

## TERMS OF REFERENCE | MAY 2026

# BOARD AUDIT & RISK COMMITTEE

## PURPOSE AND CORE RESPONSIBILITIES

The Board Audit & Risk Committee ('the Committee') is a standing committee established by the Orica Limited Board to assist in the effective discharge of the Board's responsibilities in relation to the matters set out in these Terms of Reference.

In meeting its responsibility, the Committee will report to the Board and take reasonable steps in its oversight of the following key areas:

- integrity of financial statements and disclosures;
- integrity of environmental, social and governance (ESG) related periodic reporting;
- risk management and internal controls;
- internal and external audit;
- business ethics and compliance; and
- performance of the Group risk and audit functions.

Except where expressly stated in these Terms of Reference, the Committee discharges its responsibilities by making recommendations to the Board.

## FINANCIAL STATEMENTS AND REPORTING

The Committee will review and recommend to the Board approval of the annual and half year financial statements and disclosures prepared by Orica Limited for release to the Australian Securities Exchange (ASX).

In discharging its responsibilities, the Committee will:

- verify that a system of financial controls is in place to safeguard the integrity and quality of the financial statements and disclosures;
- verify that a system of controls is in place to safeguard the integrity and quality of ESG related periodic reporting;
- review judgements made by management that have a material impact on the financial statements as they relate to changes and interpretations of accounting policy and standards, prior to recommending to the Board for approval;
- review the financial statements with management and the External Auditor prior to recommending to the Board for approval;
- review the declarations provided by the Managing Director and Chief Executive Officer and the Chief Financial Officer; and
- review the process to verify any periodic corporate reports prior to release to the market.

## RISK MANAGEMENT AND INTERNAL CONTROLS

The Committee will review on behalf of the Board:

- the adequacy and effectiveness of the Orica Group's framework, methodologies and systems of risk management to identify and manage material risks;

- the performance against the risk appetite settings and associated key risk indicator limits approved by other Board Committees;
- material risks and related internal controls which may impact the operation of the business;
- the adequacy of the Orica Group's insurance program applicable at a Group-wide level;
- any material incident involving fraud or a breakdown of the Orica Group's controls and the 'lessons learned';
- an annual review of the Risk Management Framework, and make an assessment as to whether the Committee is satisfied that it continues to be sound and that Orica is operating with due regard to the risk appetite settings approved by the Board and its Committees; and
- any changes that should be made to Orica's risk management framework or to the risk appetite settings approved by the Board and its Committees, and make any recommendations to the Board considered necessary;

In discharging its responsibilities, the Committee will receive regular risk reports detailing material sources of financial and non-financial risk and the internal controls and mitigating strategies and actions that management has put in place to deal with those risks.

## EXTERNAL AUDIT

The Committee will:

- review and recommend to the Board, the appointment and termination of the External Auditor; and
- review the terms of engagement of the external auditor, including the rotation of the lead audit partner.

In discharging its responsibilities, the Committee will:

- review the independence and performance of the External Auditor, including the approval of non-audit engagements with a value greater than that defined by the Audit Services Procedure from time to time;
- review and approve the terms of engagement of the external auditor, including their fees;
- review and approve the scope and adequacy of the external audit plan; and
- review and understand the outcomes of the external audit plan, highlighting any material issues arising from the audit to the Board.

## INTERNAL AUDIT

The Committee will, on behalf of the Board:

- review the scope and adequacy of the Internal Audit's objectives and effectiveness;
- endorse management's recommendation for the appointment and / or termination of the Vice President Risk & Assurance;
- where appropriate, review and approve the appointment of the co-resourced internal audit service provider, including their terms of engagement; and
- review and approve the Internal Audit Charter.

In discharging its responsibilities, the Committee will:

- review and approve the scope and adequacy of the internal audit plan, including financial and operational matters (with the Safety & Sustainability Committee having responsibility for the annual assurance plan relating to safety, health, environment and security matters);
- review and understand the outcomes of the internal audit plan, highlighting any material issues arising from the audit to the Board; and
- monitor the effectiveness of the internal audit plan to test that appropriate internal controls are in place to mitigate material financial and non-financial (including operational) risks.

## RISK AND INTERNAL AUDIT FUNCTION PERFORMANCE

The Committee will review the annual performance of the risk and internal audit functions and provide feedback to management. This includes the independence and objectivity of the internal audit function.

## BUSINESS ETHICS AND COMPLIANCE

The Committee will review on behalf of the Board:

- the adequacy of the processes and systems in place across the Orica Group to ensure legal and regulatory compliance;
- the effectiveness of the processes and systems in place for detecting, reporting and deterring inappropriate business conduct including any material breaches of the Business Code of Conduct and material incidents reported under the Whistleblower Policy; and
- any policies within its remit that are applicable at a Group-wide level, or material amendments to such policies, and recommend for Board approval.

## CONFLICTS OF INTEREST

Committee members are required to take all reasonable steps to avoid actual, potential or perceived conflicts of interests. Under the Orica Constitution and at law, Committee members must disclose any conflicts of interest and abstain from participating in any discussion or voting on matters in which they have a material personal interest.

## REVIEW

Each year the Committee will review its performance against the Terms of Reference and agree the annual objectives and work plan for the year ahead.

The Committee's Terms of Reference shall be reviewed at least biennially and updated as required.

## AUTHORITY

In carrying out its duties, the Committee has the authority to discuss directly with management, auditors or experts any issue within its remit and to request reports, explanations and information of any of the activities or procedures of the Orica Group.

The Committee is authorised by the Board to obtain outside legal or other professional advice if it considers this necessary.

## MEMBERSHIP

The Committee will consist of not less than three members, all of whom are Non-executive Directors. The Chair and a majority of Committee members will be independent Directors. The Chairman of the Board shall not be the Chairman of the Board Audit and Risk Committee. Members between them must have accounting and/or financial expertise and sufficient understanding of the industry in which Orica operates.

The Company Secretary (or delegate) shall act as the Committee Secretary.

A standing invitation to the Committee will be extended to all Non-executive Directors and, subject to the nature of the matters being discussed, to the:

- Managing Director & Chief Executive Officer;
- Chief Financial Officer;
- President, Corporate Services;

- Vice President Risk & Assurance;
- Vice President Group Finance;
- the Internal Auditor; and
- the External Auditor

The Committee may invite any other individuals to attend meetings of the Committee, as it considers appropriate.

## MEETINGS

The Committee will meet at least four times annually or more frequently as required. The Chair or the Company Secretary may call a meeting and two Non-executive Directors shall constitute a quorum.

The Committee will hold a closed session with each of the External Auditor and Internal Auditor (or delegate) in the absence of management as required.

The Committee may hold a closed session in the absence of management.

The Committee Chair will also consider whether any material matters arising out of the Committee meeting should be advised to any other Committee. In particular, the Committee will advise the People & Remuneration Committee of any matters that it considers relevant to variable remuneration outcomes for the Managing Director & Chief Executive Officer or other Executives.

**Approved by  
Orica Limited Board  
May 2026**

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