

MID WYND INTERNATIONAL INVESTMENT TRUST PLC

Audit Committee – Terms of Reference

Membership and Quorum

- The Committee shall be appointed by the Board from amongst the independent Non-Executive Directors, on the recommendation of the Nomination Committee in consultation with the Chair of the Audit Committee and shall consist of not less than three members, at least one of whom should have recent financial experience and competence relevant to the sector in which the Company operates. The Chair of the Board shall not be a member of the Committee.
- The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present will be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- The Chair of the Committee shall be appointed by the Board and will not have a second or casting vote on any matter to be determined by the Committee or recommended by the Committee to the Board. In the absence of the Committee Chair and/or an appointed Deputy at a Committee meeting, the remaining members present shall elect one of themselves to chair the meeting.

Secretary

- The Secretary of the Company shall act as Secretary of the Committee and will ensure that the Committee receives information in a timely manner to enable full and proper consideration to be given to issues.

Attendance at meetings

Only members of the Committee shall have the right to attend meetings. The following may be invited to or required to attend all or part of any meeting as and when appropriate and necessary:

- The Chair of the Board, or other Non-Executive Directors;
- Representatives from the Compliance, Risk, and Investment departments of the Investment Manager;
- Representatives from the Compliance, Finance, and Accounting Services departments of the Administrator;
- The External Auditor shall be invited to attend on a regular basis and should attend the planning meeting for the audit and when the audited Financial Statements are to be approved;

The Committee shall hold a private meeting attended only by the members of the Committee and representatives of the External Auditor at least annually

Frequency, notice and minutes of meetings

- The Committee shall meet at least twice a year at appropriate times in the financial reporting and audit cycle and otherwise as required. Any member of the Committee or the External Auditor may request additional meetings if they consider it necessary.
- Outside of the formal meeting cycle the Chair of the Committee will maintain a dialogue with the key individuals involved in the Company's governance including, but not limited to, the Chair of the Board and the External Auditor.
- Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chair or any of its members, or at the request of the External Auditor if they consider it necessary.
- Unless otherwise agreed, notice of each meeting confirming the venue, time, and date together with an agenda of items to be discussed, will be forwarded to each member of the Committee, and any other person required to attend no later than five working days before the date of the meeting.

Supporting papers will be sent to Committee members and to other attendees as appropriate, at the same time.

- The Secretary shall minute the proceedings and decisions of all Committee meetings.
- Draft minutes of Committee meetings shall be circulated to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board and the Secretary unless, exceptionally, it would be inappropriate to do so.

Authority

- The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee of the Company's service providers to perform their duties.
- The Committee is authorised by the Board to obtain outside legal, accounting, or other independent professional advice, at the Company's expense, and to secure the attendance at meetings of outsiders with relevant experience and expertise where necessary, at the Company's expense.
- The Committee has the right to publish in the Company's Annual Financial Report details of any issues that cannot be resolved between the Committee and the Board. If the Board has not accepted the Committee's recommendation on the External Auditor appointment, reappointment or removal, the Annual Financial Report should include a statement explaining the Committee's recommendation and the reasons why the Board has taken a different position.

Duties

Financial and Narrative Reporting

The Committee shall monitor and review the integrity of the financial statements of the Company, including its Annual and Half-Yearly Financial Reports and any other formal announcements relating to the Company's financial performance, and review and report to the Board on significant financial reporting issues and judgements which they contain, having regard to matters communicated to it by the Auditor.

In particular, the Committee shall review and challenge where necessary:

- i. The application of significant accounting policies and any changes to them.
- ii. Whether the Company has adopted appropriate accounting standards and made appropriate significant estimates and judgements in the Financial Statements, taking into account the views of the External Auditor.
- iii. The methods used to account for significant or unusual transactions where different approaches are possible;
- iv. The clarity and completeness of disclosure in the Company's financial reports and the context in which statements are made;
- v. All material information presented with the Financial Statements, including the strategic report and the corporate governance statement (insofar as it relates to the audit and risk management);
- vi. The Committee shall review any other statements requiring Board approval which contain financial information first, where to conduct a review prior to Board approval would be practicable and consistent with any reporting requirements.
- vii. 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.
- viii. Where requested by the Board, the Committee shall provide advice on whether the Annual Financial Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.
- ix. The Committee shall monitor compliance with s1158 of the Corporation Tax Act 2010.
- x. The Committee shall follow guidance set out in the Financial Reporting Council's "Audit Committees

and the External Audit: Minimum Standard”.

Compliance, Speaking-up and Fraud

- The Committee shall review the adequacy and security of the Company's arrangements for its contractors and external service providers to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow-up action.
- The Committee shall review the Company's procedures for detecting fraud, including confirmations from relevant third party suppliers, including the Administrator, Investment Manager and Depositary and Custodian.
- The Committee shall review the Company's systems and controls for the prevention of bribery and receive reports on non-compliance from relevant third party suppliers, including the Administrator, Investment Manager and Depositary and Custodian.

Internal Controls and Risk Management Systems

- The Committee shall review and report to the Board on the integrity and effectiveness of the accounting and financial controls of the Company; appraising and, where appropriate, challenging the actions and judgments of the Investment Manager and Administrator as they relate to both the financial reporting process and their internal control and risk management regime.
- The Committee shall review and approve the statements prepared by the Investment Manager and Administrator to be included in the annual report concerning internal controls, compliance, and risk management, including the assessment of principal risks and emerging risks and the viability statement.

External Audit

- To consider and make recommendations to the Board of the Company, to be put to the shareholders for approval at the Annual General Meeting, in respect of the appointment, re-appointment and/or removal of the Company's External Auditor;
- The Committee shall develop and oversee the selection process for the appointment of any External Auditor, ensuring that all tendering firms have access to all necessary information and individuals during the tendering process;
- If an External Auditor resigns the Committee shall investigate the issues leading to this and decide whether any action is required;
- To make a recommendation to the Board on the remuneration of the external Auditor, for both audit and non-audit services and on whether the level of fees is appropriate to enable an effective and high-quality audit to be conducted;
- To approve the External Auditor's terms of engagement, including any engagement letter issued at the start of each audit and the scope of the audit;
- To review and monitor annually the Auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements and the Company's relationship with the External Auditor as a whole, including any threats to the External Auditor's independence and the safeguards applied to mitigate those threats including the provision of any non-audit services;
- To satisfy itself that there are no relationships between the External Auditor and the Company (other than in the ordinary course of business) which could adversely affect the Auditor's independence and objectivity;

- To assess annually the qualifications, expertise and resources of the External Auditor and the effectiveness of the audit process, which shall include a report from the External Auditor on their own internal quality procedures;
- To meet regularly with the External Auditor (including once at the planning stage before the audit and once after the audit at the reporting stage) and, at least once a year, meet with the External Auditor without management being present, to discuss the Auditor's remit and any issues arising from the audit;
- To discuss with the External Auditor the factors that could affect audit quality and review and approve the annual audit plan, ensuring it is consistent with the scope of the audit engagement, having regard to the seniority, expertise, and experience of the audit team; and
- To develop and implement policy on the engagement of the external Auditor to supply non-audit services if appropriate.
- To review the tenure of the External Auditor.

Internal Audit

- To consider annually whether there is a need for an internal audit function and to explain the reasons for the absence of such a function in the Annual Financial Report.

Reporting procedures and responsibilities

- The Committee Chairman shall report to the Board after each meeting on all matters in respect of the Committee's duties and responsibilities and on how it has discharged its responsibilities. This report shall include:
 - The significant issues that it considered in relation to the financial statements and how these were addressed;
 - Its assessment of the effectiveness of the external audit process, the approach taken to the appointment or reappointment of the external auditor, length of tenure of the firm, when a tender was last conducted and advance notice of any retendering plans; and
 - Any other issues on which the board has requested the committee's opinion.
- The Committee shall compile a report on its activities to be included in the Annual Financial Report as set out below, along with any other matters set out in the Corporate Governance Code:
- Any significant issues that the Committee considered in relation to the Financial Statements, and how these issues were addressed;
- An explanation of how the Committee has assessed the independence and effectiveness of the external audit process and the approach taken to the appointment or reappointment of the External Auditor, information on the length of tenure of the current audit firm, when a tender was last conducted and advance notice of retendering plans;
- Where a regulatory inspection of the quality of the Company's audit has taken place, information about the findings of that review, together with any remedial action the External Auditor is taking in the light of these findings;
- An explanation of how External Auditor independence and objectivity are safeguarded if the External Auditor provides non-audit services; and
- If a tender process has taken place within the year, an explanation of the criteria used to make the selection and the process followed.

Annual General Meeting and Engagement with Shareholders

- The Chairman should attend the Company's Annual General Meeting to answer shareholder questions on the Committee's activities.

- In addition, the Committee Chair should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

Other matters

- The Committee shall arrange for a periodic review of its own performance.
- The Committee shall at least annually review these terms of reference and recommend any changes it considers necessary to the Board for approval.
- The Committee shall have access to sufficient resources in order to perform its duties, including access to the Secretary for advice and assistance as required.
- The Committee shall be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
- The Committee shall give due consideration to all relevant laws and regulations, the provisions of the Code and published guidance, the requirements of the FCA's Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules sourcebook and any other applicable rules, as appropriate.
- The Committee shall oversee any investigation of activities which are within its terms of reference.
- The Committee shall work and liaise as necessary with all other Board Committees ensuring interaction between Committees and with the Board is reviewed regularly.