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| **NAME:** | **THE RENEWABLES INFRASTRUCTURE GROUP LIMITED AUDIT COMMITTEE** |
| **CHAIRMAN:** | John Whittle |
| **MEMBERS:** | All Directors excluding the Chairman of the Board |
| **IN ATTENDANCE:** | The Company Secretary<br>The Investment Manager<br>The Operations Manager<br><br>The Audit Committee has discretion as to whether or not they meet the External Auditor in private.<br><br>Representatives of the External Auditor shall attend meetings at the invitation of the Committee.<br><br>Board members who are not members of the Committee shall attend if invited by the Committee. The Chairman of the Board has a standing invitation to attend the Audit Committee. |
| **MEMBERSHIP AND QUORUM:** | The Committee shall be appointed by the Board in consultation with the Audit Committee Chairman and consist of not less than 2 members from amongst the independent Non-Executive Directors of the Company.<br><br>The Chairman of the Committee shall be appointed by the Board and shall be an independent Non-Executive Director (and shall not at any time also be the Chairman of the Board).<br><br>The Board will ensure that at least one member has recent and relevant financial experience.<br><br>A quorum shall be 2 members of the Committee, neither of whom should be present in the United Kingdom at the time of the meeting. |
| **CONSTITUTION AND PURPOSE:** | The Committee does not hold any executive authority, save as expressed herein. The Committee shall review, consider and discuss issues relating to the engagement of an External Auditor, whether or not there should be an Internal Auditor, compliance with company law, Accounting Standards and Financial Conduct Authority regulations, publication of interim and annual results, publication of any other financial statements embodied within circulars or company announcements, review of and comfort with internal controls and procedures and published assessment of effectiveness of material controls for each annual reporting period, internal audit procedures and risk review. When applicable the Committee shall also review significant transactions outside the normal course of business and consider any other topics referred to the Audit Committee from the Board. The Chairman of the Committee shall report to the Company's Board (the "Board") on any relevant issue that, in the opinion of the Committee, should be brought to the attention of the Board members.<br><br>In accordance with the AIC Code of Corporate Governance, the Committee should make available its terms of reference, explaining its role and the authority delegated t it by the Board. The requirement could be met by including the information on the Company's website. |
| **AUTHORITY**: | The Committee is authorised by the Board to:<br>a. Investigate any activity within its terms of reference;<br>b. Seek any information that it requires from any party; and<br>c. Obtain outside legal or independent professional advice at the Company's expense and such advisers may attend meetings as necessary. |

**RESPONSIBILITY:** The responsibilities of the Committee shall be:

External Audit

a. To consider the appointment of the External Auditor and assess the independence, effectiveness and performance of the External Auditor in accordance with the UK Corporate Governance Code requirements, ensuring also that key partners are rotated at appropriate intervals;

b. To initiate and supervise the process for selecting the External Auditor and make appropriate recommendations through the Board for the shareholders to consider at the AGM;

c. To interview and to agree the identity of the Audit Engagement Partner with the external auditors and to consider and approve any changes to this appointment.

d. To review annually the terms of the External Auditor's engagement letter and their proposed remuneration taking into account any changes to the Group's structure and operations in the year . To make recommendations to the Board regarding the annual external audit fee;

e. To discuss with the External Auditor, before the audit commences, the nature and scope of the audit (or its review of the interim financial statements) and to review the Auditor's Audit Plan, quality control procedures and steps taken by the Auditor to respond to changes in regulatory and other requirements having regard to the seniority, expertise and experience of the audit team;

f. To review the External Auditor's management letter and management's response;

g. To consider communications from the Auditor of audit matters to those charged with governance as required by Auditing Standards ISA (UK) 260;

h. To maintain and implement a policy on the supply of non-audit services (see Note 1 below) to avoid any threat to auditor independence or objectivity. Any non-audit services and non-audit fees to be provided by the External Auditor must be pre-approved by the Audit Committee to ensure that the provision of non-audit services does not impair the External Auditors' independence or objectivity.

i. Authorise the External Auditor to provide non-audit services (as noted above) prior to the commencement of those non-audit services

j. To negotiate and review, every six months, a summary of the External Auditor fees, both audit and non-audit, charged to TRIG Group companies and its worldwide controlled undertakings ;

k. To initiate and supervise a tender process for the audit services at least once in every 10 years, to enable the Committee to compare the quality and effectiveness of the services provided by the incumbent auditor with those of other audit firms. To the extent that the incumbent is successful in the tender process they shall be limited to a further term of 10 years with a maximum therefore of 20 years of appointment as auditors. The Financial Reporting Council recommends that such tender be considered on the same review cycle as for the incumbent audit partner; (audit partner rotation took place in 2020);

l. Evaluating the risks to the quality and effectiveness of the financial reporting process and consideration of the need to include the risk of the withdrawal of the auditor from the market in that evaluation; and

m. The Audit committee will continue to monitor the level of non-audit fees including consideration of the European Union statutory audit legislation. The Audit Committee must monitor auditor independence and will consider this criteria as part of this role. The requirement is that fees for permissible non-audit services in the current year should not exceed 70% of the average audit fees paid by the group in the last three consecutive financial years.

   The threshold is calculated as the total fees paid for any non-audit services borne by the group (i.e. the entity, its parent and its worldwide controlled undertakings) divided by the average of the audit fees billed over the last three year period, also to the group.
   For this reporting period and subsequently, the Audit Committee must also monitor auditor independence requirement and will monitor this criteria going forward.

Directors' Valuation

a. To receive from the Investment Manager a valuation of the Group's investment portfolio based on the agreed valuation methodology. Current frequency is twice a year; and

b. To recommend to the Board the valuation of the Group's investment portfolio based on the work of the Investment Manager.

Fraud

a. To review the Company's procedures for the prevention, detection and reporting of fraud;

b. To consider any reports or information received by the Company Secretary in respect of Whistleblowing; and
c. To review the Company's procedures for handling allegations from whistleblowers. Such procedures should permit individuals, in confidence, to raise concerns about possible improprieties, in matters of financial reporting or other matters, with the objective of ensuring that arrangements are in place to follow up the matters raised.

Anti-Bribery Act

To review the Company's procedures for following the Bribery Act 2010 and the subsequent reporting and notification thereof.

Financial Statements

a. To review, and challenge where necessary, the actions and judgements of the Investment Manager and any other relevant entities, in relation to the interim and annual financial statements before submission and reporting to the Board having regard to matters communicated to it by the auditor, paying particular attention to:
   i. When taken as a whole, the financial statements are fair, balanced and understandable referring in this respect to the guidelines separately issued the Committee and provide the information necessary for shareholders to assess the Company's performance, business model and strategy. Critical accounting policies and practices and any changes in them, as they relate to the consolidated results of the Company, Subsidiaries, Joint Ventures and Associates;
   ii. Decisions requiring a major element of judgement including the impact of adopting any acceptable alternative accounting treatment;
   iii. The extent to which the financial statements are affected by any unusual transactions in the year and how they are disclosed;
   iv. The clarity of disclosures;
   v. Significant adjustments resulting from the audit;
   vi. The Auditor's statement of unadjusted audit misstatements and management's explanation as to why adjustments have not been processed;

vii. The going concern assumption and note those matters that have informed the Board's assessment of whether the Company is a going concern;
viii. The viability statement and the accompanying commentary and reviewing the projections and sensitivities prepared by the Investment Manager to support the statement
ix. Compliance with Accounting Standards;
x. Compliance with Financial Conduct Authority ('FCA') and other legal requirements;
xi. Reviewing the Company's statement on internal control systems prior to endorsement by the Board and to review the policies and process for identifying and assessing business risks and the management of those risks by the Company;
xii. As required by Provision 29 of the UK Corporate Governance Code (adopted through Provision 34 of the AIC Code of Corporate Governance) review and approve disclosures in TRIG's Annual Report in relation to: (i) describing how the board has monitored and reviewed the effectiveness of the risk management and internal control framework, (ii) the declaration of effectiveness of the material controls as at the balance sheet date, and (iii) the description of any material controls which have not operated effectively as at the balance sheet date, the action taken, or proposed, to improve them and any action taken to address previously reported issues; and
xiii. Compliance with the AIC Code of Corporate Governance.

b. At the end of an audit cycle, or earlier if appropriate, to review the effectiveness of the external audit process referring in this respect to the guidelines separately issued the Committee and to report the Committee's conclusions to the Board; and

c. Where the Committee is not satisfied with any aspect of the proposed financial reporting by the Company, it shall report its views to the Board.

**REPORTING PROCEDURES:**

The Secretary shall circulate the minutes of the meetings to all members of the Board. The Chairman of the Committee shall attend the Board meeting at which the accounts are approved and report the key issues which, in the opinion of the Committee, should be brought to the attention of the Board in relation to the financial statements other statutory disclosures and internal control weaknesses. The Committee shall compile a report on its activities to be included in the Company's annual report including the key issues and how those issues were addressed, its assessment of the effectiveness of the external audit process and all other information required as set out in the AIC Code.

The Committee shall also report on its recommendation on the appointment or reappointment of the auditor.

The Committee members shall conduct an annual review of their work and these terms of reference and make recommendations to the Board for changes. The Committee shall make its terms of references available to shareholders on request and ensure that they are published on the Company's website.

The Committee's duties and activities during the year shall be disclosed in the annual financial statements, including an explanation of the procedures adopted by the Committee to ensure that the independence of the External Auditor is maintained at all times.

The Chairman shall attend the AGM and shall answer questions, through the Chairman of the Board, on the Committee's activities and its responsibilities.

In the event of a material disagreement between the Committee and the Board, the Committee should have the right to report on the issue to shareholders in the annual report.

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| | Amendments may be made to the duties of the Committee by the Board from time to time. |
| **FREQUENCY OF MEETINGS:** | Meetings shall be held not less than three times a year, and where appropriate should coincide with key dates in the Company's financial reporting cycle, i.e. prior to the Board's review of the interim results announcement and the announcement of annual results.<br>The External Auditor may request a meeting at any time if they consider that one is necessary. |
| **OTHER:** | 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. |

***Policy notes re engagement of external auditor for non-audit services***

*Note 1*

*In line with the FRC Ethical Standard 2019, the following non-audit services are permissible (based on a "whitelist" approach, whereby categories not listed are not prohibited):*

- Reporting required by a competent authority or regulator under law or regulation such as reporting to a regular on client assets (CASS standard); reporting on Solvency and Financial Condition Report under Solvency II
- Reporting on internal financial controls where required by law or regulation e.g., SOX 404 reporting
- Reporting on the iXBRL tagging of annual financial statements
- Services that are not otherwise required by law or regulation, provided as auditor of the entity or as reporting accountant, in relation to information of the audited entity for which it is probable that an objective, reasonable and informed third party would conclude that the understanding of the entity obtained by the auditor is relevant to the service, and where the nature of the service would not compromise independence including reporting accounting services
- Review of interim financial information (ISRE 2410)
- Extended audit or assurance work on financial or performance information and/or financial or operational controls, in an entity relevant to an engagement or a third-party service provider, where this work is closely linked with the audit work including
- Assurance reports for service organisations Reporting on government grants
- Assurance work or agreed upon procedures on material included in the annual report