

The Share plc Audit & Risk Committee (the Committee)

Terms of Reference

Membership

The Members of the Committee shall be Francesca Ecsery, Gareth Thomas, Gavin Oldham and Richard Tolkien.

The Chairman of the Committee shall be Richard Tolkien.

The quorum of the Committee shall be two members.

Only members have the right to attend committee meetings: other individuals such as the Chief Executive and the Finance Director may be invited to attend all or any part of any meeting, as appropriate.

Attendance and Frequency of Meetings

At least once a year the Committee shall meet the external auditors. If deemed necessary by the external auditors, the Chairman should also meet them without any Executive Director present. The external auditors may request a meeting if they consider that one is necessary.

Meetings shall be held not less than twice a year and normally three times a year, in March, August and October.

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 Share plc Group of Companies (the Group) and all employees are directed to co-operate with any request made by the Committee.

The Committee is authorised by the Board to obtain outside legal or other independent professional advice as required and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

Duties - Audit

The duties of the Committee shall be to:

- consider the appointment of the external auditor, the audit fee, and any questions of resignation or dismissal of the external auditors;
- discuss and agree with the external auditor before the audit commences the nature and scope of the audit;
- review from time to time the cost effectiveness of the audit and the independence and objectivity of the external auditor;
- review the submission to the board in relation to any audited accounts, focusing particularly on:
 - any changes in accounting policies and practice;
 - major judgmental areas;
 - significant adjustments resulting from the audit;
 - the going concern assumption;

- compliance with accounting standards (and in particular accounting standards adopted in the financial year for the first time);
- compliance with Stock Exchange, regulatory and legal requirements;
- discuss problems and reservations arising from the interim and final audits, and any matters the auditors may wish to discuss (in the absence of management where necessary);
- review the external auditor's management letter and management's response;
- review, on behalf of the Board, the Group's system of internal control (including financial and operational compliance) and make recommendations to the Board;
- review the proposed statement on the directors' review of the Group's system of internal control (including financial, operational compliance and risk management) prior to endorsement by the Board;
- review from time to time the need for an internal audit function and, where such a function exists, review the internal audit programme, ensure co-ordination between the internal and external auditors and ensure that the internal audit function has adequate resources and maintains an appropriate standing within the Group;
- consider the major findings of internal investigations and management's response;
- review the Group's operating, financial and accounting policies and practices;
- consider other matters as defined by the Board;
- report on all of the above matters to the Board.

Duties – Risk

The duties of the Committee shall be to:

- consider the remit of the Governance and Risk Sub-Committee, making recommendations as appropriate;
- review, on behalf of the Board, the Governance and Risk Sub-Committee's minutes, findings and recommendations as well as reports from the Head of Compliance and the Money Laundering Reporting Officer (MLRO);
- discuss problems and reservations arising from the Governance and Risk Sub-Committee's minutes and any reports from the Head of Compliance or the MLRO and make recommendations to the Board;
- keep under review the company's internal financial controls systems that identify, assess, manage and monitor financial risks, and other internal control and risk management systems;
- consider the major findings of internal investigations and management's response;
- consider other matters as defined by the Board;
- report on all of the above matters to the Board.

Minutes

The minutes of meetings of the Committee shall be circulated to all members of the Board.