

3. BOARD COMMITTEES

A. Audit Committee Terms of Reference

(As approved at the Board Meeting held on 7 December 2021)

Membership

1. The Audit Committee (“the committee”) is appointed by the board on the recommendation of the Nominations Committee in consultation with the chair of the committee. All members of the committee shall be independent non-executive directors of the company. The Chairman of the board shall not be a member of the committee.
2. The committee shall consist of not less than three members. A quorum shall be two members.

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Frequency of meetings

9. Meetings shall be held not less than four times a year, and where appropriate will coincide with key dates in the company's financial reporting cycle.
10. External auditors or internal auditors may request a meeting with the Committee or its Chairman if they consider that one is necessary.

Authority

11. The committee is authorised by the board to:
 - a. investigate any activity within its terms of reference;
 - b. seek any information that it requires from any employee of the company and all employees are directed to cooperate with any request made by the committee; and
 - c. obtain outside legal or independent professional advice and such advisors may attend meetings as necessary.

Responsibilities

12. The principal responsibilities of the committee shall be, in respect of the company and the Group as a whole, to:
 - monitor the integrity of the full year and half-yearly financial statements and any formal announcements relating to the company's financial performance;
 - make recommendations to the board, for it to put to the shareholders for their approval in general meeting, in relation to the appointment of the external auditor;
 - review and monitor at least once a year the external auditor's independence and objectivity and the effectiveness of the audit process, taking into

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annual report provides the information necessary for shareholders to assess the company's performance, business model and strategy;
advising the board if it is not satisfied with any aspect of the company's proposed financial reporting;

External Audit

oversee the process for selecting the external auditor;

ensure that at least once every 10 years the audit services contract is put out to tender and that tenders are conducted in accordance with all relevant regulatory requirements;

oversee the relationship with the external auditor, including, but not limited to:

approving the remuneration and, terms of engagement of the external auditor;

approving the annual audit plan and before each audit commences, the nature and scope of the audit;

reviewing the auditor's quality control procedures and steps taken by the auditor to respond to changes in regulatory and other requirements;

assessing annually the effectiveness of the external audit process;

pre-approving (above any limits previously agreed by the committee or not delegated to the chairman of the committee for approval*) any fees in respect of non-audit services provided by the external auditor (or by any firm providing internal audit services);

(* all spend on non-audit services with the external audit firm must have approval in line with the Company's non-audit services policy.)

reviewing the external auditor's management letter and management's response;

considering management's response to any major external audit recommendations;

reviewing, before it is signed by management, any representation letter relating to the company's or the Group's accounts that may be requested by the auditors;

Internal Audit

approve the appointment or dismissal of the head of internal audit or of any firm engaged to provide internal audit services or any firm providing internal audit services;

review and approve the internal audit programme and ensure that the internal audit function (whether carried out by permanent employees of the Group or by a professional firm providing internal audit services) is adequately resourced and has appropriate standing within the company;

consider management's response to any major internal audit recommendations;

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ensure that the internal auditor has direct access to the board and committee chairmen;

Internal Controls and Risk Management

monitor the internal control and risk management systems and review annually management's and the internal auditor's reports on the effectiveness of those systems;

review the adequacy and security of the company's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters, their investigation and follow-up;

review the company's procedures for detecting fraud;

review the company's systems and controls for the prevention of bribery and receive reports on any non-compliance.

Reporting procedures

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