

**MAINFREIGHT LIMITED (the Company)**  
**AUDIT COMMITTEE CHARTER**

The Board of Mainfreight Limited (the Board) has established a sub-committee of the Board to be known as the Audit Committee (the Committee), the objectives, membership, duties and responsibilities of which are as follows:

**Objectives**

The objective of the Committee is to assist the Board in discharging its responsibilities relative to financial reporting, risk and financial compliance.

**Membership**

The Committee shall:

- Be comprised solely of Directors of the Company;
- Have a minimum of three members; a majority of whom are Independent Directors; and
- Have at least one member with an accounting or financial background.

The Board shall appoint one of the independent members of the Committee as the Chairman. The Chairman of the Board shall not be the Chairman of the Committee.

**Meetings**

The Committee will meet as it deems necessary to fulfil its objectives and discharge its responsibilities.

A quorum of members of the Committee shall be two.

The Committee may have in attendance at their meetings the CEO/Group Managing Director and Group Chief Financial Officer, the External Auditors, and other such persons as it considers necessary.

Minutes shall be taken and circulated to the Board.

## **Responsibilities**

- Recommend to the Board the appointment (or removal) of the External Auditor and ensure, through liaison with the External Auditor and Management, that the Company and its subsidiaries are discharging their responsibilities to meet relevant legislation and regulatory requirements governing corporate entities, including generally accepted accounting practice and applicable financial reporting standards;
- Ensure the External Auditor or lead audit partner is changed at least every five years;
- Review the annual audit plan and its scope, and recommend these to the Board together with the annual audit fee;
- Review draft financial statements with Management and the External Auditors, together with associated market releases, and recommend final acceptance of the full financial statements for each financial year and half year to the Board;
- Receive, consider and ensure appropriate action is taken on the External Auditors' report to Management on the status of internal control and management systems;
- Review accounting policies, particularly amendments to existing accounting policies, to ensure ongoing compliance with generally accepted accounting practice and applicable financial reporting standards;
- Review the independence of the External Auditor and review non-audit services provided by the External Auditor in that regard;
- Ensure that the Company has an effective risk control framework in place including internal controls for:
  - Safeguarding Company assets (including appropriate insurance cover and asset revaluation)
  - Maintenance of proper accounting and business records
  - Compliance with legislation (including resource management and health and safety issues)
  - Ensuring reliability of financial information
  - Maintaining an overview of business risk factors and establishing the means of mitigating these.

In addition, the Committee shall examine any other matters referred to it by the Board.

**Authority**

The Committee is authorised by the Board to investigate any activity within its terms of reference, with free access to appropriate employees of the Company, or to obtain (at the expense of the Company) outside legal or other independent professional advice as it may consider necessary. Such an action would usually take place following consultation with the Board or the Chairman of the Board.