ALTERNATIVE INCOME REIT PLC

(the "Company")

AUDIT COMMITTEE

Terms of Reference

(as adopted on 26 February 2026)

1. DEFINITIONS

1.1 Reference to the "**Committee**" shall mean the Audit Committee.

1.2 Reference to the "**Board**" shall mean the board of directors of the Company.

1.3 Unless otherwise stated, reference to "**Committee Chair**" shall mean the Chair of the Committee.

1.4 Reference to the AIFM shall mean any entity appointed by the Company to carry out portfolio management, risk management and valuation as required by the AIFMD Rules.

1.5 Reference to the Company's Investment Adviser means any entity appointed by the Company to carry out management advisory services, investment advisory services and strategic services.

1.6 Reference to the Board Chair shall mean the duly appointed Chair of the Company.

1.7 Unless otherwise stated, reference to the "**Secretary**" shall mean the Secretary of the Committee.

2. MEMBERSHIP

2.1 The Committee shall be made up of at least two members. Members of the Committee shall be appointed by the Board in consultation with the Chair of the Committee.

2.2 All members of the Committee shall be non-executive directors, at least one of whom shall have recent and relevant financial experience and the Committee as a whole should have competence relevant to the sector in which the Company operates.

2.3 Only members of the Committee have the right to attend Committee meetings. However, other individuals (if not members of the Committee) such as other directors, representatives of the AIFM, Company's investment adviser or other external advisers may be invited to attend all or part of any meeting as and when appropriate and necessary.

2.4 The external auditor of the Company, as appropriate, will be invited to attend meetings of the Committee on a regular basis.

2.5 The Board shall appoint the Committee Chair who shall be an independent non-executive director.

2.6 The Chair of the Board may not chair the Committee but may be a member provided they were independent on appointment.

2.7 In the absence of the Chair and/or an appointed deputy, the remaining members of the Committee present shall elect one of themselves to chair the meeting.

2.8 Each member of the Committee shall disclose to the Committee:

2.8.1 any personal, financial or other interest in any matter to be decided by the Committee; or

2.8.2 any potential conflict of interest arising from a cross-directorship or otherwise.

Any such member shall abstain from voting on resolutions of the Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions and (if so required by the Board) shall absent him/herself or, if appropriate, resign from the Committee.

3. SECRETARY

The Secretary or their nominee shall act as secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

4. QUORUM

The quorum necessary for the transaction of business shall be two Committee members (including one member with recent and relevant financial experience). 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.

5. FREQUENCY OF MEETINGS

5.1 The Committee shall meet at least twice a year at appropriate times in the Company's reporting and audit cycle and otherwise as required.

5.2 Outside of formal meeting programme, the Committee Chair, and to a lesser extent the other members of the Committee, will maintain a dialogue with key individuals involved in the Company's governance, including the Board Chair, the AIFM, the Company's investment adviser, the external audit lead partner and the head of internal audit, if any.

6. NOTICE OF MEETINGS

6.1 Meetings of the Committee shall be called by the Secretary of the Committee at the request of any of its members or at the request of the AIFM, Company's investment adviser or external auditor if they consider it necessary.

6.2 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, no later than five 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.

7. MINUTES OF MEETINGS

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

7.2 Draft minutes of Committee meetings shall be agreed with the Committee Chair and then circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all members of the Board.

8. ANNUAL GENERAL MEETING

8.1 All Committee members shall attend the Annual General Meeting and the Committee Chair shall be available to respond to any shareholder questions on the Committee's activities.

9. DUTIES

9.1 The Committee should carry out the duties below for the Company, major subsidiary undertakings (if any) and the group as a whole (if a group is in existence), as appropriate.

9.2 Financial reporting

9.2.1 The Committee shall monitor the integrity of the financial statements of the Company, including its annual and half-yearly reports and any other formal announcement relating to its financial performance, reviewing significant financial reporting issues and judgments which they contain.

9.2.2 In particular, the Committee shall review and challenge where necessary:

9.2.2.1 the consistency of, and any changes to, accounting policies both on a year on year basis and across the Company;

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

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

9.2.2.4 the clarity of disclosure in the Company's financial reports and the context in which statements are made;

9.2.2.5 all material information presented with the financial statements, such as the business review, the operating review and the financial review and the corporate governance statement (insofar as it relates to the audit and risk management);

9.2.2.6 the going concern statements of the Company;

9.2.2.7 in respect of annual reports only, the viability statements of the Company;

9.2.2.8 compliance with applicable rules and regulations; and

9.2.2.9 in respect of annual reports only, the section 172(1) Companies Act 2006 Statement.

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.

9.3 Internal Controls and Risk Management Systems

9.3.1 The Committee shall as appropriate given the nature of the Company:

9.3.1.1 keep under review annually the adequacy and effectiveness of the Company's material internal financial control systems that identify, assess, manage and monitor financial risks and other internal control and risk management systems; providing a report on the review;

9.3.1.2 analyse the key procedures adopted by the Board, the AIFM, the Company’s investment adviser and other service providers to provide effective internal controls and regulatory compliance and review the effectiveness of such procedures;

9.3.1.3 review and approve the statements to be included in the annual report concerning internal controls and risk management; and

9.3.1.4 where requested by the Board, ensure that a robust assessment be undertaken on at least an annual basis of the Company's emerging and principal risks (including those that would threaten the Company's business model, future performance, solvency or liquidity and reputation), and that procedures are in place to identify emerging risks and provide advice on the management and mitigation of those risks.

9.4 Internal audit

9.4.1 The Committee shall make an annual recommendation to the Board on whether an internal audit function is necessary, and if appropriate, to explain the reason for the absence of such a function in the annual report.

9.5 External audit

9.5.1 The Committee shall:

9.5.1.1 consider and make recommendations to the Board, to be put to shareholders for approval at general meeting, in relation to the appointment, re-appointment and removal of the Company's auditor;

9.5.1.2 conduct the tender process for an external auditor as required and make recommendations to the Board;

9.5.1.3 oversee the selection process for a new external auditor and if an external auditor resigns the Committee shall investigate the issues leading to this and decide whether any action is required;

9.5.1.4 oversee the relationship with the external auditor including (but not limited to):

9.5.1.4.1 approve the external auditor's remuneration, whether fees for audit or non-audit services and that the level of fees is appropriate to enable an adequate audit to be conducted;

9.5.1.4.2 approval of its terms of engagement, including any engagement letter issued at the start of each audit and the scope of the audit;

9.5.1.4.3 assessing annually its independence and objectivity taking into account relevant professional and regulatory requirements and the relationship with the auditor as a whole, including the provision of any non-audit services;

9.5.1.4.4 satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the auditor and the Company (other than in the ordinary course of business);

9.5.1.4.5 monitoring the auditor's compliance with relevant ethical and professional guidance on the rotation of audit partners, the level of fees paid by the Company compared to the overall fee income of the firm, office and partner and other related requirements;

9.5.1.4.6 assessing annually the qualifications, expertise and resources of the external auditor and the effectiveness of the audit process which shall include a report from the external auditor on their own internal quality procedures;

9.5.1.4.7 meet the external auditor at least once a year, without any representatives of the AIFM or Company's investment advisers being present, to discuss its remit and any issues arising from the audit;

9.5.1.5 review and approve the annual audit plan and ensure that it is consistent with the scope of the audit engagement;

9.5.1.6 review the findings of the audit with the external auditor, which shall include but not be limited to, the following:

9.5.1.6.1 a discussion of any major issues which arose during the audit;

9.5.1.6.2 any accounting and audit judgements;

9.5.1.6.3 levels of errors identified during the audit; and

9.5.1.6.4 the effectiveness of the audit.

9.5.2 The Committee shall also:

9.5.2.1 review any representation letter requested by the external auditor before it is signed on behalf of the Board;

9.5.2.2 review any response from the Board as to the auditor's findings and recommendations; and

9.5.2.3 develop and implement a policy on the supply of non-audit services by the external auditor, taking into account any relevant ethical guidance on the matter.

10. REPORTING RESPONSIBILITIES

10.1 The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and how it has discharged its responsibilities. Minutes of all Committee meetings shall be included in the board papers for a subsequent board meeting. These shall include:

10.1.1 the significant issues that it considered in relation to the financial statements and how these were addressed:

10.1.2 its assessment of the effectiveness of the external audit process, the approach taken to the appointment or reappointment of the external auditor, length of tenure of audit firm, when a tender was last conducted, advance notice of any retendering plans (and reasons why completing the process in that proposed financial year is in the best interests of the Company's members) and any contractual provisions restricting the Committee's choice of external auditor and the amount of fees to be paid to the external auditor for any of its services; and

10.1.3 any other issues on which the board has requested the Committee's opinion.

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

10.3 The Committee shall compile a report to shareholders on its activities:

10.3.1 to be included as a separate section in the Company's annual report;

10.3.2 in the case of the Board not accepting the Committee’s recommendation on the external auditor appointment, re-appointment or removal, a statement from the Committee explaining its recommendation and the reasons why the Board has taken a different view; and

10.3.3 if an external auditor tender is proposed, details of the external auditor tender process.

10.4 In compiling the reports referred to in 10.1 and 10.3, 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 and how such issues were addressed of whether the Company is a going concern and the inputs to the Board's viability statement. The report to shareholders need not repeat information disclosed elsewhere in the annual report and accounts, but could provide cross-references to that information.

11. OTHER MATTERS

11.1 The Committee shall:

11.1.1 carry out all duties set out in these terms of reference, and have access to sufficient resources and documentation in order to carry out its duties, including access to the Secretary for assistance as required;

11.1.2 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;

11.1.3 give due consideration to applicable laws and regulations including the requirements of the Companies Act 2006, the Listing Rules, Prospectus Rules, Disclosure Guidance and Transparency Rules, the provisions of the UK Corporate Governance Code as such apply to the Company from time to time;

11.1.4 be responsible for the co-ordination between the internal (if any) and external auditors;

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

11.1.6 work and liaise as necessary with all other board committees, taking particular account of the impact of risk management and internal controls being delegated to different committees; and

11.1.7 arrange for periodic reviews of its own performance and, at least annually, review its constitution, performance and terms of reference to ensure that it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

12. AUTHORITY

12.1 The Committee is authorised:

12.1.1 to seek any information it requires, and to question at a meeting of the Committee, the AIFM, Company's investment adviser, Secretary or any of the other appointed advisers of the Company in order to perform its duties;

12.1.2 to obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference; and

12.1.3 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.