

EP Global Opportunities Trust plc
(the “**Company**”)

TERMS OF REFERENCE FOR THE AUDIT AND MANAGEMENT ENGAGEMENT COMMITTEE

In these Terms of Reference the following terms shall have the following meanings:

the “**Board**” shall mean the Board of Directors of the Company;

the “**Committee**” shall mean the Audit and Management Engagement Committee; and

the “**Manager**” shall mean Edinburgh Partners AIFM Limited.

1. Membership and Attendance

- 1.1 The Committee shall be appointed by the Board from amongst the directors of the Company and shall be made up of at least two members.

All members of the Committee shall be independent non-executive directors of the Company, at least one of whom shall have competence in accounting or auditing, or both. The requirements for independence and competence in accounting and/or auditing may be satisfied by the same members or by different members of the Committee. The Committee as a whole shall have competence relevant to the investment trust sector.

- 1.2 Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods, provided the director remains independent.

- 1.3 The Board shall appoint the Committee Chairman who shall be an independent non-executive director. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of their number present to chair the meeting.

- 1.4 The Committee should minimise the risk of any conflict of interest that might be seen to give rise to an unacceptable influence. To the extent possible, the Chairmanship and membership of the Committee should be rotated on a regular basis.

- 1.5 Only members of the Committee shall have the right to attend Committee meetings. However, other individuals, such as members of the Board, representatives of the Manager and external advisers, may be invited to attend for all or part of any meeting as and when appropriate.

- 1.6 The Committee may ask a representative of the external auditors to attend meetings of the Committee on a regular basis. The Committee should have at least one meeting, or part thereof, annually without the Manager being present, should the Committee deem that to be necessary.

- 1.7 Only members of the Committee are entitled to vote at meetings of the Committee.

2. Secretary

The Company Secretary or their nominee shall act as the Secretary of the Committee.

3. Quorum

3.1 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 shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

3.2 The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly. The relevant member of the Committee shall not be counted towards the quorum and must abstain from voting on any resolution of the Committee in which he/she and/or his/her associates have a material interest.

4. Frequency of Meetings

4.1 The Committee shall meet at least twice a year at appropriate times in the reporting and audit cycle and at such other times as the Chairman of the Committee shall require.

4.2 Meetings will be arranged to tie in with the publication of the Company's financial statements, to be held on the same day as a Board Meeting where financial statements are to be approved, where possible.

4.3 Outside of the formal meeting programme, the Committee Chairman will maintain a dialogue with key individuals involved in the Company's governance, including the Board Chairman, the Manager and the external audit partner.

5. Notice of Meetings

5.1 Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of any member thereof or at the request of the external auditors if they consider it necessary.

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 forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, no fewer than five working days prior to the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

6. Minutes of Meetings

6.1 The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance. In the absence of the Secretary of the Committee, the members present at the meeting of the Committee shall elect another person to act as secretary.

6.2 Minutes of Committee meetings shall be circulated promptly to all members of the Committee and to the Chairman and, once agreed, to all members of the Board.

7. Annual General Meeting

The Chairman of the Committee shall attend the Annual General Meeting and be prepared to respond to any shareholder questions on the report on the Committee's activities and matters within the scope of the Committee's responsibilities.

8. Duties

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

8.1 Internal Control and Risk Management Systems

8.1.1 The Committee shall keep under review the effectiveness of the Company's internal financial controls, being the systems established to identify, assess, manage and monitor financial risks, and risk management systems. It shall consider the major findings of internal investigations and the response of management thereto.

8.2.2 The Committee shall:

- a) review the Company's procedures for detecting fraud, financial control or any other matters;
- b) review the Manager's reports on the effectiveness of their systems for internal financial control, financial reporting and risk management;
- c) monitor the integrity of the Manager's internal financial controls;
- d) review the disclosures included in the annual report and financial statements in relation to internal control, risk management and longer-term viability, prior to endorsement by the Board, and the policies and process for identifying and assessing business risks and the management of those risks by the Company; and
- e) assess the scope and effectiveness of the systems established by the Manager to identify, assess, manage and monitor financial and non-financial risks.

8.2 Internal Audit

The Committee shall consider annually whether there is a need for an internal audit function and make a recommendation to the Board accordingly.

8.3 External Audit

8.3.1 The Committee shall consider and make recommendations to the Board, to be put to shareholders for approval at the Annual General Meeting, as regards the appointment and re-appointment of the Company's external auditors, as well as any questions relating to their resignation or removal. The Committee shall be responsible for the selection procedure and oversee the selection process for new auditors and if the auditors resign the Committee shall investigate the issues leading to this and decide whether any action is required.

8.3.2 The Committee shall oversee the relationship with the external auditors including (but not limited to):

- a) approval of their remuneration, whether fees for audit or non-audit services, and satisfying itself that the level of fees is appropriate to enable an effective, high quality audit to be conducted;
- b) approval of their terms of engagement, including any engagement letter issued at the start of each audit, and reviewing the scope of each audit;
- c) assessing annually their independence and objectivity, taking into account relevant UK law, regulations, ethical standards and other professional and regulatory requirements;
- d) ensuring that the external auditor is not conflicted by any work carried out for the Manager and that any potential conflict has been satisfactorily resolved;
- e) assessing annually and reporting to the Board on the qualifications, expertise, resources and independence of the external auditor and the effectiveness of the audit process, which shall include obtaining a report from the external auditors on their own internal quality procedures and consideration of the audit firm's annual transparency reports, where available;
- f) reviewing and monitoring the effectiveness of the audit process;
- g) seeking information annually about the external auditor's policies and processes for maintaining independence and monitoring compliance with relevant requirements, including those regarding the rotation of audit partners and staff; and
- h) agreeing with the Board a policy on the employment of former employees of the Company's external auditors, then monitoring the implementation of this policy;

8.3.3 The Committee shall review and approve the annual audit plan and ensure that it is consistent with the scope of the audit engagement, including planned levels of materiality and proposed resources.

8.3.4 The Committee shall review any representation letter(s) requested by the external auditors before they are signed by the Board.

8.3.5 The Committee shall review the findings of the audit with the external auditors. This shall include but not be limited to the following:

- a) a discussion of any major issues which arose during the audit, including those that have been resolved and those that remain unresolved;
- b) an explanation from the external auditor as to how they have addressed any risks previously identified;
- c) a review of the evidence received in relation to each area of significant

judgement and of key accounting and audit judgements; and

- d) levels of errors identified during the audit and the reasons for any that remain unadjusted.

8.3.6 The Committee shall review the external auditors' management letter and management's response to the auditors' findings and recommendations.

8.3.7 The Committee shall report to the Board any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.

8.3.8 In relation to non-audit services, the Committee shall:

- a) develop and recommend to the Board a policy on the supply of non-audit services by the external auditors and monitor the level of fees payable to the external auditor in respect of these services, taking into account any relevant ethical guidance and legal requirements on the matter, and keep the policy under review;
- b) approve any non-audit services, ensuring that the provision of such services does not impair the auditor's independence or objectivity. In the context of non-audit services that are not prohibited by law, the Committee shall apply judgement concerning the provision of such services; and
- c) develop a policy for how the Committee will assess whether non-audit services have a direct or material effect on the audited financial statements, how the Committee will assess and explain the estimation of the effect on the financial statements and how the Committee will consider the external auditor's independence.

8.3.9 The Committee shall meet with the external auditor at least once a year, post-audit at the reporting stage, to review any matters arising in the course of the audit with respect to accounting or internal control systems.

8.3.10 At the end of the annual audit cycle, the Committee should assess the effectiveness of the audit process. In the course of doing so, the Committee should:

- a) review whether the auditor has met the agreed audit plan and understand the reasons for any changes, including changes in perceived audit risks and the work undertaken by the external auditors to address those risks;
- b) obtain feedback about the conduct of the audit from key people of the Manager and other external advisers involved; and
- c) review and monitor the content of the external auditor's management letter, in order to assess whether it is based on a good understanding of the Company's business and establish whether recommendations have been acted upon and, if not, the reasons why they have not been acted upon.

8.4 Financial Statements

8.4.1 The Committee shall monitor the integrity of the financial statements of the Company, including its annual and half-yearly reports and any other formal announcement relating to its financial performance, reviewing significant financial reporting issues and judgements which they contain. The Committee shall also review summary financial statements, significant financial returns to regulators and any financial information contained in certain other documents, such as announcements of a price sensitive nature.

8.4.2 The Committee shall review and report to the Board on the significant financial reporting issues and judgements made in connection with the preparation of the Company's financial statements and related formal statements, having regard to matters communicated to it by the auditor, and challenge where necessary:

- a) the appropriateness, consistency of, and any significant changes to accounting policies of the Company on a year-on-year basis;
- b) the methods used to account for significant or unusual transactions where different approaches are possible;
- c) decisions requiring a major element of judgement;
- d) whether the Company has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor;
- e) the extent to which the financial statements are affected by any unusual transaction;
- f) the clarity and completeness of disclosures and the context in which statements are made;
- g) the methods used to account for significant adjustments resulting from the audit;
- h) assessing the basis on which the Company has been determined as a going concern;
- i) for the purposes of the viability statement:
 - (i) assessing the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity, and how they are managed and mitigated;
 - (ii) assessing the prospects of the Company over such period deemed appropriate (but longer than 12 months); and
 - (iii) determining and reporting to shareholders in the annual report whether there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of assessment;

- j) compliance with accounting standards;
- k) compliance with stock exchange and other legal requirements; and
- l) all material information presented within the financial statements, such as the Strategic Report, the Chairman's Statement, the Portfolio Review, the Directors' Remuneration Report and the Corporate Governance Statement (insofar as it relates to the audit and to risk management).

8.4.3 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.

8.5 Reporting Responsibilities

8.5.1 The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

8.5.2 The Committee shall review the contents of the annual report and financial statements and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

8.5.3 The Committee or its Chairman shall meet formally with the Board of Directors, at least once a year, to discuss such matters as the annual report and the relationship with the external auditors.

8.5.4 In the light of its other duties, the Committee shall make whatever recommendations to the Board it deems appropriate and shall compile a report to shareholders to be included in the Company's annual report and financial statements.

8.6 Communication with shareholders

8.6.1 The terms of reference of the Committee, including its role and the authority delegated to it by the Board, should be made available. A separate section in the annual report should describe the work of the Committee in discharging those responsibilities and be signed by the Chairman.

8.6.2 The Committee section in the annual report should include the following matters, inter alia:

- a) a summary of the role and work of the Committee;
- b) how the Committee composition requirements have been addressed and the names and qualifications of all members of the Committee during the period;
- c) the number of Committee meetings;
- d) how the Committee's performance evaluation has been conducted;
- e) an explanation of how it has assessed the effectiveness of the external audit process and of the approach taken to the appointment or re-appointment of the external auditor;

- f) the length of tenure of the current audit firm, the current audit partner name, and for how long the partner has held the role;
- g) when a tender was last conducted and advance notice of any re-tendering plans;
- h) if the external auditor provides non-audit services, the Committee's policy for approval of non-audit services and an explanation of how auditor objectivity and independence is safeguarded;
- i) the audit fees for the statutory audit of the Company's financial statements paid to the auditor and its network firms for audit-related services and other non-audit services, including the ratio of non-audit work. For each significant engagement, the report should explain what the services are and why the Committee has concluded that it was in the interests of the Company to purchase them from the external auditor; and
- j) the significant issues that the Committee considered in relation to the financial statements and how these were addressed, having regard to matters communicated to it by the auditor.

8.7 Management agreement

The Committee will, on an annual basis, review the performance of the Manager in providing company secretarial, accounting, administration and support services to the Company and the fee paid to the Manager for the services that it provides under the management contract, together with the terms of such contract. Investment performance is reviewed by the Board.

8.8 Other fees

The Committee will consider the nature of any extra charges imposed by the Manager over and above the management fee and any additional benefits received from managing the Company.

8.9 Third party agreements

The Committee will, on an annual basis, review the performance of the Company's other service providers and monitor their compliance with the terms of their respective agreements as thought appropriate.

8.10 Other matters

8.10.1 The Committee shall review the Company's arrangements for its employees 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.

8.10.2 The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required.

8.10.3 The Committee shall oversee any investigation of activities, which are within its terms of reference.

- 8.10.4 The Committee should consider such other matters as the Board may from time to time refer to it.
- 8.10.5 The Committee shall be provided at the Company's expense with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
- 8.10.6 The Committee shall give due consideration to laws and regulations, the provisions of UK Code of Corporate Governance and the AIC Code of Corporate Governance and the requirements of the UK Listing Authority's Listing Rules, Disclosure and Transparency Rules and any other applicable rules, as appropriate.
- 8.10.7 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, and shall prepare a report on its role and responsibilities and the actions it has taken to discharge those responsibilities for inclusion in the annual report and financial statements.
- 8.10.8 Every member of the Committee shall give sufficient time and attention to his/her duties as a member of the Committee. He/she shall give the Company the benefit of his/her skills and expertise through regular attendance and active participation.

9. Authority

The Committee is authorised to:

- a) seek any information it requires from any employee of the Manager in order to perform its duties and all employees of the Manager shall be directed to co-operate with any request made by the Committee;
- b) obtain, at the Company's expense, outside legal, accounting or other professional advice on any matters within its terms of reference and secure the attendance at its meetings of outsiders with relevant experience and expertise if it considers this necessary; and
- c) authorise the obtaining at the Company's expense of independent legal, accounting or other professional advice by any Director on such terms as the Committee may think fit if a Director of the Company indicates to the Committee that he requires, or has obtained, independent legal or other professional advice in relation to his duties.

10. Procedure

Subject to the articles of association of the Company, the Committee shall determine its own procedures.

16 August 2017

SCHEDULE OF COMMITTEE MEMBERS AND APPOINTMENT DATES

Committee Member	Initial appointment date	Date of most recent extension of appointment
David Ross (Chairman*)	1 June 2014	1 June 2017
Teddy Tulloch	28 April 2010	28 April 2019
Tom Walker	1 April 2019	

*Appointed Chairman from 24 April 2019.