

## The West India Biscuit Company Limited Audit Committee Charter

---

### PURPOSE

The purpose of this "Corporate Governance Committee Charter" is to assist the Board of Directors of The West India Biscuit Company Limited (WIBISCO) in fulfilling its fiduciary oversight responsibilities in ensuring transparency and accountability for the:

- (1) Financial Reporting Process,
- (2) System of Internal Control,
- (3) Internal Audit Process,
- (4) External Audit of the Financial Statements,
- (5) Organization's Processes for Monitoring Compliance,
- (6) Special Investigations and Whistleblower Mechanism, and
- (7) Audit Committee Reporting Responsibilities.

### AUTHORITY

The audit committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to perform the following functions, which are numbered according to the purposes listed above:

#### (1) Financial Reporting

1. Recommend the adoption of any Reporting Standards following consultation with the external auditors.
2. Recommend the reporting of all financial information to the Board for release to third parties.
3. Resolve any disagreements between management, the external auditor and/or the internal auditor regarding financial reporting.
- 4.
- 5.

#### (2) System of Internal Control

1. Provide the policy and framework for an effective system of internal controls, and provide the mechanisms for periodic assessment of the system of internal controls, including information systems.
2. Seek any information it requires from employees-all of whom are directed to cooperate with the committee's requests, or the requests of internal or external parties working for

## The West India Biscuit Company Limited Audit Committee Charter

---

the audit committee. These parties include the internal auditors, all external auditors, consultants, investigators and any other specialists engaged by the audit committee.

3.

4.

### **(3) Internal Audit Process**

1. Oversee the work of the Group Internal Audit Department as it relates to WIBISCO.

### **(4) External Audit of the Financial Statements**

1. Recommend to the Board the appointment of external auditors for subsequent approval by the shareholders. Oversee the work of the external auditors and recommend their compensation to the Board.
2. Pre-approve all auditing, other attest and non-audit services performed by the external auditors.
- 3.
- 4.

### **(5) Organization's Processes for Monitoring Compliance**

1. Communicate with the Board regarding the organization's policy on ethics, code of conduct and fraud policy as it relates to internal control, financial reporting and all auditing activities.

### **(6) Special Investigations and Whistleblower Mechanism**

1. Retain independent counsel, accountants, or other specialists to advise the committee or assist in the conduct of an investigation.
2. Ensure creation of and maintenance of an appropriate whistleblower mechanism for reporting of financial statement fraud and other fraud and inappropriate activities.

### **(7) Audit Committee Reporting Responsibilities**

1. Receive and review reports on all public disclosures related to the purpose, authority and responsibilities of the Audit Committee.
2. Report to the Board on the activities, findings and recommendations of the Audit Committee.
- 3.
- 4.

## The West India Biscuit Company Limited Audit Committee Charter

---

### **(1 – 7) Comprehensive Communication Responsibility**

1. Meet with the organization's officers, external auditors, internal auditors, outside counsel and/or specialists, as necessary.
- 2.
- 3.

### **COMPOSITION**

The audit committee will consist of at least three members of the Board of Directors. The Board or its nominating committee will appoint committee members and the committee chair.

Each committee member will be both independent and financially literate. At least one member shall be designated as the "financial expert," as defined by applicable legislation and regulation.

### **MEETINGS**

The committee will meet at least four times a year, with authority to convene additional meetings, as circumstances require. All committee members are expected to attend each meeting, in person or via tele- or video-conference. Meeting notices will be provided to interested parties in conformance with applicable laws, regulations, customs and practices. The committee will invite members of management, external auditors, internal auditors and/or others to attend meetings and provide pertinent information, as necessary. It will hold private meetings with auditors and executive sessions as appropriate. The Audit Committee Chairman will ensure that Meeting Agendas are prepared and provided in advance to each members, along with appropriate briefing materials. Minutes will be prepared for each meeting by the appointed secretary.

### **RESPONSIBILITIES**

The committee will carry out the following responsibilities:

#### **(1) Financial Reporting Process**

1. Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.

## The West India Biscuit Company Limited Audit Committee Charter

---

1. Review with management, the external auditors, and the internal auditors the results of the audit, including any difficulties encountered.
- 2.
- 3.
4. Review all significant adjustments proposed by the external financial statement auditor and by the internal auditor.
- 5.
- 6.
7. Review all significant suggestions for improved financial reporting made by the external financial statement auditor and by the internal auditor.
- 8.
- 9.
10. Review with the appointed Legal Counsel the status of legal matters that may have an effect on the financial statements.
- 11.
- 12.
13. Review the annual financial statements, and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles.
- 14.
- 15.
16. Review with management and the external auditors all matters required to be communicated to the committee under generally accepted auditing *Standards*.
- 17.
- 18.
19. Review interim financial reports with management and consider whether they are complete and consistent with the information known to committee members.
- 20.
- 21.

### **(2) System of Internal Control**

1. Ensure that the organization has a comprehensive policy on internal control and compliance.
- 2.
- 3.
4. Review periodically the policy on ethics, code of conduct and fraud policy.
- 5.
- 6.

## The West India Biscuit Company Limited Audit Committee Charter

---

7. Consider the effectiveness of the organization's internal control system, including information technology security and control.
1. Consider any internal controls required because of business relationships with significant vendors and consultants.
1. Understand the scope of internal auditor's and external auditor's review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.
1. Understand the scope of internal auditor's review of internal control over all other processes, and obtain reports on significant findings and recommendations, together with management's responses.
- 2.
- 3.
4. Direct employees to cooperate with the committee's requests, or the requests of internal or external parties working for the audit committee. These parties include the internal auditors, all external auditors, consultants, investigators and any other specialists engaged by the audit committee.

### **(3) Internal Audit Process**

1. Obtain the information and training needed to enhance the committee members' understanding of the role of internal audits so that the committee may adequately oversee the internal audit function.
- 2.
- 3.
4. Assure and maintain, the independence of the internal audit process.
- 5.
- 6.
7. Ensure that internal auditors have access to all documents, information and systems in the organization and that there are no unjustified restrictions or limitations placed on the Group Chief Internal Auditor and internal audit staff.

## The West India Biscuit Company Limited Audit Committee Charter

---

1. Review with management and the Group Chief Internal Auditor the charter, objectives, plans, activities, staffing, budget, qualifications, and organizational structure of the internal audit function.
- 2.
- 3.
4. Receive and review all internal audit reports and management letters.
- 5.
- 6.
7. Review the responsiveness and timeliness of management's follow-up activities pertaining to any reported findings and recommendations.
- 8.
- 9.
10. Receive periodic notices of advisory and consulting activities by internal auditors.
- 11.
- 12.
13. Review the effectiveness of the internal audit function, including compliance with The Institute of Internal Auditors' *Standards for the Professional Practice of Internal Auditing*.
- 14.
- 15.
16. On a regular basis, meet separately with the Group Chief Internal Auditor to discuss any matters that the committee or internal audit believes should be discussed privately.
- 17.
- 18.
- 19.

### **(4) External Audit of the Financial Statements**

- a) Review the external auditor's proposed audit scope and approach, including coordination of audit effort with internal audit.
- b) Exercise final approval on the request for proposal for, and the appointment, of the external audit firm. Obtain input from the Group Chief Internal Auditor, management and other parties as appropriate.
- c) Define the services that the external financial statement auditor is allowed to perform and the services that are prohibited.
- d) Pre-approve all services to be performed by the external financial statement auditor.

## The West India Biscuit Company Limited Audit Committee Charter

---

- e) Review the independence of the external financial statement audit firm by obtaining statements from the auditors on relationships between the audit firm and the organization, including any non-audit services, and discussing these relationships with the audit firm. Obtain from management a listing of all services provided by the external audit firm. Obtain information from the Group Chief Internal Auditor and other sources as necessary.
- f) Review and approve the audited financial statements, associated management letter, attestation on the effectiveness of the internal control structure and procedures for financial reporting, other required auditor communications, and all other auditor reports and communications relating to the financial statements.
- g) Review and approve all other reports and communications made by the external financial statement auditor.
- h) Review the responsiveness and timeliness of management's follow-up activities pertaining to any reported findings and recommendations.
- i) On a regular basis, meet separately with the external financial statement audit firm to discuss any matters that the committee or auditors believe should be discussed privately.
- j) To ensure proper guidelines and mechanisms are in place so that no member of the audit committee or organization staff shall improperly influence the auditors or the firm engaged to perform audit services.
- k) Ensure production of a report of all costs of and payments to the external auditor. The listing should separately disclose the costs of the financial statement audit, other attest projects, agreed-upon-procedures and any non-audit services provided.

### **(5) Organization's Processes for Monitoring Compliance**

1. Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
- 2.
- 3.
4. Review the findings of any examinations by regulatory agencies, and any auditor observations, including investigations of misconduct and fraud.

## The West India Biscuit Company Limited Audit Committee Charter

---

1. Review the process for communicating to all affected parties the ethics policy, code of conduct and fraud policy to organization personnel, and for monitoring compliance therewith.
- 2.
- 3.
4. Obtain regular updates from management and the Board Governance Committee regarding compliance matters.
- 5.
- 6.

### **(6) Special Investigations and Whistleblower Mechanism**

1. Institute and oversee special investigations as needed.
- 2.
- 3.
4. Provide an appropriate confidential mechanism for whistleblowers to provide information on potentially fraudulent financial reporting or breaches of internal control to the audit committee.

### **(7) Audit Committee Reporting Responsibilities**

1. At each Board meeting or if appropriate more regularly report to the Board of Directors about all committee activities, issues, and related recommendations.
  - 2.
  - 3.
  4. Perform other activities related to this charter as requested by the Board of Directors, and report to the Board.
- 
1. Provide an open avenue of communication between internal audit, the external financial statement auditors, management and the Board of Directors.
- 
1. Confirm annually that all responsibilities outlined in this charter have been carried out. Report annually to the Board describing the committee's composition, responsibilities and how they were discharged, and any other information required by rule, including approval of non-audit services.
  - 2.
  - 3.



## The West India Biscuit Company Limited Audit Committee Charter

---

4. Review and assess the adequacy of the committee charter and the committee's performance annually, requesting Board approval for proposed changes.

### SIGNATURE SECTION

This Audit Committee Charter was adopted by the Audit Committee on 7 July, 2016, and transmitted to the Board. This Audit Committee Charter is effective this day and is hereby signed by the following persons who have authority and responsibilities under this Charter.

  
\_\_\_\_\_  
Chair, Audit Committee

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
General Manager

  
\_\_\_\_\_  
Date