Audit Committee Terms of Reference
(Approved on 23 March 2022)

1. Constitution

The Audit Committee was established by a resolution of the Board of Directors of the Company in 1993. The Audit Committee is accountable to the Board. These Terms of Reference, drafted in accordance with the Combined Code published in July 2003, were approved by the Board on 21 September 2005 and adopted by the Audit Committee on 21 September 2005. The terms of reference were last amended on 19 March 2020.

2. Composition of the Audit Committee

The Audit Committee will be established by the Board and shall comprise at least three independent Directors of the Company. The Board should make appointments to the Audit Committee on the recommendation of the Nomination Committee and in consultation with the Audit Committee Chairman.

The Chairman of the Board shall not be a member of the Committee but may attend by invitation. The Board shall satisfy itself that at least one member of the Committee has recent and relevant financial experience in accounting and/or auditing and that the Committee as a whole has competence relevant to the sector in which the Company operates.

The quorum shall be two. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

Attendance

(a) The following may be required to attend the relevant parts of the meetings:

- The Fund Manager(s)
- The Managing Director of BlackRock’s Investment Companies Division
- The External Auditors
- A representative from BlackRock’s Global Financial Reporting team
- BlackRock Head of Compliance and Operational Risk

(b) The Company Secretary, or their nominee, will act as Secretary to the Audit Committee.

3. Background

The Company has no employees. Investment management and administration services are undertaken on its behalf by BlackRock Fund Managers Limited (“BlackRock” or the “AIFM”). The Company Secretary is BlackRock Investment Management (UK) Limited.

The Audit Committee will expect to be given prompt warning by BlackRock of matters of significant concern to the Company.

4. Frequency of Meetings

The Committee shall meet at least twice a year at appropriate intervals in the financial reporting and audit cycle and otherwise as required.

Outside of the formal meeting programme, the Committee Chairman will maintain a dialogue with key individuals involved in the Company’s governance, including the Board Chairman and the external audit lead.
5. **Notice of Meetings**

a. Meetings of the Committee shall be convened by the Secretary at the request of any of its members or at the request of the external audit lead partner, the Manager or the Chairman of the Company if they consider it necessary.

b. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors in a timely manner to enable full and proper consideration to be given to issues. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time.

6. **Minutes of Meetings**

a. The Secretary shall minute the proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance.

b. Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved minutes should be circulated to all other members of the Board unless it would be inappropriate to do so in the opinion of the Committee Chairman.

7. **Annual General Meeting**

The Chairman of the Committee should attend the Annual General Meeting to answer shareholder questions on the Committee’s activities. In addition, the Chairman of the Committee should seek engagement with shareholders on significant matters that relate to the Committee’s areas of responsibility.

8. **Responsibilities**

a) **Financial Reporting**

i) The Audit Committee will review the significant financial reporting issues and judgements made in preparing the annual and interim reports, preliminary announcements and other formal statements (e.g. summary financial statements and release of price sensitive information) and the accounting policies adopted and the contents of such documents. The Audit Committee will also review the adequacy and scope of the external audit thereof and compliance with regulatory and financial reporting requirements, the clarity and completeness of disclosures in the financial statements and consider whether the disclosures made are set properly in context.

ii) In particular, the Audit Committee shall review and challenge where necessary:

- the application of significant accounting policies and any changes to them.
- the methods used to account for significant or unusual transactions where different approaches are possible.
- whether the company has adopted appropriate accounting policies and made appropriate estimates and judgements, taking into account the external auditor’s views on the financial statements.
- the clarity and completeness of disclosures in the financial statements and the context in which statements are made; and
- all material information presented with the financial statements, including the strategic report and the corporate governance statements relating to the audit and to risk management.

iii) For the purpose of exercising its responsibilities, as set out in i) and ii) above, the Audit Committee will meet shortly before the financial statements are presented to the Board in
February/March (final results) and August/September (half yearly results). At these meetings a representative from BlackRock’s Global Financial Reporting team will report any changes in accounting policy or treatment affecting the Company’s Report and Financial Statements and any other material matters which the members of the Audit Committee might not otherwise understand. The Audit Committee will consider whether the accounting policies adopted are appropriate.

iv) The Committee shall review any other statements requiring Board approval which contain financial information first, where to carry out a review prior to board approval would be practicable and consistent with any prompt reporting requirements under any law or regulation including the Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules sourcebook.

v) Where the Committee is not satisfied with any aspect of the proposed financial reporting by the Company, it shall report its views to the board.

vi) The Audit Committee shall have timely and unrestricted access to relevant documents relating to the affairs of the Company.

vii) Narrative reporting - where requested by the Board, the Committee should review the content of the annual report and accounts and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company’s performance, business model and strategy and whether it informs the Board’s statement in the annual report on these matters that is required under the Code.

b) **Internal Controls and Risk Management Systems**

The Audit Committee is responsible for reviewing the adequacy and effectiveness of the Company’s internal control and risk management systems and making recommendations to the Board. The Audit Committee shall at least annually carry out a review of their effectiveness and report on that review in the Annual Report.

The Committee shall reasonably satisfy itself that such systems meet relevant legal and regulatory requirements and initiate further investigations as it sees fit as to the effectiveness of the systems of control.

i) At the meeting reviewing the annual results the Audit Committee will receive a statement by the directors of BlackRock on internal corporate governance containing a report in relation thereto from the reporting accountants (SOC 1 report).

ii) The Committee share keep under review on an ongoing basis the Company’s internal financial controls systems that identify, assess, manage and monitor financial risks, and other internal control and risk management systems. A control report and a risk issues table setting out the risks relevant to the Company will be kept under regular review by the Committee.

iii) On a semi-annual basis BlackRock will prepare a report on its activities as AIFM for review by the Committee. A representative of the AIFM will attend meetings on request.

iv) On a semi-annual basis the Depositary will prepare a report on its activities for review by the Committee. A representative of the Depositary will attend meetings on request.

v) The Audit Committee shall review and approve the statements included in the annual report in relation to internal control, the management of risk, the assessment of principal risks and emerging risks and the viability statement.

The Audit Committee shall report and make any necessary recommendations to the Board in relation to such policies, procedures and controls with the exception of those matters relating to the setting of investment strategies, objectives and restrictions and adherence thereto. Such matters shall remain the responsibility of the Board.
In particular, the Committee shall review and challenge when necessary:

i. the application of significant accounting policies and any changes to them;

ii. the methods used to account for significant or unusual transactions where different approaches are possible;

iii. whether the Company has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor;

iv. the clarity and completeness of disclosure in the Company’s financial reports and the context in which statements are made including the going concern assumption to be made by the Board and the assumptions made in assessing the longer term viability of the Company and the appropriateness of the time period over which the assessment is made; and

v. all material information presented with the financial statements, such as the Manager’s review and the corporate governance statement (inso far as it relates to the audit and risk management).

c) Audit

i) Internal

The Audit Committee will, on an annual basis, monitor and review the need for an internal audit function and make the appropriate recommendation to the Board and explain in the annual report why such a function is not necessary.

The Head of BlackRock’s Internal Audit function will report once a year in person to the Chairman of the Committee on the status of audits carried out under BlackRock’s annual internal audit plan that have an impact on processes and controls that are of relevance to the Company. In addition, members of BlackRock’s Internal Audit function will provide an interim update on the progress of the internal audit plan mid-cycle, and will be available to join the Audit Committee to discuss any relevant issues on request, and the Heads of relevant BlackRock business units will also join the Committee meetings to discuss any internal audit issues relating to their areas of responsibility on request.

The Chairman of the Audit Committee may meet BlackRock’s Head of Audit, Risk and Compliance to discuss relevant matters.

ii) External

The external auditors of the Company shall be present at the Audit Committee meeting reviewing the annual results (February/March) and as otherwise required. The Audit Committee shall at any time meet separately with the auditors if it so desires, however, the Audit Committee will meet with the external auditors at least once a year without the Manager in attendance.

The Chairman of the Audit Committee may meet with the external auditors to discuss findings during the course of the audit.

The Audit Committee will review and approve the annual audit plan and ensure that it is consistent with the scope of the audit engagement, having regard to the seniority, expertise and experience of the audit team.

In order to monitor the Company’s relationship with its external auditors and to ensure that full information is made available to them, the Audit Committee will receive a report from a representative from BlackRock’s Global Financial Reporting Team at each Committee meeting.

A representative from BlackRock’s Global Financial Reporting Team will also make recommendations to the Audit Committee concerning the auditors’ remuneration and re-appointment. The Audit Committee will approve the terms of engagement and recommend to the Board
that it seeks approval from shareholders such appointment, re-
appointment or removal if appropriate, and remuneration.

The Audit Committee will oversee the selection process of possible
new appointees as external auditors.

The Audit Committee will review the audit letter of representation prior
to signature by the Board.

The Audit Committee will assess annually the qualification, expertise
and resources of the external auditors and the effectiveness of the
audit process. The Audit Committee will also be responsible for
reviewing and monitoring the independence of the auditor.

If the external auditors resign, the Audit Committee will investigate the
issues giving rise to such resignation and consider whether any action
is required.

The Audit Committee will evaluate the risks to the quality and
effectiveness of the financial reporting process and consider the risk
of the withdrawal of the Company's present auditor from the market in
that evaluation.

The Audit Committee will develop and recommend to the Board the
Company's policy in relation to the provision of audit related services
by the auditors to avoid any threat to auditor objectivity and
independence. The policy will specify the types of audit-related work
from which the external auditors are excluded. If audit-related
services are provided, disclosure should be made in the annual report
regarding auditor objectivity and independence. A copy of the policy
is attached as Appendix 1.

d) **Whistleblowing and fraud**

The Audit Committee will:

(i) review arrangements at BlackRock by which staff may, in
confidence, raise concerns about possible improprieties in

(ii) review the Company's procedures for detecting fraud.

**9. Reporting Responsibilities**

(i) The Committee Chairman shall report formally to the Board on
its proceedings after each meeting on all matters within its
duties and responsibilities and shall also formally report to the
Board on how it has discharged its responsibilities. The report
shall include:

a. the significant issues that it considered in relation to
the financial statements and how these were
addressed;

b. its assessment of the effectiveness of the external
audit process (required and its recommendation on
the appointment or reappointment of the external
auditor; and

c. any other issues on which the Board has requested
the Committee's opinion.

(ii) The Committee shall make whatever recommendations to the
Board it deems appropriate on any area within its remit where
action or improvement is needed; and

(iii) The Committee shall compile a report on its activities to be
included in the Company's Annual Report. The report should
include an explanation of how the Committee has addressed
the effectiveness of the external audit process; the significant
issues that the Committee considered in relation to the
financial statements and how these issues were addressed,
having regard to matters communicated to it by the audit; and
all other information requirements set out in the Code.
In compiling the reports referred to above the Committee should exercise judgement in deciding which of the issues it considers in relation to the financial statements are significant, but should include at least those matters that have informed the Board’s assessment of whether the Company is a going concern. The report to shareholders need not repeat information disclosed elsewhere in the annual report and accounts.

10. Other matters

The Audit Committee will:

a. review such other matters as directed by the Board;

b. have access to sufficient resources in order to carry out its duties, including access to the company secretary for assistance as required;

c. be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;

d. give due consideration to laws and regulations, the provisions of the Combined Code and the requirements of the UK Listing Authority’s Listing Rules as appropriate;

e. oversee any investigation of activities which are within its terms of reference;

f. work and liaise as necessary with all other board committees

g. at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval; and

h. review with representatives of the Manager and such other persons as it sees fit any matter within its terms of reference including matters of concern to the Manager’s Internal Audit or Compliance Departments.

11. Authority

The Committee is authorised:

a. to seek any information it requires from any employee of the Manager in order to perform its duties;

b. to obtain, at the Company’s expense, independent legal, accounting or other professional advice on any matter within its terms of reference;

c. to call any employee of the Manager to be questioned at a meeting of the committee as and when required; and

d. to have the right to publish in the Company’s Annual Report details of any issues that cannot be resolved between the Committee and the Board.

12. Availability of terms of reference

These Terms of Reference are to be made available on request and are to be published through the BlackRock website.

Annual Report Disclosure (UK Code Section 26; AIC Code section 31)

a) Description of the work of the Audit Committee, including the significant issues that the audit committee has considered relating to the financial statements, and how these issues were addressed;

b) an explanation of how the Audit Committee has assessed the independence and effectiveness of the external audit process
and the approach taken to the appointment or reappointment of the external auditor, information on the length of tenure of the current audit firm, when a tender was last conducted and advance notice of any retendering plans; Formal policy regarding non-audit work, including an explanation of how auditor independence and objectivity are safeguarded, if the external auditor provides non-audit services.

c) Explanation of absence of internal audit function. Internal control and management of risk.

d) Where the Board does not accept the Audit Committee's recommendation on the appointment, reappointment or removal of an external auditor, a statement explaining the recommendation and the reasons why the Board has taken a different position.
APPENDIX I

Revised Ethical Standard (December 2019)
AUDIT COMMITTEE PRE-APPROVAL POLICY

Version 1.0 September 2016

Statement of Principle

The Audit Committee (the “Committee”) of the Board of Directors is required to pre-approve the audit and non-audit services performed by the independent statutory auditor or any of its affiliates (collectively, the “Audit Firm”) in order to ensure that the provision of such services do not impair the independence of the Audit Firm.

The term of any pre-approval is 12 months from the date of pre-approval, unless the Committee specifically provider for a different period. Periodically, the Committee may review and revise this Policy.

Permitted Audit Related Services for Public Interest Entities

As per paragraph 5.40 of the Revised Ethical Standard, an audit firm carrying out statutory audits of public interest entities and, where the audit firm belongs to a network, any member of such network, shall not provide to the audited entity, to its UK parent undertaking or to its worldwide controlled undertakings, services other than those set out in Exhibit I and II, subject to the approval of the audit committee after it has properly assessed threats to independence and the safeguards applied in accordance with this Ethical Standard.

Pre-Approval

This Policy establishes two different approaches to pre-approving audit and non-audit services. Proposed services may either (1) require the specific pre-approval of the Committee (“Specific Pre-Approval”) or (2) be pre-approved without consideration of specific case-by-case services (“General Pre-Approval”). Unless a type of service has received General Pre-Approval pursuant to this policy, it will require Specific Pre-Approval by the Committee.

Audit Services

The Committee has provided General Pre-approval of all annual Audit Service engagement terms and fees as listed in Exhibit I.

Audit-Related Services

For permissible Audit-Related Services listed in Exhibit II specific Pre-approval should be sought from the Committee.

The Committee may approve the provision of the services referred to in Exhibit II, provided that the following requirements are complied with:

a) they have no direct or have immaterial effect, separately or in the aggregate on the audited financial statements;

b) the estimation of the effect on the audited financial statements is comprehensively documented and explained in the additional report to the Committee; and

c) the principles of independence laid down in Directive 2006/43/EC are complied with by the Audit Firm.
Tax Compliance and Advisory Services

The Audit Firm does not provide any such services to the Company therefore no approvals are required.

Other Services

The Committee has provided General Pre-approval of all annual Other Service engagement terms and fees as listed in Appendix C. Permissible Other Services not listed in Appendix C must seek Specific Pre-approval by the Committee.

Prohibited Non-Audit Services

A list of prohibited non-audit services which are subject to outright prohibition in Regulation 80 of The Statutory Auditors and Third Country Auditors (Amendment) (EU Exit) Regulations 2019 (SI 2019/177) is attached to this policy as Exhibit 1.

The Committee may approve the provision of the services referred to in point (a) (i), (a) (iv) to (a) (vii) and (f) of Exhibit 1, provided that the following requirements are complied with:

d) they have no direct or have immaterial effect, separately or in the aggregate on the audited financial statements;

e) the estimation of the effect on the audited financial statements is comprehensively documented and explained in the additional report to the Committee; and

f) the principles of independence laid down in Directive 2006/43/EC are complied with by the Audit Firm.

Delegation

In the intervals between the scheduled meetings of the Committee, the Committee delegates authority under this Policy to the Chairman of the Committee (the "Chairman") to pre-approve Audit and Non-Audit Services. The Chairman shall report any pre-approval decisions under this Policy to the Committee at its next scheduled meeting. The Committee can modify, at its discretion, the pre-approval originally granted by the Chairman.

This modification can be to the form or the nature of services pre-approved, the level of fees approved, or both.

The Committee expects pre-approval of Audit and Non-Audit services by the Chairman pursuant to this delegated authority to be the exception rather than the rule and may modify or withdraw this delegated authority at any time. The Committee does not delegate its responsibilities to pre-approve services performed by the Audit Firm to management.

Pre-Approved Services

Appendix A – Audit Services

1. Annual audit of financial statements (including quarterly or semi-annual reviews, if applicable) and other procedures required to be performed to be able to form an opinion on the PIEs financial statements.

2. Consultations by management as to accounting or disclosure treatment of transactions or events and/or the actual or potential impact of final or proposed rules, standards, or interpretations by regulators or standard setting bodies.

Appendix B – Audit-Related Services

1. Agreed upon or expanded audit procedures related to accounting records required to respond to or comply with financial, accounting, or regulatory reporting matters

2. Consultations by management as to the accounting or disclosure treatment of transaction or events and/or the actual or potential impact of final or proposed rules, standards or interpretations by regulatory or standards-setting bodies.
3. Regulatory compliance audits or control assessments, including reports issued in conjunction with mutual funds or other statutory requirements and Anti-Money Laundering required, whether paid in whole or in part by investees or affiliated entities.

Appendix C – Other Services

1. Special services performed in connection with the issue of a prospectus, tender price or merger of funds.
2. Translation services on financial statements and audit reports for use by management or to satisfy listing requirements on foreign exchange funds.
Exhibit 1
Audit Services

a) Annual audit of financial statements (including quarterly or semi-annual reviews, if applicable) and other procedures required to be performed to be able to form an opinion on the PIEs financial statements.

b) Consultation by management as to accounting or disclosure treatment of transactions or events and/or the potential impact of final or proposed rules, standards, or interpretations by regulators or standard setting bodies.
EXHIBIT II
Audit-Related Services

Services required by law or regulation and exempt from the non-audit services cap
- Reporting required by a competent authority or regulator under law or regulation for example;
- Reporting to a regulator on client assets;
- In relation to entities regulated under the Financial Services and Markets Act 2000 (FSMA), reports under s166 and s340 of FSMA;
- Reporting to a regulator on regulatory financial statements;
- Reporting on a Solvency and Financial Condition Report under Solvency II;
- In the case of a controlled undertaking incorporated and based in a third country, reporting required by law or regulation in that jurisdiction where the auditor is permitted to undertake that engagement;
- Reporting on internal financial controls when required by law or regulation;
- Reporting on the iXBRL tagging of financial statements in accordance with the European Single Electronic Format for annual financial reports;
- Reports, required by or supplied to competent authorities / regulators supervising the audited entity, where the authority / regulator has either specified the auditor to provide the service or identified to the entity that the auditor would be an appropriate choice for service provider;
- Services which support the entity in fulfilling an obligation required by UK law or regulation, including listing requirements where: the provision of such services is time critical; the subject matter of the engagement is price sensitive; and an it is probably that an objective, reasonable and informed third party would conclude that the understanding of the entity obtained by the auditor for the audit of the financial statements is relevant to the service, and where the nature of the service would not compromise independence;

Services subject to the non-audit services cap
- Reviews of interim financial information; and providing verification of interim profits not otherwise required by law or regulation;
- Where not otherwise required by law or regulation, non-audit and additional services, as defined in this Ethical Standard provided as auditor of the entity, or as reporting accountant, in relation to information of the audited entity for which it is probable that an objective, reasonable and informed third party would conclude that the understanding of the entity obtained by the auditor is relevant to the service, and where the nature of the service would not compromise independence;
- Extended audit or assurance work that is authorised by those charged with governance performed on financial or performance information and/or financial or operational controls, in an entity relevant to an engagement or a third-party service provider, where this work is closely linked with the audit work;
- Additional assurance work or agreed upon procedures, authorised by those charged with governance performed on material included within or referenced from the annual report of an entity relevant to an engagement;
- Reporting on government grants;
- Reporting on covenant or loan agreements, which require independent verification, and other reporting to third parties with whom the entity relevant to an engagement has a business relationship in accordance with Appendix C of this Ethical Standard;
- Services which have been the subject of an application to the Competent Authority in accordance with Regulation 79 of The Statutory Auditors and Third Country Auditors (Amendment) (EU Exit) Regulations 2019 (SI 2019/177);
- Generic subscriptions providing factual updates of changes to applicable law, regulation or accounting and auditing standards.
Where such services are provided, they shall not include any elements of those services subject to outright prohibition in Regulation 80 of The Statutory Auditors and Third Country Auditors (Amendment) (EU Exit) Regulations 2019 (SI 2019/177) (as set out in EXHIBIT III). The prohibitions in this Regulation have been amended to require an extended cooling in period for services linked to an audit entity’s internal audit function. No other non-audit or additional services shall be provided to the audited entity, its UK parent undertaking and its worldwide controlled undertakings by the audit firm or any member of the firm’s network.
Prohibited Non-Audit Services for Public Interest Entities

An audit firm carrying out the statutory audit of a public interest entity, or any member of the network to which the audit firm belongs, shall not directly or indirectly provide to the audited entity, to its UK or EU parent undertaking or to its controlled undertakings any prohibited non-audit services in:

a) the period between the beginning of the period audited and the issuing of the audit report; and
b) the financial year (or period if longer than one year) immediately preceding the period referred to in point (a) in relation to the services listed in points (e) and (h) of the second subparagraph.

For these purposes, prohibited non-audit services shall mean:

(a) tax services relating to:
   (i) preparation of tax forms;
   (ii) payroll tax;
   (iii) customs duties;
   (iv) identification of public subsidies and tax incentives unless support from the audit firm in respect of such services is required by law;
   (v) support regarding tax inspections by tax authorities unless support from the audit firm in respect of such inspections is required by law;
   (vi) calculation of direct and indirect tax and deferred tax;
   (vii) provision of tax advice;
(b) services that involve playing any part in the management or decision making of the audited entity;
(c) bookkeeping and preparing accounting records and financial statements;
(d) payroll services;
(e) designing and implementing internal control or risk management procedures related to the preparation and/or control of financial information or designing and implementing financial information technology systems;
(f) valuation services, including valuations performed in connection with actuarial services or litigation support services;
(g) legal services, with respect to:
   (i) the provision of general counsel;
   (ii) negotiating on behalf of the audited entity; and
   (iii) acting in an advocacy role in the resolution of litigation;
(h) services related to the audited entity's internal audit function;
(i) services linked to the financing, capital structure and allocation, and investment strategy of the audited entity, except providing assurance services in relation to the financial statements, such as the issuing of comfort letters in connection with prospectuses issued by the audited entity;
(j) promoting, dealing in, or underwriting shares in the audited entity;

(k) human resources services, with respect to:
   (i) management in a position to exert significant influence over the preparation of the accounting records or financial statements which are the subject of the statutory audit, where such services involve:
       — searching for or seeking out candidates for such position; or
       — undertaking reference checks of candidates for such positions;
   (ii) structuring the organisation design; and
   (iii) cost control.