

**THIRD POINT INVESTORS LIMITED**  
**(to be renamed MALIBU LIFE HOLDINGS LIMITED) (the "Company")**  
**TERMS OF REFERENCE FOR THE AUDIT COMMITTEE**

**1. CONSTITUTION AND PURPOSE**

- 1.1 The Committee has been established by resolution of the board of directors of the Company (the "**Board**") and is to be known as the Audit Committee (the "**Audit Committee**").
- 1.2 The role of the Audit Committee is to assist the board by reviewing and monitoring the policies and procedures ensuring the independence and effectiveness of the internal and external audit functions, the integrity of the financial and narrative statements, the Company's internal control framework and the extent of the principal risks the Company is willing to take to achieve its long-term strategic objectives.
- 1.3 These terms of reference may be amended from time to time by the Board.

**2. MEMBERSHIP**

- 2.1 The Board shall appoint the chair of the Audit Committee (the "**Chair**") who shall be an independent non-executive director. In the absence of the Chair and any appointed deputy chair of the Audit Committee, the remaining members present shall elect one of themselves to chair the meeting.
- 2.2 The members of the Audit Committee shall be appointed by the Board, on the recommendation of the Nomination Committee, in consultation with the Chair of the Audit Committee.
- 2.3 The Audit Committee shall consist of at least three members, all of whom are independent non-executive directors.
- 2.4 The chair of the Board may not be a member of the Audit Committee.
- 2.5 At least one member of the Audit Committee shall have recent and relevant financial experience and competence in accounting or auditing (or both). The Audit Committee as a whole should have competence relevant to the sector in which the Company operates.
- 2.6 Appointments to the Audit Committee shall be for a period of up to three years, which may be extended for two further three year periods, provided the relevant director remains independent.
- 2.7 The Board shall regularly review the membership of the Audit Committee to ensure that membership is refreshed and undue reliance is not placed on particular individuals.

**3. QUORUM**

A quorum shall be two members, comprising at least one member with recent and relevant financial experience.

**4. ATTENDANCE AT MEETINGS**

- 4.1 No one other than the Chair, and members, of the Audit Committee is entitled to be present or vote at a meeting of the Audit Committee.
- 4.2 The Audit Committee may decide that non-committee members should attend some or all Audit Committee meetings, or parts thereof. The chair of the Board, finance director and external audit lead partner will be invited to attend meetings on a regular basis and others may be invited for a particular meeting or a particular agenda item as and when the Audit Committee deems it appropriate or necessary.
- 4.3 There should be at least one meeting, or part of a meeting, each year which the external auditor attend without management present to discuss matters relating to its remit and any issues arising from the audit.

## 5. **SECRETARY**

- 5.1 The Company Secretary or their nominee shall act as the secretary of the Audit Committee (the "**Secretary**").
- 5.2 The Secretary shall ensure that the Audit Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.
- 5.3 The Secretary shall keep a record of:
  - 5.3.1 the membership, and the dates of any changes to the membership, of the Audit Committee; and
  - 5.3.2 any person who, or firm which, provides advice or services to the Audit Committee or materially assists the Audit Committee and the nature of any other services provided by that person to the Company during the year.

## 6. **FREQUENCY OF MEETINGS**

- 6.1 Meetings shall be held at such times as the Audit Committee deems appropriate, and in any event shall be held not less than three times a year. Meetings should coincide with key dates in the Company's financial reporting cycle and audit cycle.
- 6.2 Outside of the formal meeting programme, the Chair of the Audit Committee, and to the extent necessary other Audit Committee members, will maintain a dialogue with key individuals involved in the Company's governance, including the chair of the Board, the Chief Executive Officer, the finance director, the external audit lead partner and the head of internal audit.

## 7. **PROCEEDINGS**

- 7.1 Unless varied by these terms of reference, meetings and proceedings of the Audit Committee will be governed by the provisions of the Company's Articles of Association regarding the meetings and proceedings of directors.
- 7.2 Meetings of the Audit Committee shall be called by the Secretary at the request of the Chair or any member of the Audit Committee or at the request of the external auditor if they consider necessary.
- 7.3 Unless otherwise agreed by the Audit Committee, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed and supporting papers, shall be sent to each member of the Audit Committee wherever possible no later than five working days prior to the date of the meeting. Notices, agendas and supporting papers can be circulated in electronic form unless the recipient has indicated otherwise to the Secretary.
- 7.4 The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interests and minute them accordingly. The Secretary shall record the proceedings and resolutions of meetings of the Audit Committee, including the names of those present and in attendance.
- 7.5 The Secretary shall circulate the draft minutes, as agreed with the Chair, of such meetings to all members of the Audit Committee promptly. Once agreed, the minutes shall be circulated by the Secretary to all members of the Board, unless exceptionally the Audit Committee decides it would be inappropriate to do so, for example because a conflict of interest exists. The minutes may also be circulated to other interested parties where appropriate.
- 7.6 The Chair shall report formally to the Board on the proceedings of the Audit Committee after each meeting on all matters within its duties and responsibilities.

## 8. **AUTHORITY**

- 8.1 The Audit Committee is authorised by the Board, and at the expense of the Company, to investigate any matter within its terms of reference. It is authorised to seek any information that it reasonably requires from any employee, director or other person within the group of

companies including Third Point LLC and its affiliates (the "**Third Point Group**") providing services to, or performing functions on behalf of, the Company in order to perform its duties, and all such persons are directed to cooperate with any requests made by the Audit Committee.

- 8.2 The Audit Committee shall be provided with sufficient resources to undertake its duties. The Audit Committee is authorised by the Board to obtain external legal, accounting or other professional advice at the expense of the Company but within any budgetary restraints imposed by the Board and to request the attendance of any employee, director, person within the Third Point Group or third parties with relevant experience and expertise, at meetings of the Audit Committee if it considers this necessary.

## 9. **DUTIES**

The Audit Committee shall have oversight in relation to the matters set out below for the group as a whole and, unless otherwise required by law or regulation, carry out the duties below for the Company, major subsidiary undertakings and the group as a whole, as appropriate.

### 9.1 **Financial reporting**

9.1.1 To monitor the integrity of the financial statements of the Company, including its annual and half-yearly reports, preliminary announcements and any other formal statements relating to financial performance and to review, and report to the Board on, the significant financial reporting issues and judgments which they contain, having regard to matters communicated by the auditor, and in particular to review and challenge where necessary:

- (A) significant accounting policies and any changes to them;
- (B) the methods used to account for significant or unusual transactions where the accounting treatment is open to different approaches;
- (C) whether the Company has adopted appropriate accounting policies and where necessary, has made appropriate estimates and judgements, taking into account the views of the external auditor on the financial statements;
- (D) the clarity and completeness of disclosures in the Company's financial statements and whether such disclosures are properly set in context; and
- (E) all material information presented with financial statements, including the strategic report and corporate governance statements, relating to the audit and to risk management.

9.1.2 To satisfy itself that the financial statements of the Company as described in paragraph 9.1.1 follow generally accepted accounting principles in the United States of America and give a true and fair view of the Company's affairs, and to report its views to the Board if it is not satisfied with any aspect of the proposed financial reporting by the Company.

9.1.3 To review any other announcement or statement which contains financial information and which requires approval by the Board, prior to such announcement or statement being circulated to the Board, where to do so is practicable and consistent with any reporting obligation under any law or regulation.

9.1.4 The Chair, or as a minimum another member, of the Audit Committee, shall attend the Board meeting at which the accounts are approved.

### 9.2 **Narrative reporting**

9.2.1 To review and approve statements to be included in the annual report concerning:

- (A) the going concern statement; and
- (B) the viability statement.

- 9.2.2 Where requested to do so by the Board, to review the contents of the annual report and accounts and advise the Board 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 to inform the Board's statement on these matters required by provision 27 of the UK Corporate Governance Code.

### 9.3 Internal controls and risk management systems

- 9.3.1 To review the Company's internal financial controls and the Company's other internal control and risk management framework (including the systems to identify, assess, manage and monitor financial risks).
- 9.3.2 To support the Board in reviewing reports received from the Company's management and any third parties on the effectiveness of the internal control and risk management framework established and the conclusions of any testing carried out by management, or the internal or external auditor.
- 9.3.3 To support the Board in reviewing and approving the disclosures to be included in the annual report concerning the board's assessment and management of principal and emerging risks and the board's assessment of the internal control and risk management framework, its effectiveness and any remedial action taken to address any materials controls not operating effectively, in accordance with the UK Corporate Governance Code.

### 9.4 Compliance and fraud

To review the Company's procedures and systems and controls for:

- 9.4.1 detecting fraud;
- 9.4.2 preventing bribery;
- 9.4.3 identifying money laundering; and
- 9.4.4 ensuring compliance with relevant legal and regulatory requirements, and to review reports on the same.

### 9.5 Internal audit

- 9.5.1 To consider annually whether there is a need for an internal audit function, taking into account whether there are any trends or current factors relevant to the Company's activities, markets or other aspects of its external environment that have increased, or are expected to increase, the risks faced by the Company.
- 9.5.2 To ensure that the annual report includes an explanation for the absence of an internal audit function and explains how internal assurance is achieved and how this affects the work of the external auditor.

### 9.6 External audit

To be directly responsible for overseeing the Company's relations with the external auditor including the matters set out below.

#### (A) Appointment and tendering

- 9.6.1 In relation to the appointment of the external auditor:
- (A) to consider and make recommendations on a transparent, non-discriminatory basis to the Board, to be put to shareholders for approval at the AGM, on the appointment, reappointment and removal of the external auditor;
- (B) to consider when the external audit contract should be put out to tender taking into account the requirements of applicable law and regulation;

- (C) when putting the external audit contract out to tender, to develop and oversee the tendering process and as part of that process to:
  - (1) ensure that the tender process is conducted far enough in advance of appointment for the appointed firm to exit relationships which may cause a conflict of interest;
  - (2) ensure that all tendering firms have such access as is necessary to information and individuals during the process and that all tenders, including non-Big Four firms, are given fair and objective consideration;
  - (3) ensure that all members of the Audit Committee are involved throughout the tender process, not just attending the audit firms' final presentations;
  - (4) consider running a price-blind tender;
  - (5) consider public reports including those published by the Financial Reporting Council (the "**FRC**") to assess the quality of each firm;
  - (6) if an eligible audit firm is unwilling to tender for an audit, discuss with the firm the reasons for its unwillingness to tender; and
  - (7) submit two possible audit firm options for the engagement to the Board, together with a justified preference for one of them or where the Audit Committee is not able to submit two viable options, explain why there is only one viable recommendation;
- (D) if the external auditor resigns, to investigate the issues surrounding the resignation and consider whether any action is required.

**(B) Terms and remuneration**

9.6.2 In relation to the terms of engagement of the external auditor:

- (A) 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; and
- (B) to negotiate and agree the remuneration to be paid to the external auditor in respect of audit services, and non-audit services, provided and to satisfy itself that the level of fee payable is appropriate and that an effective, high quality audit can be conducted for such a fee.

**(C) Independence of external auditor**

9.6.3 In relation to the independence of the external auditor:

- (A) to assess annually the independence and objectivity of the external auditor, taking into account relevant UK law, regulation, professional requirements (including relevant Ethical Standards for Auditors) and the group's relationship with the external auditor (and its network firms) as a whole, including any threats to the auditor's independence and the safeguards applied to mitigate those threats, including the provision of any non-audit services;
- (B) to satisfy itself that there are no relationships (such as family, employment, investment, financial or business) between the external auditor and the Company (other than in the ordinary course of business) which could adversely affect the external auditor's independence and objectivity;
- (C) to agree with the Board a policy on the employment of former employees of the Company's external auditor, taking into account the relevant Ethical

Standards for Auditors and legal requirements, and then monitor the application of this policy, in particular whether there has been any impairment, or appearance of impairment, of the external auditor's independence and objectivity;

- (D) to monitor the external auditor's process for maintaining independence, its compliance with UK law, regulation and other relevant ethical and professional guidance, including in relation to rotation of the audit partner and staff;
- (E) to monitor the level of fees paid by the Company to the external auditor compared to the overall fee income of the firm, office and partner and assess these in the context of relevant legal, professional and regulatory requirements and Ethical Standards for Auditors; and
- (F) to approve the choice of, and ensure the rotation of, the lead audit partner and audit review partner as required by law and regulation.

**(D) Provision of non-audit services by the external auditor**

9.6.4 To be responsible for approving non-audit services provided by the external auditor to the extent not pre-approved in the Company policy referred to below.

9.6.5 To develop and approve the Company's formal policy in relation to the provision of non-audit services by of the external auditor, taking into account UK law, regulation and other relevant ethical and professional guidance. The policy should include consideration of the following matters:

- (A) prior approval of non-audit services by the Audit Committee;
- (B) the types of non-audit service for which the use of the external auditor is pre-approved (including setting materiality thresholds); and
- (C) how the Audit Committee will assess whether non-audit services have a direct or material impact on the audited financial statements of the Company.

9.6.6 In relation to the provision of non-audit services, to consider in particular:

- (A) whether the skills and experience of the audit firm make it the most suitable supplier of the non-audit services;
- (B) whether there are safeguards in place to eliminate or reduce to an acceptable level any threat to objectivity and independence in the conduct of the external audit resulting from the provision of such services by the external auditor;
- (C) the nature and extent of the non-audit services;
- (D) the fees incurred, or to be incurred, for non-audit services both for individual services and in aggregate, relative to the audit fee; and
- (E) the criteria which govern the compensation of the individuals performing the audit.

9.6.7 To keep the policy under review in order to ensure that the provision of such services does not impair the external auditor's independence or objectivity and to report to the Board on the implementation of the policy.

**(E) Annual audit cycle**

9.6.8 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, without management being present, to discuss the auditor's remit and any issues arising out of the audit.

- 9.6.9 To review and approve the auditor's annual audit plan, ensuring that it is consistent with the scope of the audit engagement and discussing with the external auditor the factors that could affect audit quality.
- 9.6.10 To review the findings of the audit with the external auditor, including but not limited to:
- (A) a discussion of any major issues which arose during the audit, and how they have been resolved;
  - (B) the auditor's explanation of the risks to audit quality that they identified and how these were addressed;
  - (C) any accounting and audit judgements;
  - (D) the auditor's view of their interactions with senior management;
  - (E) levels of errors identified during the audit; and
  - (F) the effectiveness of the audit.

**(F) Evaluation**

9.6.11 To assess annually, and report to the Board on, the qualifications, skills, knowledge, expertise and resources of the external auditor and the outcome and effectiveness of the audit process, including an assessment of the quality of the audit and the auditor's mindset, culture and judgement, including the robustness and perceptiveness of the auditor in handling of key judgements and responding to questions from the Audit Committee and in their commentary where appropriate on the systems of internal control. The Audit Committee should satisfy itself that the quality of the audit is of a sufficiently high standard supported by evidence and be able to justify how it arrived at its conclusion.

9.6.12 In the course of its assessment of effectiveness, the Audit Committee should:

- (A) obtain an explanation from the external auditor of the risks to audit quality identified by the auditor and of the steps taken to address these risks;
- (B) discuss with the external auditor the key audit firm and network level controls the auditor relied on to address the risks to audit quality identified and the findings from internal and external inspections of the external auditor's audit and the audit firm, including the FRC's annual report on the auditor, and how any issues identified are being addressed;
- (C) review whether the auditor has met the agreed audit plan and any commitments made during the tender process, including whether the volume and type of resource (in terms of seniority and where relevant specialism) envisaged in the audit plan has been deployed, and understand the reasons for any changes, including changes in perceived audit risks;
- (D) obtain feedback about the conduct of the audit from key people involved and obtain evidence of the effectiveness of the external audit and the external auditor from those impacted by the audit; and
- (E) review and monitor the content of the auditor's management letter, and other communications with the Audit Committee, 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 they have not been acted upon.

**(G) General**

9.6.13 To:

- (A) manage the Company's relationships with audit firms to ensure the Company has a sufficient number of potential auditors that are independent, or capable of becoming so, to allow for adequate competition and choice in future tenders;
- (B) review and monitor the independence and objectivity of the external auditor;
- (C) inform the Board of the outcome of the company's external audit and explain how it had contributed to the integrity of financial reporting, and the role of the Audit Committee in that process;
- (D) review any representation letter(s) requested by the external auditor before they are signed and give particular consideration to matters where representation has been requested that relate to non-standard issues;
- (E) evaluate the risks to the quality and effectiveness of the financial reporting process in light of the external auditor's communications with the Audit Committee; and
- (F) review and monitor management's responsiveness to the external auditor's findings and recommendations.

9.7 The Audit Committee shall oversee the Company's compliance with applicable climate related disclosure requirements as set out in the UK Listing Rule 6.6.6R(8) and any other relevant regulatory framework informed by the Task Force of Climate-related Financial Disclosures. This includes the following:

- (A) Reviewing the completeness, clarity, balance and accuracy of climate related disclosures within the Annual Report.
- (B) Assessing whether appropriate governance, internal controls and reporting processes are in place to ensure reliable and climate related data, including:
  - controls over climate related metrics and targets;
  - processes for identify, measuring and reporting climate related risks and opportunities; and
  - integration of climate data into risk management framework
- (C) The Audit Committee shall report to the Board on the adequacy and effectiveness of climate related disclosures, significant climate related risks and mitigation measures, concerns related to the data quality, internal controls or compliance and finally, recommendations for improvements in governance, risk management or reporting processes.

## 9.8 Other

- 9.8.1 To report to the Board on its proceedings after each meeting and on how it has discharged its responsibilities.
- 9.8.2 To have regard to any applicable laws and regulation, including the provisions of the UK Corporate Governance Code, the UK Market Abuse Regulation, the UK Prospectus Regulation, the requirements of the UK Listing Rules, the Prospectus Regulation Rules, Disclosure Guidance and Transparency Rules, the provisions of the UK Corporate Governance Code Guidance and the FRC's Audit Committees and the External Audit: Minimum Standard.
- 9.8.3 At least once a year, to review its own performance, constitution and terms of reference to ensure it is operating effectively and recommend any changes it considers necessary to the Board for approval.

- 9.8.4 To ensure that these terms of references are made available on the Company's website.
- 9.8.5 To make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.8.6 To ensure that the Company maintains a dialogue with shareholders about the work of the Audit Committee.

10. **REPORTING TO SHAREHOLDERS**

A section of the annual report shall describe the work of the Audit Committee as required by the UK Corporate Governance Code, which shall be approved by the Audit Committee and signed by the Chair.

11. **ANNUAL GENERAL MEETING**

The Chair of the Audit Committee shall be available at the Annual General Meeting to answer questions on the separate section of the annual report describing the Audit Committee's activities and matters within the scope of the Audit Committee's responsibilities.