

TEMPLE BAR INVESTMENT TRUST PLC

Audit Committee – Terms of Reference

Purpose of Committee

The Audit Committee (“the Committee”) will assist the Board in fulfilling its oversight responsibilities. The Committee will review the financial reporting process, the system of risk management and internal control, the audit process, and the company’s process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the Committee will liaise with the Board of directors, the Manager, and the external auditors. To perform his or her role effectively, each Committee member will obtain an understanding of the detailed responsibilities of Committee membership as well as the company’s business, operations, and risks.

Membership

1. The Committee shall comprise all the directors of the Company.
2. A quorum will be three directors present in person, a majority of whom shall be independent non-executive directors.
3. The Chairman of the Committee will be nominated by the Board from time to time.

Company Secretary

4. The named representative of the Company Secretary of the Company shall act as Secretary to the Committee. The Secretary, in conjunction with the chairman of the Committee shall draw up an agenda which shall be available at least one week prior to each meeting to the members of the Committee.

Frequency of Meetings

5. The Committee will meet at such times as may be required but in any event at least twice a year.
6. The proceedings of all meetings will be minuted.

Attendance at Meetings

7. The Committee may invite such other person to its meetings, as it deems necessary. The external auditor shall normally attend the meetings of the Committee at which it considers audit risks and planning and the full year’s results. However, at least once a year the Committee shall meet with the external auditors without any representatives of the Manager being present.
8. The internal (Investec) and external auditors shall be invited to make presentations to the Committee as appropriate.

Authority

9. The Board authorises the Committee, within the scope of its responsibilities, to:
 - Seek any information it requires from external parties.
 - Obtain outside legal or other professional advice.
 - Ensure the attendance of representatives from IAM (the Manager) at meetings as appropriate.

The Committee shall have no executive powers with regard to its findings and recommendations.

Duties

In relation to the following headings the Committee shall:

Internal Control and Risk Management

- 10.1 Evaluate whether the Manager is setting the appropriate “control culture” by communicating the importance of internal control and the management of risk and reviewing the company’s internal control and risk management systems.
- 10.2 Obtain confirmation of whether recommendations made by external auditors have been implemented by the Manager.
- 10.3 Review reports from the Manager’s compliance officer.

Financial Reporting

a) General

- 11.1 Gain an understanding of the current areas of greatest financial risk and how the Manager is managing these effectively.
- 11.2 Consider with the external auditors any fraud, illegal acts, deficiencies in internal control or other similar issues.
- 11.3 Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.

b) Annual Financial Statements

- 11.4 Compile a report on its activities to be included in the annual financial statements.
- 11.5 Review the annual financial statements before their submission to the Board and determine whether they are complete and consistent with the information known to Committee members and assess whether the financial statements reflect appropriate accounting principles.
- 11.6 Meet with the Manager and the external auditors to review the financial statements and the results of the audit.

c) Final Results Announcements and Interim Financial Statements

- 11.7 Be briefed on how the Manager develops final results announcements and interim financial information and the extent to which the external auditors review such information.
- 11.8 Monitor the integrity of financial statements and assess the fairness of the final results and interim statements and disclosures before their submission to the Board. Obtain explanations from the Manager and external auditors when necessary.
- 11.9 Review the appropriateness of the going concern assumption and the viability statement.

External Audit

- 12.1 Review the external auditors’ proposed audit scope and approach and ensure no unjustified restrictions or limitations have been placed on the scope.

- 12.2 Review the performance of the external auditors and make recommendations to the Board regarding the reappointment of the external auditors, as well as the audit fee, terms of engagement and any questions of resignation or dismissal.
- 12.3 Consider annually the independence of the external auditor and adhere to the audit partner five year rotation and audit firm rotation guidelines. Oversee the audit tendering process when required.
- 12.4 Review the range of services provided in the context of all consulting services bought by the company.
- 12.5 Meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately.

Compliance with Laws and Regulations

13. Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of the Manager's investigation and follow-up (including disciplinary action) of any fraudulent acts or non-compliance.

Reporting Responsibilities

14. There shall be a separate section of the Annual Report which describes the work carried out by the Committee. This includes:
 - Significant issues that the Committee has considered in relation to the financial statements.
 - The effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor including length of tenure of the current audit firm.
 - Information in respect of any non-audit services carried out by the audit firm and how auditor objectivity and independence is safeguarded.
15. The Committee will provide advice to the Board on whether the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable.
16. The Chairman of the Committee shall make a brief report of the findings and recommendations of the Committee to the Board after each committee meeting. The minutes of all meetings shall be circulated to all members of the Board.

Other Responsibilities

17. The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
18. The terms of reference is available on the company's website.
19. Perform other oversight functions as requested by the Board.
20. If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist.
21. The Committee is authorised to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.

Date of last review: 19 February 2018