

Channel 4 Audit & Risk Committee Terms of Reference

October 2025

Audit and Risk Committee

Purpose: *The Audit and Risk Committee assists the Corporation Board in fulfilling its overview responsibilities by reviewing the financial risks, the audit process, and the Corporation's procedure for monitoring compliance with laws and regulations and its own code of business conduct.*

Chair	Secretary
Andrew Miller (Chair)	<div></div> (Corporation Secretary)
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Other Members	
Tom Adeyoola	Non-executive Member
Alex Burford	Non-executive Member
Seb James	Non-executive Member
At least 2 non executive members, including a Chair, should be present at any meeting for it to be quorate.	
Other Attendees (at the discretion of the Chair)	
Geoff Cooper	Chair
Jonathan Allan	Interim Chief Executive
Audit Partner	Deloitte
Senior Manager	Deloitte
<div></div>	Chief Financial Officer
<div></div>	Head of Business Assurance

Terms of Reference

Scope

To maintain effective working relationships with the Board, management and the external and internal auditors and oversee the financial and control environment. The Audit and Risk Committee members are all non-executive members of the Corporation.

Its key responsibilities are:

- to monitor accounting policies, the integrity of the financial statements of the Corporation and any formal announcements relating to the Corporation's financial performance, reviewing significant financial reporting judgements contained in them;
- to review the Corporation's internal financial controls and the Corporation's internal control and risk management systems;
- to provide advice (where requested by the Board) on whether the annual report and accounts, taken as a whole, are fair, balanced and understandable;
- to appoint the Head of Internal Audit;
- to monitor and review the effectiveness of the Corporation's internal audit function/activities;

[REDACTED] Group Financial Controller

[REDACTED] Financial Reporting Manager
[REDACTED] (acting) Head of Group
Reporting

Plus others as needed and at the request of
the Chair

Where he is unable to attend a Committee
Meeting, the Chair shall nominate another
Member to preside.

- to conduct the tender process and make recommendations to the Board in relation to the appointment, reappointment and removal of the external auditor and to approve the remuneration and scope of engagement of the external auditor;
- to grant or refuse prior approval of all non-audit engagements for Channel 4 carried out by the external auditor;
- to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process taking into consideration relevant UK professional and regulatory requirements;
- to develop and implement policy on the engagement of the external auditor to supply non-audit services taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm; and to report to the Board identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken;
- to regularly update the Board about the Audit and Risk Committee's activities and make appropriate recommendations;
- to ensure the Board is aware of matters that may significantly impact on the financial condition or affairs of the business. If necessary, the Audit and Risk Committee can instigate special investigations and, if appropriate, engage special counsel or experts to assist;
- to oversee the effectiveness of the Whistleblowing policy and to review arrangements by which staff of the Corporation may, in confidence, raise concerns about possible improprieties in matters of financial reporting, fraud or other matters. The Audit and Risk Committee's objective should be to ensure that arrangements are in place for the proportionate and independent investigation of such matters and for appropriate follow-up action; and

- to review the effectiveness of policy and processes relating to cyber security and to regularly update the Board on such reviews (the Board retaining responsibility for such policy and processes).

The Audit and Risk Committee shall have primary responsibility for making a recommendation to the Board as to the appointment, reappointment and removal of the external auditors.

If the Board does not accept the Audit and Risk Committee's recommendation, it should include in the annual report, and in any papers recommending appointment or re-appointment, a statement from the Audit and Risk Committee explaining the recommendation and should set out reasons why the Board has taken a different position.

Process

The Audit and Risk Committee's modus operandi is detailed under 4 areas:

- financial reporting;
- annual financial statements;
- external audit; and
- internal control and risk management systems.

The process is described more fully below.

Meetings are minuted.

The Audit and Risk Committee shall review annually its terms of reference and the Committee's effectiveness and shall recommend any agreed changes to the Board.

Frequency

Three times a year or as required. The meetings will usually be in March, with a particular focus on the year end accounts and financial statements, June/July with a particular focus on risk management and internal control and September/October focusing on the half year financial reporting and planning for the annual financial statement.

Financial Reporting

The Audit and Risk Committee will:

- review significant accounting and reporting issues, including recent professional and regulatory announcements, and understand their impact on the Corporation's financial statements;
- consider with the external auditors any fraud, illegal acts, deficiencies in internal control or other similar issues;
- ask management and the external auditors about significant risks and exposures and the plans to minimise such risks; and
- gain an understanding of the current areas of greatest financial risk and how management is managing these effectively.

Annual Financial Statements

The Audit and Risk Committee will:

- review the annual financial statements, determine whether these are complete and consistent with the information known to committee members and assess whether the financial statements reflect appropriate accounting principles;
- pay particular attention to complex and/or unusual transactions;
- focus on areas of particular sensitivity, e.g. those involving valuation of assets and liabilities, warranty, product or environmental liability, litigation reserves and other commitments and contingencies;
- meet with management and the external auditors to review the financial statements and the results of the audit;
- review the other sections of the annual report before its release and consider whether the information is clear and consistent with members' knowledge about the Corporation and its operations; and
- where the Board does not accept the Audit and Risk Committee's recommendation relating to the appointment or reappointment of auditors, a statement from the Audit and Risk Committee should be included in the annual report setting out the reasons why the Board has taken a different position.

External Audit

The Audit and Risk Committee will:

- review the external auditors' proposed audit scope and approach and ensure no unjustified restrictions or limitations have been placed on the scope;
- review the performance of the external auditors;
- consider the independence of the external auditor, including reviewing the range of services provided in the context of all consulting services bought by the Corporation;
- conduct the tender for external audit services;
- make recommendations to the Board regarding the reappointment of the external auditors;
- meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately, and in any event meet the external auditors without management at least once a year;
- consider for prior approval all non-audit Channel 4 engagements by the external auditor;
- ensure that significant findings and recommendations made by the external auditors are received and discussed on a timely basis; and
- ensure that management responds to recommendations by the external auditor.

Internal Control and Risk Management Systems

The Audit and Risk Committee should review the Corporation's internal controls (that is the systems established to identify, assess, manage and monitor financial risks) and risk management systems.

The Audit and Risk Committee will:

- ensure the internal auditor has direct access to the Chairman of the Board and to the Audit and Risk Committee and is accountable to the Audit and Risk Committee;
- review and assess the annual internal audit work plan;
- receive a report on the results of the internal auditor's work on a periodic basis;

- review and monitor management's responsiveness to the internal auditor's findings and recommendations;
- meet with the head of internal audit at least once a year without the presence of management; and
- monitor and assess the role and effectiveness of the internal audit function in the overall context of the Corporation's risk management system.

Appendix I

Audit and Risk Committee Member Guidance and Agenda Items

1. Committee Member Roles

a. Induction

An induction programme will be provided for new Committee members, with input from Audit Committee chair, Business Assurance, Finance and the external auditors.

b. Committee Chair

The Audit and Risk Committee chair shall:

- keep in touch regularly with the key people involved in Corporation governance, including the Chairman of the Board, the Chief Executive, the Finance Director, the external audit lead and the head of internal audit.
- review the audit agenda planner annually, together with the Corporation Secretary, the Head of Business Assurance and the Finance Director (or delegate).
- provide input for the annual appraisal of the Head of Business Assurance.

c. Any Board member:

- may attend the Committee as an observer.
- may have access to Committee papers.

2. Agenda Items

a. Agenda Planning

The Audit and Risk Committee Chair, Corporation Secretary, Head of Business Assurance and Finance Director (or delegate) will hold an annual planning session to design the agenda for the following year.

Unless already provided to the Board as a whole, topics will be determined annually for training deep dives.

b. Standing Agenda items:

Business Assurance: Risk Update

Business Assurance Activity Update

c. Annual items for Audit and Risk Committee Agenda:

- Update on key audit risks
- Business Assurance Audit + Assurance Policy
- Business Assurance's conclusions as to whether C4's risk appetite is being adhered to.
- Timetable for audit and Annual Report
- Year End: Finance summary, Accounting issues and SMCP metrics
- External Auditor Year End Report to the Audit and Risk Committee on the most recent audit
- Draft Annual Report
 - SMCP
 - Financial Statements
 - Members' Remuneration Report
 - Viability Statement
 - Draft Risk Disclosure
- Schedule 9 Auditor: Schedule 9 Report
- Half-Year Financial Report
- External Auditor Audit Strategy
- External Auditor Final update on the most recent audit
- Tax & Treasury Policy
- Delegated Authorities Matrix
- Summary of Whistleblowing Complaints
- Cyber Security Update
- Technology Review (including Cyber Maturity Assessment)
- Health & Safety Annual Review
- UK Bribery Act and Fraud – oversight of management's processes for identifying and responding to these risks, including gifts + hospitality and Exec expenses
- Modern Slavery – assurance of management's processes for identifying and responding to these risks.

- People item discussing Code of Conduct, including conflicts of interest re Executives and senior management
- Closed session with internal auditor (Business Assurance) without management
- Closed session with external auditors without management
- Audit and Risk Committee Evaluation

Appendix II

Excerpts from Deloitte's Audit Committee Effectiveness Framework 2020ⁱ

Statements in **Blue** are legislative requirements

Statements in **Purple** are guidance from regulators

Statements in **Green** are best practice as advised by Deloitte

1. Oversight of Accounting Judgements and Financial Reporting

Under the Corporate Governance Code ("the Code"), the audit committee is responsible for monitoring the integrity of the financial statements of the company and any formal announcements relating to the company's financial performance and for reviewing any related significant financial reporting judgements. In particular, the audit committee determines which financial reporting matters and judgements are significant in each reporting period and challenges the conclusions on these. The audit committee should also understand how pervasive forecasting is to the financial statements, consider the historical accuracy of forecasting and be persuaded that judgements that rely on forecasts are sound. In the UK, government transparency requirements have led to some public interest reporting outside the annual report – for instance, gender pay gap and reporting on payment practices and performance. Some companies are additionally reporting their ethnicity pay gap and certain sustainability data. The audit committee should consider how much oversight of these other forms of external reporting should be exercised in order to ensure focus, accuracy and consistency with other external announcements. Formal requirements in this area are driven by the Code, the Disclosure and Transparency Rules and regulatory guidance, with public interest reporting requirements driven by separate regulation.

- a) The audit committee monitors the integrity of the financial statements of the company and any formal announcements relating to the company's financial performance and reviews significant financial reporting judgements.
- b) Where requested by the board, the audit committee provides advice on whether the annual report and accounts taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's position and performance, business model and strategy.
- c) The audit committee considers key matters of their own initiative rather than relying solely on the work of the external auditor.
- d) The audit committee reviews, and reports to the board on, the significant financial reporting issues and judgements made in connection with the preparation of the company's financial statements, interim reports, preliminary announcements and related formal statements.
- e) The audit committee considers significant accounting policies and any changes to them.

- f) The audit committee reviews the clarity and completeness of disclosures in the financial statements and considers whether the disclosures made are set properly in context.
- g) If the audit committee is not satisfied with any aspect of the proposed financial reporting by the company, it reports its views to the board.
- h) The audit committee reviews related information presented with the financial statements, including the strategic report, and corporate governance statements relating to the audit and to risk management.
- i) Whenever practicable, statements made by the company containing financial information are reviewed by the audit committee before board approval is given.
- j) When advising the board on making the 'fair, balanced and understandable' statement, the audit committee assesses whether other information presented in the annual report is consistent with the financial statements.
- k) The audit committee understands the pervasive nature of management forecasts both for the significant judgements affecting financial reporting and the assessment of longer term viability and is satisfied that the forecasting process is robust.
- l) The audit committee asks management to explain the reason that misstatements have been identified and requests that all adjustments are booked.
- m) The audit committee asks management to consider alternative accounting treatments highlighted by the auditors, to explain the reason for any significant disclosure omissions reported by the auditors and where the audit committee agrees these are significant requests that amendments are made to the annual report.
- n) The audit committee considers the disclosures in the front half of the annual report regarding corporate purpose, whether it is clearly articulated and linked to the company's strategy and values, and whether the annual report explains how purpose, strategy and values align with the company's culture.
- o) The audit committee reviews any material related-party transactions prior to their consummation and considers the company's obligations under relevant disclosure requirements.
- p) The audit committee is informed of and where requested has prompt sight of reports from third party advisers on legal issues (actual or potential), tax matters, accounting and valuation matters and reports from regulators.
- q) The audit committee reviews all earnings press releases and the financial information and earnings guidance provided to analysts and ratings agencies and recommends their release to the board.
- r) The audit committee reviews all other external information published by the company to meet or anticipate regulatory requirements, for example on sustainability, tax strategy, modern slavery, gender pay gap, ethnicity pay gap and payment practices and performance reporting, has the opportunity to ask questions about the composition and consistency of the information and to request amendments where necessary.
- s) The audit committee has considered and is satisfied with the company's tax strategy, state of tax compliance and the reporting of tax arrangements to shareholders and others.

2. Oversight of the external audit process

The audit committee has primary responsibility, on behalf of the board, for the tendering, appointment, remuneration, terms of engagement, approval of provision of other services and review of independence and effectiveness of the external auditor. Most of these are legal responsibilities through the Disclosure Guidance and Transparency Rules; others are legal responsibilities for audit committees of the FTSE 350 through the CMA Order.

The audit committee should seek to understand from the auditor the issues they consider significant risks to their audit and those likely to be reported as key audit matters in the audit report. The audit committee should understand the response they intend to implement, the scope of work, materiality and involvement in the work of component (subsidiary) auditors. The audit committee should be prepared to challenge the scope and plans of the external auditor. In order to ensure the whole external audit process is effective, the audit committee should bear in mind management's role in the audit process through the preparedness for external audit, efficiency of managing the timetable and the quality of papers provided to the external auditor. These factors influence the timeliness, depth and quality of the auditor's work. Management can also promptly respond to queries and address the auditor's proposed adjustments and disclosure deficiencies.

- a) The audit committee conducts the tender process and makes recommendations to the board about the appointment, reappointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor.
- b) The audit committee reviews and monitors the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements.
- c) The audit committee develops and implements policy on the engagement of the external auditor to supply non audit services, ensuring there is prior approval, considering the impact this may have on independence, taking into account the relevant regulations and ethical guidance in this regard, and reporting to the board on any improvement or action required.
- d) (Applicable to FTSE 350 companies): Only the audit committee, acting collectively or through the chair:
 - Negotiates and agrees the statutory audit fee.
 - Negotiates and agrees the scope of the audit.
 - Initiates and supervises a competitive tender process.
 - Makes recommendations to the board of directors on the auditor appointment following a competitive tender process.
 - Influences the appointment of the audit engagement partner.
 - Pre-approves the provision of non-audit services by the incumbent auditor (Part 5 of the CMA Order).
- e) The audit committee assesses annually the qualification, expertise and resources and independence of the external auditors and the effectiveness of the audit process.

- f) The audit committee receives a report on the audit firm's own internal quality control procedures and considers the audit firm's annual transparency report.
- g) Where the external auditor has resigned, the audit committee has investigated the issues giving rise to such resignation and considered whether any action is required.
- h) The audit committee approves the terms of engagement and the remuneration to be paid to the external auditor, satisfying itself that the level of fee payable in respect of audit services is appropriate and that an effective, high quality, audit can be conducted for such a fee.
- i) The audit committee reviews and agrees the engagement letter issued by the external auditor at the start of each audit, ensuring that it has been updated to reflect changes in circumstances arising since the previous year.
- j) The audit committee reviews the scope of the external audit and if the audit committee is not satisfied as to its adequacy, it arranges for additional work to be undertaken.
- k) The audit committee monitors the external audit firm's compliance with the Ethical Standard, the level of fees that the company pays in proportion to the overall fee income of the firm, relevant part of it, and other related regulatory requirements.
- l) The audit committee reviews with the external auditors, in a timely manner, the findings of their work. In particular the audit committee:
 - Discusses major issues that arose during the course of the audit and have subsequently been resolved and those issues that have been left unresolved.
 - Asks the auditor to explain how they addressed the risks to audit quality identified earlier.
 - Weighs the evidence they have received in relation to each of the areas of significant judgement.
 - Reviews key accounting and audit judgements.
 - Asks the auditor for their perception of their interactions with senior management and other members of the finance team.
 - Reviews levels of errors identified during the audit, obtaining explanations from management and where necessary the external auditors, as to why certain errors might remain unadjusted.
- m) The audit committee reviews and monitors management's responsiveness to the external auditor's findings and recommendations.
- n) The audit committee reviews the audit representation letters before signature by management and gives particular consideration to matters where representation has been requested that relate to non-standard issues.
- o) At the end of the annual audit cycle, the audit committee assesses the effectiveness of the audit process.
- p) The audit committee has early discussions with the external auditors to identify significant issues at the earliest opportunity and to discuss the appropriate audit response. The audit committee understands where the auditor will seek specialist resource from the firm, or externally, from outside the core audit practice.
- q) The audit committee is satisfied that the external audit planning process has involved assessment of accounting policies, feedback on prior year disclosure deficiencies or misstatements and relevant accounting/governance developments.

- r) In respect of materiality, the audit committee is satisfied that it has a good understanding of how materiality levels are expected to affect the level of audit work performed in general and in significant risk areas:
 - The benchmarks used in determining materiality levels and why these are considered to be appropriate, focusing on how they reflect the needs and expectations of users of the financial statements.
 - How auditors are ensuring that materiality is being determined appropriately at group and component levels.
 - The level at which unadjusted errors are being reported to the audit committee.
- s) The audit committee has asked the auditors to explain the overall scope of work in respect of the company's subsidiaries and to explain the extent of their involvement in the work of component (subsidiary) auditors and is satisfied that this is appropriate.
- t) The audit committee ensures that it understands and is satisfied with the quality and extent of the procedures the auditor has implemented to detect fraud.
- u) The audit committee has established criteria for its review of the independence of external audit, has considered its responsibilities for auditor objective setting and approval of auditor remuneration, and has ensured it has visibility of all formal recommendations and formal advice supplied by the auditor to ensure independence is maintained.
- v) The audit committee has established criteria for its review of the effectiveness of the external audit process, including in the last year of the auditor's tenure, and has considered the role of management and the audit committee in that process.
- w) The audit committee has asked the auditors whether their audit has been reviewed by the firm's internal quality monitoring processes and, if so, what the main lessons learnt were; how the findings compare with inspection findings; and what actions they have taken to address any matters identified for improvement.

3. Going concern and longer term viability

Currently, the board reports on its assessment of the going concern status of the business – will it continue to operate for at least a year and identifying any material uncertainties to the conclusion – and the viability of the business – will the business continue to operate over a longer period determined by the board, drawing attention to any qualifications or assumptions. The audit committee is often asked by the board to provide oversight and advice on these two areas. The Brydon Report proposes that a Resilience Statement replaces these to provide information about the resilience of the business, including “the likely survival of the company into an indeterminate future.” The audit committee can consider whether it wishes to encourage company reporting to move in this direction.

The proposed structure of the Resilience Statement is that it should cover three time periods:

- A short-term statement over a period of about a year with a high degree of certainty, subject to audit (the equivalent of the current going concern period). This should include the disclosure of material uncertainties that could impact on the company as a going concern before any mitigating action has been taken into account.
 - A medium-term statement over a longer period detailing stress-testing or scenario-testing and explaining the directors' conclusions on that, not subject to audit but with the possibility of the directors obtaining other assurance (similar to disclosure in a proportion of current viability statements).
 - A long-term statement about business resilience describing long-term risks and the directors' analysis of the resilience of the business to those risks, not subject to audit. (This draws together the resilience implications from the current description set out in the strategic report describing how the business will create value over the long term, together with the significant risks).
- Formal requirements in this area fall largely on the board, advised by the audit committee. They are driven by the Listing Rules, the Code, the Guidance and the Risk Guidance.

- The audit committee reviews and recommends to the board the statements included in the annual report in relation to the viability statement.
- In performing the going concern assessment, the directors consider all available information about the future, the possible outcomes of events and changes in conditions and the realistically possible responses to such events and conditions that would be available to the directors.
- As part of their assessment, the directors determine if there are any material uncertainties relating to events or conditions that might cast significant doubt upon the continuing use of the going concern basis of accounting in future periods.
- Uncertainties are considered both individually and in combination with others.
- In determining whether there are material uncertainties, the directors consider:
 - The magnitude of the potential impacts of the uncertain future events or changes in conditions of the company and the likelihood of their occurrence.
 - The realistic availability and likely effectiveness of actions that the directors would consider undertaking to avoid, or reduce, the impact or likelihood of occurrence of the uncertain future events or changes in conditions.
 - Whether the uncertain future events or changes in conditions are unusual, rather than occurring with sufficient regularity to make predictions about them with a high degree of confidence.
- For the half-yearly financial statements, directors build on their understanding of these matters since the completion of the last annual report, update their conclusions on the basis of accounting and the existence of material uncertainties and revise their disclosures as necessary.
- For the longer term viability statement, except in rare circumstances the period chosen is significantly longer than 12 months from the approval of the financial statements. The length of period is determined, taking account of a number of factors, including the board's stewardship responsibilities; previous statements they have made, especially in raising capital; the nature of the business and its stage of development; and its investment and planning periods.

- h) The longer term viability assessment includes sufficient qualitative and quantitative analysis, and is as thorough as is judged necessary to make a soundly based statement. Stress and sensitivity analysis has been used to assist the directors in making their statement..
- i) The directors consider the individual circumstances of the company in tailoring appropriate analysis best suited to its position and performance, business model, strategy and principal risks. These are undertaken with an appropriate level of prudence, i.e. weighting downside risks more heavily than upside opportunities. This includes analysis of reverse stress, starting from a presumption of failure and seeking to identify the circumstances in which this occurs.
- j) Any qualifications or assumptions to which the directors consider it necessary to draw attention in their statement are specific to the company's circumstances, rather than so generic that they could apply to any predictions about the future. They only include matters that are significant to the company's prospects and do not include matters that are highly unlikely either to arise or to have a significant impact on the company. Where relevant, disclosures cross-refer to, rather than repeat, disclosures given elsewhere.
- k) The audit committee is satisfied that reporting on going concern and the longer term viability statement gives a fair, balanced and understandable overview of the company's position and prospects.
- l) The audit committee has reviewed and approved management's assessment of going concern that will be provided to the auditor.
- m) The audit committee considers the disclosures in the annual report on principal risks, going concern, viability, the description of the current business model, how the business will create value over the long term, and how opportunities and risks to the future success of the business have been considered and addressed. The audit committee considers there is sufficient, clear information to meet the needs of stakeholders.
- n) The audit committee is satisfied that the scenarios considered in assessing the longer term viability statement are sufficiently complete and robust and contemplate principal and emerging risks appropriately.
- o) The audit committee considers that reporting on going concern and the longer term viability statement includes all necessary assumptions and information about scenarios to enable shareholders to understand the quality and completeness of the board's process.
- p) The audit committee has assessed the gap between the current disclosures on going concern and viability and the disclosures on resilience proposed by the Brydon Report and considers that all materially relevant decision-useful information has been disclosed.

Deep Dives: Consideration of Wider Stakeholders

Companies Act 2006 s172 sets out the duty of each director to promote the success of the company for the benefit of the shareholders as a whole. The broader matters required to be considered by directors when they steer the company for success on behalf of its owners include due consideration in decision making of longer term consequences, stakeholders, community, environment and business conduct.

The s172(1) statement in the annual report is an opportunity for directors to demonstrate how they are leading a responsible, long term business. The importance of considering a broad range of stakeholders is reflected also in the Brydon review. Aiming to "improve trust in its entirety", the report recommends that the directors present an annual 'Public Interest Statement' in the strategic report – essentially a narrative which provides "an

opportunity for directors to articulate in a holistic way how the company they govern serves the wider public interest” and how the company has managed this in the year under review. The inclusion of such a statement does not require a change in the law and a board may of course choose to provide it voluntarily, perhaps as a lead in to the s172(1) statement.

Formal requirements in this area relate to reporting rather than to the specific role of the audit committee. They are driven by the Companies Act 2006 and by the FRC’s Guidance on the Strategic Report.

- a) The audit committee has considered the disclosures in the front half of the annual report regarding corporate purpose. The audit committee considers this has been clearly articulated alongside the company’s strategy and values, and that the annual report explains how purpose, strategy and values are aligned with the company’s culture.
- b) The audit committee is satisfied that there is adequate explanation of how the board has considered the interests of a broader group of stakeholders, as set out in s172 of the Companies Act 2006, in fulfilling its duties.
- c) The audit committee is satisfied that there is adequate explanation of how the board has considered the interests of a broader group of stakeholders, as set out in s172 of the Companies Act 2006, in fulfilling its duties. In considering this, the audit committee reviews whether the statement includes in relation to each significant decision taken by the board:
 - The likely consequences of any decision in the long term.
 - The interests of the company’s employees.
 - The need to foster the company’s business relationships with suppliers, customers and others.
 - The impact of the company’s operations on the community and the environment.
 - The desirability of the company maintaining a reputation for high standards of business conduct.
 - The need to act fairly as between members of the company.

ⁱ Framework prepared for companies which are not publicly owned corporations, so some references eg to shareholders, are not directly applicable.