June 2026

Audit and Risk Management Committee Charter

Purpose

1. The Audit and Risk Management Committee (**ARMC**) assists the Board in overseeing Chorus' financial and non-financial risk, financial management, accounting, audit and financial reporting.

Membership

2. All ARMC members must be non-executive Directors.

3. The ARMC must have at least three members, a majority of which are independent. At least one member must have an accounting or financial background. A quorum for the ARMC is two members.

4. The ARMC Chair:

    - must not also be the Chair of the Board, and
    - must be independent and not otherwise have a long-standing association with Chorus' external audit firm as a current or retired audit partner or senior manager at the firm.[1]

Role

5. The ARMC's role is to:

    - assist the Board in discharging its responsibility to exercise due care, diligence and skill in relation to:
        - the integrity of external financial and non-financial reporting
        - financial management

[1] The ARMC Chair will generally be perceived to be independent if there has been a period of at least 3 years between previously being employed by the external audit firm and serving as ARMC Chair.

  - internal controls
  - accounting policy and practice
  - the risk management framework and monitoring compliance with that framework (including both financial and non-financial risks)
  - related party transactions, and
  - compliance with applicable laws, regulations and standards
- ensure processes are in place and monitoring those processes so the Board is properly and regularly informed on corporate financial and/or non-financial matters
- improve the quality, credibility and objectivity of the accounting process, including financial reporting
- oversee and monitor the performance of internal and external auditors
- assess the external auditor's independence and qualifications and ensure:
  - the external auditor's independence is maintained, and
  - the external auditor's ability to carry out its statutory duties is not, and could not reasonably be perceived to be, impaired
- provide a structured reporting line for, and ensure the objectivity of, internal audit, and
- act as a forum for free and open communication between the Board, internal audit, external auditors and Management.

Responsibilities and Duties

6. The responsibilities and duties delegated to the ARMC by the Board are set out in the Schedule.

Responsibilities and Duties of Others

7. The ARMC is not responsible for conducting accounting or auditing reviews or procedures:

- Management is responsible for:
  - the preparation, presentation and integrity of the financial statements
  - implementing and maintaining appropriate accounting and financial reporting principles, and compliance with accounting standards and applicable laws and regulations
  - the day-to-day effectiveness of Chorus' risk management and control framework
- General Counsel's Office and the Chief Financial Officer's (CFO or equivalent)) team is responsible for independent reviews of the risk control framework and

compliance with policies and regulations

- Chorus' external auditors are responsible for planning and carrying out each audit and review in accordance with applicable auditing and review standards, including an annual internal control review
- Chorus' external auditors are accountable to shareholders (through the ARMC and Board)
- Chorus' internal audit function is responsible for providing independent, risk based, objective assurance and advisory services to the Board and Management to enhance and protect Chorus' value, and
- Chorus' internal audit manager will ensure the internal audit function is appropriately resourced with the necessary skills to carry out its responsibilities, including the use and management of co-sourced or specialist providers.

Procedures

8. The ARMC meets quarterly and as required. Chorus people may attend meetings at the invitation of the ARMC. The ARMC members may have direct communication with and unrestricted access to the external and internal auditors or members of the Finance team.

9. The ARMC meets the external auditors without Management present:

   - at each meeting considering Chorus' half and full year results, and
   - at other times as requested by either party.

10. The ARMC Chair meets:

    - with the CFO (or equivalent) and General Counsel before each ARMC meeting
    - without Management present, the external auditors, and internal audit as appropriate, and
    - Management as required.

11. In respect of internal audit, the ARMC requires that:

    - Internal audit has full, free and unrestricted access to all Chorus functions, records, property and personnel as necessary to fulfil its responsibilities/perform its role.
    - Internal audit operates independently and must not be subject to interference in determining the scope, timing, performance/content or communication of its work.
    - The Internal Audit Manager has direct access to the ARMC Chair (and Board Chair if required/necessary) and will promptly escalate any significant issues to the ARMC Chair, the CEO and CFO (or equivalent).

Definitions

12. In this policy:

- **outsourced internal audit firm** means any outsourced or co-sourced partnership for the internal audit function.

Ownership and Review

Reviewer:	Audit and Risk Management Committee
Ownership:	General Counsel
Review:	At least every two years

Schedule: ARMC Responsibilities and Powers

Financial Management	
1	Reviewing and approving accounting policies and reporting to the Board.
2	Reviewing, approving and executing any Director certificates required pursuant to Chorus' external financing arrangements, provided that two ARMC members execute such certificates.
3	Reviewing and recommending changes to the Treasury Policy, the External Auditor Independence Policy, Legal and Compliance Policy, Managing Risk Policy and Tax Governance Policy to the Board.
External Financial Reporting[2]	
4	Reviewing external financial reporting with Management, including whether the reporting is: • consistent with the ARMC's understanding of Chorus, and • adequate for shareholder needs.
5	Considering, when conducting the above review: • the underlying quality, not just acceptability, of the external financial reporting • changes in accounting policy and practice • any significant accounting estimates and judgements • accounting implications of new and significant transactions • management practices and any significant disagreements between management and the external auditors • the propriety of related party transactions • compliance with applicable New Zealand, Australian and international accounting standards; NZX and ASX requirements; and legislative requirements including the Companies Act (NZ), financial reporting legislation in New Zealand, and Corporations Act (Australia), and • annual and half year certification by the CEO and CFO (or equivalent) as to the appropriateness of Chorus' financial statements.
6	Meeting with the external and internal auditors (or other members of the Finance team) without Management present to discuss the practices and issues surrounding external financial reporting.
7	Reporting the results of the review to the Board and recommending, if appropriate, the Board adopt the external financial reporting.
8	Monitoring and reviewing the external auditing practices
Internal Controls	
9	Periodically considering the adequacy of internal controls after consultation with the external auditors (who should report to the ARMC at least annually).
10	Reviewing the six monthly fraud report and disclosing to the external auditor any fraud involving employees with a significant role in Chorus' internal controls.
11	Monitoring and reviewing the internal auditing practices

[2] In this Charter, "**external financial reporting**" means the half yearly and annual financial statements, commentary accompanying those financial statements, and the reports of the external auditor on their audits/reviews.

Risk Management	
12	Confirming with the CEO and the CFO (or equivalent) to the Board that Chorus' risk management and internal control system for both financial and non-financial risks is operating effectively.
13	Periodically reviewing reporting on Chorus' principal and business unit risks (usually quarterly) and discussing emerging and unforeseen risks (usually Bi-annually).
14	Ensuring Management's risk management framework: • is in line with the Board's risk appetite, and • includes policies and procedures to identify, treat and monitor principal risks, and regularly reporting to the Board.
15	Periodically (at least annually) assessing the effectiveness of, and monitoring compliance with, the risk management framework.
External Audit	
16	Recommending the appointment and termination of the external auditor to the Board.
17	Periodically (at least annually) assessing and confirming to the Board the scope and adequacy of the external audit and the independence of the external auditor, after considering the External Audit Independence Policy criteria.
18	Reviewing, at least annually, a report from the external auditor which describes: • internal control procedures relating to external financial reporting • findings from the most recent external audit and any steps taken to deal with such findings • all relationships between the external auditor and Chorus • "critical accounting policies" used by Chorus • alternative treatments of financial information within Generally Accepted Accounting Practice that have been discussed with Management, the ramifications of these treatments and the treatment preferred by the external auditor, and • the external auditor's policy on audit partner rotation, which must provide that the lead/engagement and client service partners rotate at least every five years, and reporting to the Board.
19	Approving the external auditor's fees, terms of engagement, external audit work plan and annual independence statement.
20	Reviewing the external auditor's half-yearly statement of fees for the audit or review of Chorus' financial statements, fees for all other services and monitoring the ratio of those fee categories.
21	In accordance with the External Audit Independence Policy: • pre-approving all services provided by the external auditor • approving the hiring of any former partner or audit manager of the external auditor.
22	Ensuring the lead audit engagement and concurring key audit partners are changed at least every five years.
Internal Audit	
23	Review, approve and oversee execution of: • a risk-based internal audit plan developed by the internal audit manager in consultation with Management, and

	• any special reviews requested by the CEO or CFO (or equivalent).
24	Annually reviewing the performance of the internal audit function, including the function's application of professional standards (i.e. Institute of Internal Auditors Global Internal Audit Standards).
25	Periodically (usually quarterly) monitoring and reviewing reports from internal audit regarding: • the internal audit work plan • the level and effectiveness of controls • Management responses, and • remediation of agreed audit actions.
26	Overseeing the independence and objectivity of the internal audit function and, where there is an outsourced or co-sourced partner: • reviewing the range of services provided by that partner, if any, in the context of all assurance and consulting services purchased • annually reviewing that partner's performance and making recommendations to the Board regarding the conduct of the internal audit function, and • overseeing the management of conflicts of interest for any outsourced or co-sourced providers.
27	Monitor implementation of external audit recommendations.
28	Oversee internal audit's role in supporting investigations of significant suspected fraud and review outcomes.
29	Review recommended updates to the internal audit approach and/or internal audit plan.
Internal Audit Personnel / Team	
30	Reviewing any internal audit manager appointment or removal.
31	Recommending to the Board the appointment (in accordance with Chorus' procurement processes) or termination of any outsourced / co-sourced internal audit firm.
32	Reappointing incumbent internal audit firms.
Complaints	
33	Ensuring the confidential and anonymous receipt, retention and treatment of complaints regarding accounting controls or auditing matters through Chorus' breach reporting mechanisms (including fraud and whistle blowing reporting).
34	Investigating matters under its authority.
Compliance with Applicable Laws and Regulations	
35	Periodically (usually quarterly) reviewing Chorus' compliance with applicable laws, regulations, and standards through Chorus' compliance frameworks.
Climate-related strategy and disclosures	
36	Overseeing and monitoring progress in the implementation of Chorus' climate strategy, including oversight of climate-related risks and opportunities.
37	Reviewing Chorus' compliance with the climate related disclosures regime, including the engagement of an assurance provider under that regime.