

ALBION COMMUNITY POWER PLC

Written terms of reference have been constituted for the Audit and Risk Committee, these are as follows

1. Membership

1.1 Membership of the Audit and Risk Committee will be as determined by the Board from time to time. The minimum number of members will be two independent directors. At least one member of the Audit and Risk Committee should have recent and relevant financial experience. There is no defined tenure for membership of the Audit and Risk Committee. The quorum for the Audit Committee will be at least two members.

2. Meetings

2.1 The Audit and Risk Committee Chairman will decide on the frequency and timing of meetings. There will be a minimum of two meetings per year to coincide with the key dates in the Annual and Half-yearly reporting cycles.

2.2 No one other than members of the Audit and Risk Committee are entitled to be present at meetings. The Audit and Risk Committee Chairman can decide if non-members can attend for specific meetings. The Company secretary shall act as the secretary of the Audit and Risk Committee.

3. Authority

3.1 The Audit and Risk Committee shall have access to sufficient resources in order to carry out its duties, and members of the Audit and Risk Committee will be provided with training and external advice where appropriate.

4. The work of the Audit and Risk Committee will include

- 4.1 providing an overview of the Company's accounting policies and financial reporting;
- 4.2 reviewing the Company's financial controls;
- 4.3 considering and reviewing the effectiveness of the Company's internal controls and risk management systems;
- 4.4 monitoring the integrity of the Annual Report and Financial Statements and half yearly reports of the Company and any formal announcements relating to the Company's financial performance and reviewing significant financial reporting judgments contained in them;

- 4.5 meeting the Company's external auditor annually, evaluating the performance of the external auditor and making recommendations to the Board in relation to the appointment, re-appointment and removal of the external auditor and approving their remuneration and terms of engagement;
- 4.6 monitoring and reviewing the external auditor's independence and objectivity and the effectiveness of the audit process;
- 4.7 developing and implementing a policy for the supply of non-audit services by the external auditor;
- 4.8 monitoring and reviewing the effectiveness of the Promoter's internal audit function;
- 4.9 ensuring that all Directors of the Company and staff of companies which provide services to the Company feel able to raise matters of serious concern with the Chairman of the Audit and Risk Committee, and that these issues, when raised, are subject to proportionate and independent investigation, and appropriate action;
- 4.10 reporting to the Board, identifying any matters in respect of which action or improvement is needed and recommending appropriate steps to be taken; and
- 4.11 advising the Board on whether the formal annual and half yearly report, taken as a whole, are fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy; and
- 4.12 to report to the Board on how it has discharged its responsibilities.

ALBION COMMUNITY POWER PLC

Written terms of reference have been constituted for the Remuneration Committee, these are as follows:

To determine and agree with the Board the policy for the remuneration of the Chairman and Directors. The Committee will consider market equivalents in comparison to the overall activities and size of the Company when determining the levels of Directors' remuneration.

1. Membership

1.1. Members of the Committee shall be appointed by the Board, on the recommendation of the Nomination Committee and in consultation with the Chairman of the Remuneration Committee. The Committee shall be made up of at least 2 members. The Chairman of the Board may also serve on the Committee if he or she was considered independent on appointment as Chairman. There is no defined tenure for membership of the Committee.

1.2. Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Promoter and/or external advisers may be invited to attend for all or part of any meeting as and when appropriate.

1.3. The Board shall appoint the Committee Chairman who shall be an independent non-executive Director. In the absence of the Committee Chairman and/or an appointed Deputy, the remaining members present shall elect one of themselves to chair the meeting. The Chairman of the Board shall not be Chairman of the Committee.

2. Secretary

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

3. Quorum

3.1 The quorum necessary for the transaction of business shall be 2. 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.

4. Meetings

4.1. The Committee shall meet at such times as the Chairman of the Committee shall require.

5. Notice of Meetings

5.1. Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of any of its Members.

5.2. 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 Directors, no later than 5 working days before the date of the meeting. Supporting papers shall be sent to Committee Members and to other attendees as appropriate, at the same time.

6. Minutes of Meetings

6.1. The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

6.2. Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed, to all members of the Board, unless a conflict of interest exists.

7. Annual General Meeting

7.1. The Chairman of the Committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

8. Duties

The Committee shall:

8.1. Determine and agree with the Board the framework or broad policy for the remuneration of the Company's Directors. No Director shall be involved in any decisions as to their own remuneration;

8.2. In determining such policy, take into account all factors which it deems necessary. The objective of such policy shall be to ensure that Directors of the Company are provided with appropriate remuneration to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the company;

8.3. Review the ongoing appropriateness and relevance of the remuneration policy.

8.4. Ensure that any contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;

8.5. Within the terms of the agreed policy, determine the total individual remuneration package of each Director.

8.6. Ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled

8.7. Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee; and

8.8. Obtain reliable, up-to-date information about remuneration in other companies. The Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations.

9. Reporting Responsibilities

9.1. The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

9.2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

10. Other

10.1. The Committee shall, 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.

11. Authority

11.1. The Committee is authorised by the Board to seek any information it requires from any employee of the Company in order to perform its duties.

11.2. In connection with its duties the Committee is authorised by the Board, at the company's expense to obtain any outside legal or other professional advice within any budgetary restraints imposed by the Board, to appoint remuneration consultants, and to commission or purchase any relevant reports, surveys or information which it deems necessary to help fulfil its duties.

ALBION COMMUNITY POWER PLC

Written terms of reference have been constituted for the Nomination Committee, these are as follows:

To evaluate the balance of skills, experience and time commitment of the current Board members and make recommendations to the Board as and when a particular appointment arises. The Nomination Committee also takes into account the Company's Articles of Association, for one third of the Board of Directors to be re-elected each year in rotation.

1. Membership

1.1. The Committee shall comprise of at least 2 Directors. All appointments to the Committee shall be made by the Board.

1.2. Only Members of the Committee have the right to attend Committee meetings. However, other individuals such as the Promoter and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.

1.3. There is no defined tenure for membership of the Committee.

1.4. The board shall appoint the Committee Chairman who should be either the Chairman of the board or an independent Director. In the absence of the Committee Chairman and/or an appointed Deputy, the remaining Members present shall elect one of their number to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board. The Chairman of the Board shall not chair the Committee when it is dealing with the matter of succession to the Chairmanship.

2. Secretary

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

3. Quorum

3.1. The quorum necessary for the transaction of business shall be 2. 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.

4. Frequency of meetings

4.1. The Committee shall meet at such other times as the Chairman of the Committee shall require.

5. Notice of meetings

5.1. Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chairman.

5.2. 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, no later than 5 working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

6. Minutes of meetings

6.1. The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

6.2. Minutes of Committee meetings shall be circulated promptly to all members of the Committee and the Chairman of the Board and, once agreed, to all other members of the Board, unless a conflict of interest exists.

7. Annual General Meeting

7.1. The Committee Chairman shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

8. Duties

8.1. The Committee shall:

8.1.1. Regularly review the structure, size and composition (including the skills, knowledge and experience) required of the Board compared to its current position and make recommendations to the Board with regard to any changes;

8.1.2. Give full consideration to succession planning for Directors in the course of its work, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board in the future;

8.1.3. Be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise;

8.1.4. Before any appointment is made by the Board, evaluate the balance of skills, knowledge and experience on the board, and, in the light of this evaluation prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates the Committee shall;

8.1.4.1 Give consideration to the use of open advertising or the services of external advisers to facilitate the search;

8.1.4.2 Consider candidates from a wide range of backgrounds;

8.1.4.3 Consider candidates on merit and against objective criteria, taking care that appointees have enough time available to devote to the position.

8.1.5. Keep under review the leadership needs of the organisation, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;

8.1.6. Ensure that on appointment to the Board, Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, Committee service and involvement outside Board meetings;

8.2. The Committee shall also make recommendations to the board concerning:

8.2.1. Plans for succession for Directors;

8.2.2. Membership of the Audit and Risk, and Remuneration Committees, in consultation with the chairmen of those committees;

8.2.4. The re-appointment of any Director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the board in the light of the knowledge, skills and experience required;

8.2.5. Any matters relating to the continuation in office of any Director at any time subject to the provisions of the law and their service contract.

9. Reporting Responsibilities

9.1. The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

9.2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

9.3. The Committee shall make a statement in the Annual Report about its activities, the process used to make appointments and explain if external advice or open advertising has not been used.

10. Other

10.1. The Committee shall, 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.

11. Authority

11.1. The Committee is authorised to seek any information it requires from any employee of the Company in order to perform its duties.

11.2. The Committee is authorised to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.