

Terms of Reference - Audit Committee

Maven Renovar VCT PLC (the Company)

1. Membership and Chair

- 1.1 The Committee shall comprise all of the independent Directors of the Company (the Members).
- 1.2 At least one Member of the Committee should have recent and relevant financial experience and the Committee as a whole should have competence relevant to the sector in which the Company operates.
- 1.3 Only Members of the Committee have the right to attend Committee Meetings (Meetings). However, other individuals may be invited to attend all or part of any Meeting as and when appropriate and necessary.
- 1.4 The Auditor will be invited to attend Meetings on a regular basis.
- 1.5 Membership of the Committee should be reviewed when re-election to the Board is considered, provided the Director still meets the criteria for membership of the Committee.
- 1.6 The Board has responsibility for the appointment of the Chair of the Committee (Chair), who shall be an independent non-executive Director, other than the Chairman of the Company. The Chair of the Committee is Mr Brian Scouler. In the absence of the Chair and/or any appointed deputy, the remaining Members present shall elect one of themselves to chair the Meeting.

2. Secretary

The Company Secretary or its nominee shall act as the Secretary to the Committee (Secretary).

3. Quorum

The quorum necessary for the transaction of business shall be any two members. A duly convened Meeting at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

4. Frequency of meetings

The Committee shall meet at least two times each year at appropriate times in the audit and reporting cycles, and otherwise as required.

5. Notice of meetings

- 5.1 Meetings may be called by the Secretary, at the request of any Members or at the request of Auditor.
- 5.2 Unless otherwise agreed, notice of each Meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be issued to each Member, any other person required to attend and all other non-executive Directors, no later than five working days before the date of the Meeting. Supporting papers shall be sent to Members and to other attendees as appropriate at the same time.

6. Minutes of meetings

- 6.1 The Secretary shall minute the proceedings and decisions of all Meetings, including recording the names of those present and in attendance.
- 6.2 Draft minutes of Meetings shall be circulated promptly to all Members. Once approved, minutes should be circulated to all other Directors unless it would be inappropriate to do so.

7. Annual General Meeting

The Chair of the Committee should attend the Annual General Meeting to answer questions on the Committee's activities.

8. Duties

The Committee should carry out the duties below for the Company as appropriate.

8.1 Financial reporting

8.1.1 The Committee shall monitor the integrity of the Financial Statements of the Company, its Annual and Half-yearly Reports, and review the significant financial reporting issues and judgements which they contain.

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

8.1.2.1 the consistency of, and any changes to, accounting policies;

8.1.2.2 the methods used to account for significant or unusual transactions;

8.1.2.3 whether the Company has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the Auditor;

8.1.2.4 the clarity of disclosure in the Company's financial reports and the context in which statements are made;

8.1.2.5 all material information presented with the Financial Statements, such as the Strategic Report and the Governance Report (insofar as it relates to the audit and risk management);

8.1.2.6 the basis for the assumption of going concern;

8.1.2.7 the basis for the assumption of the long term viability of the Company; and

8.1.2.8 where requested by the Board, shall provide advice on whether the annual report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

8.2 Audit

The Committee shall:

8.2.1 consider and make recommendations to the Board, to be put to Shareholders for approval at the AGM, in relation to the appointment, re-appointment and removal of the Company's Auditor. The Committee shall oversee the tender process for a new Auditor and, if an Auditor resigns, the Committee shall investigate the issues leading to this and decide whether any action is required;

8.2.2 oversee the relationship with the Auditor including (but not limited to):

8.2.2.1 recommendations on their remuneration, whether fees for audit or non-audit services and that the level of fees is appropriate to enable an adequate audit to be conducted;

8.2.2.2 approval of their terms of engagement, including any engagement letter issued at the start of each audit and the scope of the audit;

8.2.2.3 assessing annually their independence and objectivity taking into account relevant professional and regulatory requirements and the relationship with the Auditor as a whole, including the provision of any non-audit services;

- 8.2.2.4 satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the Auditor and the Company (other than in the ordinary course of business)
- 8.2.2.5 monitoring the Auditor's compliance with relevant ethical and professional guidance on the rotation of audit partner, the level of fees paid by the Company compared to the overall fee income of the firm, office and partner and other related requirements;
- 8.2.2.6 assessing annually the qualifications, expertise and resources of the Auditor and the effectiveness of the audit process, which shall include a report from the Auditor on their own internal procedures;
- 8.2.3 meet regularly with the external Auditor. The Audit Chair shall meet the Auditor at least once a year, without the Manager being present, to discuss the Auditor's remit and any issues arising from the audit;
- 8.2.4 review and approve the annual audit plan and ensure that it is consistent with the scope of the audit engagement;
- 8.2.5 review the findings of the audit with the Auditor. This shall include but not be limited to, the following
 - 8.2.5.1 a discussion of any major issues which arose during the audit;
 - 8.2.5.2 any accounting and audit judgements;
 - 8.2.5.3 levels of errors identified during the audit; and
 - 8.2.5.4 the effectiveness of the audit.

The Committee shall also:

- 8.2.6 review any representation letter(s) requested by the Auditor before they are signed;
- 8.2.7 review the Auditor's management letter and management's response to the Auditor's findings and recommendations; and
- 8.2.8 develop and implement a policy on the supply of non-audit services by the Auditor, taking into account any relevant ethical guidance on the matter.

9. Reporting responsibilities

- 9.1 The Chair shall report formally to the Board on its proceedings after each Meeting on all matters within its duties and responsibilities.
- 9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.3 The Committee shall produce a report on its activities to be included in the Company's Annual Report setting out:
 - i) the significant issues that the Committee considered relating to the Financial Statements and how these issues were addressed;
 - ii) an explanation of how it 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 any retendering plans;
 - iii) in the case of the Board not accepting the Committee's recommendation on the external auditor appointment, reappointment or removal, a statement from the Committee explaining its recommendation and the reasons why the Board has taken a different position (this should also be supplied in any papers recommending appointment or reappointment); and

- iv) an explanation of how auditor independence and objectivity are safeguarded, if the external auditor provides non-audit services

10. Other matters

The Committee shall:

- 10.1 have access to sufficient resources in order to carry out its duties, including access to the Secretary for assistance as required;
- 10.2 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;
- 10.3 give due consideration to laws and regulations, the provisions of the AIC Code of Corporate Governance and the requirements of the FCA's Listing, Prospectus and Disclosure Guidance and Transparency Rules and any other applicable rules, as appropriate;
- 10.4 oversee any investigation of activities which are within its terms of reference; and
- 10.5 arrange for periodic reviews of its own performance and, at least annually, review its 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.

11. Authority

The Committee is authorised:

- 11.1 to seek any information it requires in order to perform its duties;
- 11.2 to obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference;
- 11.3 to call any anyone to a Meeting of the Committee as and when required; and
- 11.4 to have the right to publish in the Company's Annual Report details of any issues that cannot be resolved between the Committee and the Board.

12. Review

The Committee shall review these Terms of Reference at least once each year.