the Executive Oversight Committee ("EOC"), a committee composed solely of independent directors established to oversee executive management and provide independent governance in circumstances where the Chair of the Board of Directors of EROAD is an executive director.
- 2.2. The committee has no decision making powers except where expressly provided by the Board.

3. COMPOSITION

- 3.1. The Board will regularly confirm the membership of the Committee. The Committee shall comprise at least three members each appointed by the Board. The majority of the Committee members shall be independent "non-executive Directors", who are able to read and understand financial statements. At least one member of the Committee shall have relevant financial experience.
- 3.2. The Board shall appoint one of the members of the Committee to be the Chairperson of the Committee, in accordance with the following criteria:
 - 3.2.1. The Chairperson of the Board shall not be the Chairperson of the Committee.
 - 3.2.2. The Chairperson of the Committee shall be independent, and not otherwise have a longstanding association with EROAD's external audit firm as a current, or retired, audit partner or senior manager at the firm. The Chairperson of the Committee will generally be perceived as independent, for these purposes, if there has been a period of at least three years between previously being employed by the external audit firm and serving as Chairperson of the Committee.
 - 3.2.3. Where the Chairperson of the Board is an executive director, the Chairperson of the Committee shall also serve as the Lead Independent Director (LID). In this scenario, the Committee shall discharge the functions of the EOC, with the Chairperson acting as Chairperson for both the Committee and the EOC. The Chairperson shall discharge the LID's responsibilities in accordance with the duties and responsibilities outlined in this Charter, as approved and updated by the Board from time to time.
- 3.3. The Committee may, if it considers it appropriate, appoint a secretary. The Committee may take such independent advice as it considers necessary.

3. ROLE OF THE CHAIRPERSON

- 3.3. The Chairperson carries out a leadership role in the conduct of the Committee.

- 3.4. The Chairperson must ensure that all members of the Committee are encouraged to participate in the affairs of the Committee and have an opportunity to express their views.

4. MEETINGS

- 4.3. The Committee will meet at least four times a year.
- 4.4. A quorum for a meeting of the Committee is two Directors.
- 4.5. The Committee may invite such other persons to attend their meetings as they consider appropriate. Committee meetings will generally be attended by the Chief Financial Officer and Chief Executive Officer. The Committee will meet with the Auditors in a one on one session at least twice a year.
- 4.6. The date, time and location of each Committee meeting will be notified by the Company to all members as far in advance as possible. Relevant Committee papers shall also be sent to members as far in advance as possible.
- 4.7. The proceedings of the Committee will be governed by the provisions of the Constitution that govern meetings of Directors, where applicable.
- 4.8. The Committee shall ensure that minutes of its meetings are kept and provided to the Board on a timely basis.

5. DUTIES AND RESPONSIBILITIES

- 5.3. In addition to any other duties and responsibilities which have been assigned to it from time to time by the Board, the Committee has the authorities, duties and responsibilities to:
- 5.3.1. monitor the risk management system to ensure EROAD continues to have an appropriate and effective system, mechanisms and internal controls in place to identify and manage material business risks;
 - 5.3.2. monitor the integrity of the financial statements and any other announcements relating to its financial performance;
 - 5.3.3. monitor and oversee EROAD's relationship with its external auditors;
 - 5.3.4. monitor and assess EROAD's climate-related risks and opportunities, and oversee the implementation of EROAD's risk management framework for identifying, assessing and managing sustainability risks and opportunities, including under climate-related disclosure frameworks;
 - 5.3.5. review the adequacy and accuracy of climate-related disclosures in financial reports, sustainability reports and other relevant communications, ensuring compliance with applicable disclosure frameworks;
 - 5.3.6. provide an open avenue of communication among the external auditors, management, and the Board; and
 - 5.3.7. carry out the responsibilities of the EOC, including the review of executive proposals, strategic initiatives and major operational decisions.

To fulfil its responsibilities and duties, the Committee shall do the following:

5.4. RISK MANAGEMENT AND INTERNAL CONTROL

- 5.4.1. Review and monitor EROAD's risk management system and internal control framework to ensure that EROAD has in place mechanisms and internal controls to identify and manage areas of material business risk.
- 5.4.2. Ensure that processes are in place so that the Board is regularly updated on financial, operational, organisational, climate-related and other risk matters (including information on any material business risks raised by management or added to the risk register and whether the material business risks are being managed effectively).
- 5.4.3. Engage with management, external experts and relevant stakeholders to enhance the committee's understanding of climate-related risks and opportunities, emerging regulatory developments and industry best practices.

- 5.4.4. Assess the integration of climate-related risks and opportunities into EROAD's strategic planning, financial forecasting and capital allocation processes. This involves reviewing reports submitted by management to ensure compliance with legal and regulatory requirements.
- 5.4.5. Review, with the external auditors and management, policies and procedures with respect to material business risks.
- 5.4.6. Review and monitor EROAD's insurance arrangements with management and recommend changes, if considered appropriate.
- 5.4.7. Consider annually, the need for internal audit as required.

5.5. FINANCIAL REPORTING

- 5.5.1. Review and discuss, with external auditors and management, EROAD's annual audited financial statements and the interim financial statements prior to publicly releasing these financial statements.
- 5.5.2. Review and consider the external auditors report(s) on EROAD's annual and interim financial statements.
- 5.5.3. Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied and significant judgments affecting its financial reporting.
- 5.5.4. Obtain appropriate reporting from management of all significant judgments made in management's preparation of the financial statements.
- 5.5.5. Review any significant disagreements among management and external auditors relating to the preparation of the financial statements.
- 5.5.6. Require the Chief Executive Officer and Chief Financial Officer to confirm in writing to the Board that to the best of their knowledge:
 - 5.5.6.1. EROAD's financial statements present a true and fair view, in all material respects, and are in accordance with relevant accounting standards; and
 - 5.5.6.2. those reports are founded on a sound system of risk management and internal control and that system is operating effectively in all material respects.
- 5.5.7. Review the financial statements and advise all directors whether they comply with the appropriate financial laws and regulations.
- 5.5.8. Review and discuss the financial systems supporting the financial statements.

5.6. AUDITING ACTIVITIES

- 5.6.1. Review and recommend to the Board the engagement, reappointment and removal of external auditors including their fees, scope and timing of their audit of EROAD's financial statements.
- 5.6.2. The FRAC Chair is authorised to approve any engagement letter with EROAD's auditors on behalf of the Board;
- 5.6.3. Establish guidelines for the selection and appointment of EROAD's external auditors. Ensure that the Key Audit Partner is changed every five years.
- 5.6.4. Actively engage EROAD's external auditors in a dialogue with respect to any disclosed relationships or services that may impact the objectivity and independence of such auditors and recommend to the Board appropriate action in response to the external auditors' report to satisfy itself of the
- 5.6.5. auditors' independence. Where the external auditor provides non-audit services, the Committee shall satisfy itself that the provision of non-audit services has not compromised the auditor's independence.
- 5.6.6. Periodically discuss with the external auditors out of the presence of management the Company's internal control systems and processes, the integrity of EROAD's financial statements and financial reporting processes, the external auditors' perception of the Company's financial and accounting personnel and any other matters the Committee consider appropriate.
- 5.6.7. Following completion of the annual audit, review separately with management any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- 5.6.8. Monitor and review the internal auditing processes.

5.7. EXECUTIVE OVERSIGHT COMMITTEE AND LID RESPONSIBILITIES

- 5.7.1. In circumstances where the Board has appointed an Executive Chair, FRAC will take on the responsibilities of the EOC. This approach reflects the Committee's central role in managing governance risks and ensuring effective oversight in situations where the Executive Chair may have a

conflict of interest. For the purposes of executive oversight functions, the Committee will operate as follows:

- 5.7.1.1. The EOC shall only comprise independent members of the Committee.
- 5.7.1.2. The EOC will be chaired by the LID for all EOC business.
- 5.7.1.3. The EOC is authorised to oversee matters such as CEO performance assessment and remuneration, CEO succession planning, Chair succession, Board composition, and other governance matters where independence is required, and which are not otherwise able to be addressed by the People & Culture Committee.
- 5.7.1.4. The LID may convene meetings for EOC business as needed.
- 5.7.1.5. The EOC, through the Lead Independent Director, may seek independent professional advice on governance or oversight matters, subject to approval from another independent director.
- 5.7.2. When serving as LID, the Chairperson's functions additionally include:
 - 5.7.2.1. Presiding at Board and Committee meetings at which the Executive Chair is not present, including sessions attended only by independent Directors.
 - 5.7.2.2. Calling additional meetings of independent Directors as required.
 - 5.7.2.3. Facilitating open discussion and dialogue among independent Directors during meetings and outside meetings.
 - 5.7.2.4. Serving as principal liaison between independent Directors and the Executive Chair, without inhibiting direct communications.
 - 5.7.2.5. Communicating to the Executive Chair and management any recommendations, decisions, concerns, or suggestions from independent Directors.
 - 5.7.2.6. Providing feedback and counsel to the Executive Chair regarding their interactions with the Board.
 - 5.7.2.7. Working with the Executive Chair to develop and approve Board meeting agendas and schedules.
 - 5.7.2.8. Advising the Executive Chair on the appropriateness, quality, and timeliness of information provided to the Board/Committee.
 - 5.7.2.9. Authorising retention of advisors/consultants reporting directly to the Board, when appropriate.
 - 5.7.2.10. In consultation with the Nominations Committee, reviewing and reporting on Board and Committee performance self-evaluations, and meeting individually with independent Directors as needed.
 - 5.7.2.11. If appropriate, and coordinated with executive management, being available for consultation and direct communication with major shareholders.
- 5.7.3. These executive oversight functions shall be carried out in accordance with the NZX Listing Rules and the NZX Corporate Governance Code, and will be recorded separately in meeting minutes for transparency.

5.8. OTHER

- 5.8.1. Review this Charter regularly and recommend to the Board any appropriate changes.
- 5.8.2. Review the appropriateness of all accounting policies used to produce the financial statements.
- 5.8.3. Recommend to the Board changes to EROAD's financial reporting, auditing and accounting principles and practices as suggested by the external auditors or management.
- 5.8.4. Review with the external auditors and management the extent to which changes or improvements in financial or accounting practices have been implemented.
- 5.8.5. Review with management, and where appropriate external advisors, the extent to which changes or developments in climate-related disclosures reporting have been implemented.
- 5.8.6. Perform any other activities consistent with this Charter, EROAD's constitution and applicable law, regulation or listing rule as the Committee or the Board deems necessary or appropriate.
- 5.8.7. Review all frauds brought to the attention of the Committee.

6. ACCESS

The Committee shall have direct communication with, and unrestricted access to, all executive team members, external auditors, financial and legal advisors, employees, and all company records.

7. REPORTING

The Chairperson of the Committee shall regularly report to the Board. The report shall contain matters relevant to the Committee's role and responsibilities, including:

- 7.3. an assessment of whether external reporting is consistent with the Committee members' information and knowledge and is adequate for shareholders' needs;
- 7.4. the procedures for the selection and appointment of the external auditor and for the rotation of Key Audit Partner;
- 7.5. an assessment of the performance and independence of the external auditors and whether the Committee is satisfied that the independence of this function has been maintained;
- 7.6. whether the risk management principles and internal control are operating effectively in all material respects, including the results of any review of risk management or internal controls; and
- 7.7. whether the material business risks are being managed effectively.

8. REVIEW

The Committee shall conduct regular review of its objectives, purpose, composition, duties and responsibilities and seek feedback from all Board members. It shall recommend to the Board any suggested changes in the duties and responsibilities of the Committee and the terms of this Charter.

Approved by Board 17 October 2025