

CANARY WHARF GROUP PLC

TERMS OF REFERENCE

AUDIT COMMITTEE

As amended by a resolution of the board passed on 4 December 2007

- 1 The audit committee comprises not less than three non-executive directors of the Company each of whom shall hold office as a committee member for a period of at least three years (or, if shorter, until he ceases to be a director) to be selected by the board. The majority of the committee members are considered by the board to be independent of management. The board must from time to time review the composition of the audit committee.
- 2 If any member of the audit committee is unable to act for any reason, the chairman of the audit committee may appoint any other non-executive director of the Company, agreed by the other members of the audit committee, to act as his alternate.
- 3 The chairman of the audit committee must be appointed by the board and shall hold office for a period of at least three years (or, if shorter, until he ceases to be a director).
- 4 The company secretary is the secretary of the audit committee.
- 5 Every member of the audit committee shall disclose to the audit committee:
 - (a) any personal financial interest (other than as a shareholder) in any matter to be decided by the audit committee; and
 - (b) any potential conflict of interest arising from a cross-directorship.

Any such member shall abstain from voting on resolutions of the audit committee in relation to which such interest(s) exist and from participating in the discussions concerning such resolutions and (if so requested by the board) shall resign from the audit committee.

- 6 The quorum for meetings of the audit committee is any two of its members. In the event a member is unable to attend any meeting of the audit committee, and subject to 2. above, any other member of the board may be appointed as an alternate, provided that, prior notification is given to the chairman of the audit committee in advance of the relevant meeting.

- 7 The finance director and a representative of the Company's external auditors must attend meetings of the audit committee whenever requested by the audit committee.
- 8 Executive directors of the Company are entitled to attend meetings of the audit committee, except that once a year the audit committee must meet the Company's external auditors without any executive directors present.
- 9 Meetings of the audit committee are to be held not less than twice a year. Any of the finance director or the Company's external auditors may request a meeting of the audit committee if he or she considers it necessary, to be arranged by the secretary.
- 10 The audit committee is authorised by the board:
 - 10.1 to investigate any activity within these terms of reference;
 - 10.2 to seek any information it requires from any employee of a Group Company (and employees are directed to co-operate with any request made by the audit committee); and
 - 10.3 to obtain independent legal or other professional advice and to secure the attendance of other persons at its meetings if it considers this necessary.
- 11 The duties of the audit committee are:
 - 11.1 to consider and make recommendations for the appointment of the external auditors, the auditors' remuneration and any question of resignation or dismissal of the auditors;
 - 11.2 to discuss with the auditors before the audit starts the nature and scope of the audit and ensure co-ordination where more than one firm of auditors is involved;
 - 11.3 to keep under review the scope and results of the audit and its cost effectiveness;
 - 11.4 to keep under review the independence and objectivity of the auditors;
 - 11.5 to keep under review the nature and extent of non-audit services supplied by the auditors (where they supply a substantial volume of such services to the Company), seeking to balance the maintenance of objectivity and value for money;
 - 11.6 to review the half-year and annual financial statements to shareholders and any other public announcement concerning the Company's financial position which has not previously been reviewed by the board or a committee of the board before submission to the board, focusing particularly on:
 - (a) any changes in accounting policies and practices;
 - (b) any important areas where judgement must be exercised;

- (c) significant adjustments resulting from the audit;
 - (d) the going concern assumption;
 - (e) compliance with accounting standards; and
 - (f) compliance with stock exchange and legal requirements.
- 11.7 to discuss problems and reservations arising from interim and final audits and any matters the auditors may wish to discuss (in the absence of executive directors, where necessary) and to recommend appropriate action regarding those matters;
- 11.8 to submit the documents referred to in paragraph 11.6 to the board for its approval and to determine what information should be brought to the board's attention in connection with that submission;
- 11.9 to review the external auditors' management letter and response and the external auditors' independence and objectivity;
- 11.10 to review, at least annually, the effectiveness of the Company's and Group's internal control system (including financial, operational and compliance controls and risk management) and to review any statement on internal control to be included in the directors' report before submission to the board for its approval;
- 11.11 if the Company has no internal audit function, to review the need for one from time to time;
- 11.12 subject to 11.11 above, where an internal audit function exists, to review and assess the quality of the internal audit programme, ensure co-ordination between the internal and external auditors, and ensure that the internal audit function is adequately resourced and has appropriate standing within the Group.
- 11.13 to consider the major findings of internal investigations and management's response; and
- 11.14 to consider other topics, as requested by the board.
- 12 The audit committee shall review the statement by the directors to be included in the annual financial statements on the going concern status of the Company and the Group and any supporting assumptions and qualifications.
- 13 The audit committee's chairman should attend the Company's annual general meeting to be available to answer shareholders' questions.
- 14 In discharging their duties members are required to have regard to the duties as set out in s171 to s177 of the Companies Act 2006.

- 15 The secretary must send the minutes of meetings of the audit committee to all members of the board and to the external auditors.