



## **Audit Committee – Terms of Reference**

Approved by the Board on: September 29<sup>th</sup> 2025

Last reviewed on: September 29<sup>th</sup> 2025

### **1. Purpose**

The Audit Committee (the "Committee") is established by the Board of Directors (the "Board") of Windar Photonics PLC to monitor the integrity of the Company's financial statements, review internal controls and risk management systems, and oversee the relationship with the external auditors.

### **2. Authority**

The Committee is a committee of the Board and is authorised to:

- Seek any information it requires from any employee of the Company.
- Obtain external legal, financial, or professional advice on any matter within its remit.
- Request the attendance of any employee at a meeting as necessary.
- Approve non-audit services to be performed by the external auditor, ensuring independence is maintained.

### **3. Membership**

- The Committee shall comprise at least two members, all of whom shall be independent non-executive directors.
- At least one member shall have recent and relevant financial experience.
- The Chair of the Committee shall be appointed by the Board and shall not be the Chair of the Company.

### **4. Secretary**

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

### **5. Meetings**

- The Committee shall meet at least two times a year at appropriate intervals in the reporting and audit cycle.
- A quorum shall be two members.
- The external auditors may request a meeting if they consider one necessary.
- Minutes of meetings shall be taken and circulated to the Board.



## **6. Duties**

The Committee shall:

- a. Financial Reporting
  - Monitor the integrity of the Company's financial statements, including interim and annual results.
  - Review and challenge the appropriateness of accounting policies and estimates.
  - Ensure compliance with AIM Rules and applicable accounting standards.
- b. Internal Controls and Risk Management
  - Monitor the adequacy and effectiveness of internal controls and risk management systems.
  - Review the Company's internal control statements in the Annual Report.
- c. External Audit
  - Recommend the appointment, reappointment or removal of the external auditor.
  - Approve the terms of engagement and remuneration for the external auditor.
  - Review and monitor the independence and objectivity of the external auditor.
  - Monitor the effectiveness of the audit process.
- d. Whistleblowing and Fraud
  - Review arrangements for employees to raise concerns in confidence (whistleblowing).
  - Review the Company's systems and controls for the prevention and detection of fraud and financial crime.

## **7. Reporting Responsibilities**

- The Committee Chair shall report formally to the Board on its proceedings after each meeting.
- The Committee shall produce an annual report to be included in the Company's Annual Report, describing its work and how it has discharged its responsibilities.



## **8. Other Matters**

The Committee shall:

- Have access to sufficient resources to carry out its duties.
- Arrange for periodic reviews of its own performance and terms of reference.
- Ensure ongoing training and development for its members.

## **9. Review of Terms of Reference**

These Terms of Reference shall be reviewed annually and any proposed changes submitted to the Board for approval.

## **10. QCA Corporate Governance Code**

The Committee shall take into account the principles of the QCA Corporate Governance Code as adopted by the Board. In particular, it shall support Principle 4 (Embed effective risk management, considering both opportunities and threats, throughout the organisation) and Principle 9 (Maintain governance structures and processes that are fit for purpose and support good decision-making).

The Committee shall ensure that the Company maintains robust financial controls and risk management processes, with independent oversight of audit and reporting practices.