



Audit and Risk Committee Charter

Constitution

The Audit and Risk Committee is a committee of the Board of Directors of Genesis Energy (or the **Company**) established by the Board, with powers only expressly provided for in this Charter.

Purpose

The principal purpose of the Committee is to assist the Board in relation to the Company and its subsidiary companies (the **Group**), with the proper and efficient discharge of its responsibilities and to exercise due care, diligence and skill in relation to the oversight of the:

- (a) appointment and performance of the internal and external auditors;
- (b) integrity of external financial reporting;
- (c) financial management and internal control systems;
- (d) accounting policy and practice;
- (e) risk management framework and the monitoring of compliance within that framework;
- (f) related party transactions; and
- (g) compliance with applicable laws, regulations, standards, codes of practice, the NZX Listing Rules and applicable parts of the ASX Listing Rules.

The Committee must ensure that processes are in place so that the Board is properly and regularly informed and updated on corporate financial matters.

Membership

The Board is responsible for the appointment and removal of the members of the Committee.

The Committee is comprised of members of the Board who are non-executive Directors, a majority of whom are independent Directors (as determined in accordance with the NZX Listing Rules and the factors described in the NZX Corporate Governance Code).

The number of members of the Committee is not less than three.

At least one of the members of the Committee is a Chartered Accountant or has an 'accounting or financial background' as that term is described in NZX's "Governance" Guidance Note.

The Chairman of the Committee is appointed by the Board from among the members of the Committee who are independent. The Chairman of the Board is not the Chairman of the Committee. The Chair of the Committee will not otherwise have a long-standing association with the Company's external audit firm as a current, or retired, audit partner or senior manager at the firm (i.e., there should be a period of at least three years between previously being employed by the external audit firm and serving as Chair of the Committee).

Secretarial & Meetings

The secretary of the Committee is the General Counsel and Company Secretary or another employee appointed by the Committee.

A quorum of members of the Committee is two and no business may be transacted at a meeting of the Committee unless a quorum is present.

The Committee may have in attendance such members of Company management (**Management**) including the Chief Executive and the Chief Financial Officer, and such other persons including the internal and external auditors as it considers necessary to provide appropriate information and explanations on relevant matters. From time to time the Chairman of the Committee may request that the Committee meets without these persons present.

Directors who are not members of the Committee may attend Committee meetings at the invitation of the Committee.

Reasonable notice of meetings and the business to be conducted is given to the members of the Committee, all

other members of the Board, the Chief Executive and the Chief Financial Officer and the external and internal auditors.

Employees will only attend Committee meetings at the invitation of the Committee.

Meetings are held not less than four times a year having regard to the Company's reporting and audit cycle. Any member of the Committee, the Chief Executive, the Chief Financial Officer, or the external auditor may request a meeting at any time if they consider it necessary.

Minutes of all meetings are kept.

Responsibilities

The responsibilities of the Committee are as follows:

Audit – External and Internal

- (a) review and recommend to the Board for approval, in consultation as necessary with the Office of the Auditor-General, the appointment or termination of the external auditor;
- (b) review and recommend to the Board for approval, the appointment or termination of the internal auditor;
- (c) ensure that the Key Audit Partner (as defined in the NZX Listing Rules) of the external auditor is changed at least every five years (as required by NZX Listing Rule 2.13.3).
- (d) review and confirm the independence of the external auditor consistent with the Company's Audit Independence Policy, including a review and approval of any non-audit services that may be provided to the Company and any related fees and ensuring that there is no relationship between the Company (or its directors and Management) and the external auditor that could compromise the external auditor's independence;
- (e) liaise with internal and external auditors and establish a procedure for sustaining direct and unrestricted access to and communication between the Committee and the internal and external auditors;
- (f) review and recommend to the Board for approval, and note to the Board the annual and any interim audit or review plan of the external auditor;
- (g) review and approve the engagement letters and fees for the external auditor;
- (h) review and approve the annual internal audit plan and the engagement letter and fees for the internal auditor;
- (i) monitor, review and assess the performance and effectiveness of the external and internal auditors' activities;
- (j) monitor Management's execution of the recommendations highlighted within the internal audit and external audit reports.

Financial Reporting

- (a) review and recommend to the Board for approval, the Group's half year and annual financial statements and in carrying out this exercise, consider and review:
 - o All audit reports related to the financial statements;
 - o All audit findings;
 - o All representations from Management;
 - o The public releases of financial information to the media and market, including the adequacy of information for shareholders;
 - o The significant estimates and judgements in the financial reports by enquiring of Management about the process used in making material estimates and judgements and then enquire of the external auditor their conclusions on the reasonableness of Management's estimates and judgements;
 - o The integrity of the annual and half year financial statements and whether the financial reports

represent a true and fair view in all material respects, of the Group's financial position and comply with all appropriate laws and regulations.

Financial Management

- (a) assess the performance of financial management;
- (b) review and approve accounting and financial management policies and recommend to the Board for approval, and any changes to accounting and financial management policies;
- (c) assess whether there are adequate controls over special or complex transactions;
- (d) oversee compliance with statutory responsibilities relating to financial and other requirements;
- (e) oversee compliance with contractual obligations and covenants in relation to financing arrangements and review and approve any director certificates required pursuant to the Company's debt facilities;
- (f) oversee tax management and compliance;
- (g) review the propriety of all transactions between the Company and related parties and assessment of their propriety.

Risk Management and Internal Controls

- (a) monitor the adequacy and effectiveness of the Company's internal control framework and structure, including the role of internal and external auditors, Company policy and procedure;
- (b) provide risk management oversight for all classes of risk, including strategic, organisational, financial, operational and corporate risk and provide recommendations to the Board in relation to whether the Company's processes for managing risk are sufficient;
- (c) review the Company's Risk Management Framework and the Risk Management Policy and related risk statements and policies and approve any material changes;
- (d) receive appropriate and regular reporting from management in relation to the Company's Risk Management Framework;
- (e) report to the Board on how the Company's principal risks are managed under the Company's Risk Management Framework;
- (f) review the Company's principal risks and recommend to the Board any changes to those risks or the various controls;
- (g) assess the effectiveness of the implementation of the Company's risk management system;
- (h) oversee and provide recommendations to the Board in relation to any incidents of fraud, as reported in accordance with the Fraud Policy, or other breakdowns of the Company's internal controls;
- (i) review the processes in place for continuously improving internal controls and recommend any material changes to the Board for approval;
- (j) oversee legislative and organisational compliance initiatives;
- (k) oversee corporate governance practices including the development of corporate policies and procedures and recommend any material changes to the Board for approval.

General

- (a) supervise any special investigation when requested by the Board;
- (b) examine and report to Board on any matters referred to the Committee by the Board; and
- (c) establish and review the schedule of annual activities of the Committee.

Authority

The Committee is authorised by the Board to deal with matters as set out in the Responsibilities section of this Charter and:

- (a) may make decisions (or submit recommendations for consideration by the Board) on matters for which decision-making authority has been delegated by the Board to the Committee, as provided for in this Charter or otherwise directed by the Board (including those set out in the Board-approved Delegations of Authority Policy, if any); and
- (b) must submit recommendations to the Board on matters for which decision-making authority has not been delegated by the Board.

Access and Independent Advice

The Committee is authorised by the Board to investigate any activity within its responsibilities as set out in this Charter. It is authorised to seek any information it requires from any employee and all employees will be directed to co-operate with any request made by the Committee.

The Committee is authorised by the Board to obtain, at the expense of the Company, outside legal or other independent professional advice, as necessary to discharge its responsibilities and to arrange for the attendance at meetings, at the expense of the Company, of outside parties with relevant experience and expertise if it considers it necessary.

The Committee meets the internal and external auditors without Management present as a standing agenda item biannually and may elect to meet with external and internal auditors at any time outside these scheduled times.

Relationship with Auditors – Internal and External

On a day to day basis, the Chief Financial Officer is responsible for the relationship with the external and internal auditors.

Individual business units are responsible for the timely and accurate provision of information to the external and internal auditors.

The external and internal auditors have direct and unrestricted access to the Committee and, where required, the full Board.

Reporting Procedures

The Committee maintains direct lines of communication with the external auditor, the Chief Executive, the Chief Financial Officer, the internal auditor and with Management generally.

The Chief Executive and the Chief Financial Officer are responsible for drawing to the Committee's immediate attention any material matter that relates to the financial condition of the Group, any material breakdown in internal controls, and any event of fraud or malpractice.

The Chief Financial Officer will inform the Committee of any material communication between the external and internal auditors and Management.

After each Committee meeting the Chairman of the Committee reports the Committee's findings and recommendations to the Board at the next meeting of the Board following the Committee meeting.

The minutes of all Committee meetings are circulated to the members of the Board, the Chief Executive and the Chief Financial Officer and will also be made available to the external auditor and to such persons as the Board directs.

The Board will disclose annually that Management has reported on the effectiveness of the Company's management of its material business risks.



Review of the Committee and this Charter

The Committee undertakes an annual self-review of its performance against its objectives and responsibilities and advises the Board of the outcome of that review.

The objectives and responsibilities of the Committee are also reviewed by the Board, the Chief Executive and the Chief Financial Officer and any other person the Board considers appropriate.

This Charter will be reviewed every two years or earlier if required. The Board must approve any changes to this Charter.

Last approved: June 2019.