



AUDIT COMMITTEE CHARTER

BOARD APPROVED 20 MAY 2020

OBJECTIVE

To assist the Blackmores Limited Board ('the Board') in the effective discharge of its responsibility by having oversight of:

- integrity of the financial statements and financial reporting systems
- financial reporting and compliance with statutory requirements
- the management of the external and internal audit functions
- the process for monitoring compliance with laws and regulations and the code of conduct.

The Audit Committee (the **Committee**) is constituted and delegated functions by the Board. The Committee's functions and powers are as set out in this Charter or otherwise delegated to it by the Board, in accordance with the Company's Constitution.

Save as specifically provided to the contrary in this Charter, the Committee's role is to review and make recommendations to the Board. It has no executive power or management function.

The Board retains ultimate responsibility for risk oversight.

COMPOSITION

The Committee is appointed by the Board in accordance with Clause 122 of the Blackmores Constitution.

- The Committee is to consist of:
 - Non-Executive Directors;
 - A majority of independent Directors and
 - at least three (3) Members
- The Chair of the Committee is to be an Independent Non-Executive Director and is to be appointed by the Board.
- The Chair of the Committee must not be the same person as the Chairman of the Board. The Committee members must be financially literate and:
 - At least one must have relevant financial expertise or experience; and
 - At least one should have relevant risk management expertise or experience.
- The Company Secretary is to attend all Committee Meetings to ensure minutes are taken of the Meeting.

RESPONSIBILITIES AND DUTIES

The Committee's primary responsibility and duties are to oversee and make recommendations to the Board on the following matters:

Financial Reporting

Review the statutory financial reports of the Group to ensure the Committee is satisfied the reports provide a true and fair view of the financial affairs of the Group and meets the reporting needs of the stakeholders.

To receive and review the management representation letter and the declarations by the Chief Executive Officer and Chief Financial Officer made in accordance with the Corporations Act and the ASX Corporate Governance Principles and Recommendations, prior to the presentation of these to the Board.

Review the financial reports and statements for the Company's subsidiaries where relevant.

Review the audited half-yearly and yearly financial reports and statements with management and the external auditor and recommend the approval or otherwise by the Board.

Financial Risk Management and Internal Control

Discuss with management and the external auditors, the Company's accounting and financial controls including the policies and procedures to assess monitor and supervise financial risk.

In conjunction with management and the external auditor, review the applicable Company accounting policies and any changes that have been adopted to ensure they are in accordance with the stated financial reporting framework.

Make recommendations to the Board on significant accounting and financial policy changes

Review all reports produced by the external auditor and management's response to the matters raised to ensure that the Committee is satisfied that accounting records are properly maintained in accordance with statutory requirements.

External Audit

Review and recommend to the Board the appointment of the external auditor.

Review the terms of engagement and fees.

Consider and review the intended scope of work, process and reports of the external auditor.

Review the performance and remuneration of the external auditor taking into account the opinions of management.

Establish and review policies in regards to the independence, objectivity and effectiveness of the external auditors. In particular assess whether the Committee is satisfied that the independence of the external auditors has been maintained, including any non-audit related services.

ADMINISTRATIVE MATTERS

Internal Audit

Review the need for internal audits and address key areas relating to an internal audit program including:

- Approval of an internal auditor, where the internal auditor is an executive of the Company or where the internal auditor is an external contractor, approve the appointment and the internal auditor's terms of engagement;
- Review and assess the scope of the audit and the internal plan, work program and resources and approve the internal audit plans;
- Review and monitor management's responsive to the findings; and meet with the internal auditor without other management present.

The Committee may consider any other matters relating to corporate governance and risk management that it considers desirable. In addition, the Committee shall examine any other matters referred to it by the Board.

Meetings

The Committee is to meet as frequently as required per request by the Chair, but no less than four times per year. Any Committee member may request the Chairman to convene a Committee meeting.

The regulation of meetings and proceedings of the Committee is governed by the Constitution.

A minimum of three (3) Non-Executive Directors shall constitute a quorum and be competent to transact the affairs of the Committee.

A standing invitation is issued to all non-executive directors who are not members of the Committee to attend meetings.

The Chief Executive Officer, Chief Financial Officer and internal auditor are to attend meetings, as required. Other Company executives, representatives of the external auditors and / or representatives of external advisors may be invited to attend meetings, as the Chairman thinks fit.

At least once per year, the Committee shall meet with the external and internal auditor without management present.

The Company Secretary or his or her delegate will act as Secretary of the Committee and will attend meetings of the Committee, as required.

Agenda

The Chairman will review the agenda for each meeting prior to its issue. Any Committee member may require business to be included in the agenda provided the Chairman and Secretary have been given notice. The Company Secretary will be responsible for the co-ordination and despatch of the agenda, Committee papers, and the preparation of minutes of Committee meetings.

The agenda and papers for each meeting will be issued to Committee members and the Chief Executive Officer with a reasonable time prior to that meeting.

Minutes

The Secretary will prepare the minutes of meetings of the Committee which are to be approved by the Chairman in draft and circulated to all members of the Committee and to the Board. Minutes of meetings will then be confirmed at the next meeting of the Committee and signed by the Chairman.

Advice and access

The Committee may seek information directly from any employee or external party, including the Internal and External Auditors.

The Committee or any individual Committee member may engage an independent external adviser in relation to any Committee matter, at the expense of the Company, subject to consent from the Chairman of the Committee.

The Chairman of the Committee may determine that any external advice received by an individual Committee member be circulated to the other Directors of the Company.

Reporting

The Chairman of the Committee will report to the Board at the Board meeting following each Committee meeting, on all matters that should be brought to the attention of the Board and any recommendations requiring Board approval and/or action.

Review

The Committee's Charter will be regularly reviewed (annually at minimum) and the Chairman, following such review, will make recommendations to the Board in relation to the Committee's membership, responsibilities and functions or otherwise (and any amendments deemed desirable).

No changes to this Charter may be made without approval of the Board. After any review or amendment, this Charter will be distributed by the Company Secretary to all Committee members, Directors, the Chief Executive Officer, the Chief Financial Officer and other key stakeholders.

This Charter will be available for viewing by any person on the Company's website.



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