



ALTUS GROUP LIMITED
(the “Corporation”)

AUDIT COMMITTEE CHARTER

PURPOSE

The Audit Committee (the “**Committee**”) of the Corporation is appointed by the board of directors of the Corporation (the “**Board**”) to assist the Board in fulfilling its responsibilities of oversight and supervision of:

- the integrity of the accounting and financial reporting practices and procedures of the Corporation;
- the adequacy of the internal accounting controls and procedures of the Corporation;
- the compliance by the Corporation with legal and regulatory requirements in respect of financial disclosure;
- the quality and integrity of the consolidated financial statements of the Corporation;
- the qualification, independence and performance of the Independent Auditor of the Corporation; and
- the assessment, monitoring and management of the financial risks of the Corporation’s business (“Risks”).

In addition, the Committee provides an avenue for communication between the Independent Auditor, the Corporation’s Chief Financial Officer (“CFO”) and other financial Senior Management, other employees and the Board concerning accounting, auditing and Risk management matters.

The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities.

Authority

In discharging its obligations, the Committee shall act in accordance with its fiduciary duties. In this regard, nothing in this Charter is intended to, or shall have the effect of, limiting or impairing the independent decision making authority or responsibility of the Board as mandated by applicable law.

Delegation

The Committee's responsibilities are the sole responsibility of the Committee and may not be delegated by the Board to a different committee without revisions to this Charter.

ROLES & RESPONSIBILITIES

The Committee shall:

1. Independent Auditor

- (a) **Selection and Compensation of Independent Auditor:** recommend to the Board:
 - The Independent Auditor to be nominated for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the Corporation ("Independent Auditor");
 - The termination of the Independent Auditor; and
 - The compensation of the Independent Auditor.
- (b) **Oversight of Independent Auditor:** oversee the work of the Independent Auditor, including with respect to the resolution of disagreements between Senior Management and the Independent Auditor regarding financial reporting.
- (c) **Pre-Approval of Audit Fees:** pre-approve, or establish procedures and policies for the pre-approval of, the engagement and compensation of the Independent Auditor in respect of the provision of all audit, audit-related, review or attest engagements required by applicable law.
- (d) **Pre-Approval of Non-Audit Fees:** pre-approve all non-audit services permitted to be provided by the Independent Auditor in accordance with applicable law and rules governing the Independent Auditor, provided that the Committee may pre-approve certain services within designated thresholds on an annual basis and further provided that the Committee may delegate to the Chair of the Committee, or such other member or members of the Committee that it deems appropriate, certain pre-approval authority provided that any such approval granted by such persons shall be reported at the next regularly scheduled meeting of the Committee.
- (e) **Audit Scope:** annually review and approve the objectives and general scope of the external audit (including the overall audit plan, the proposed timing and completion dates) and discuss the external audit with the Independent Auditor.
- (f) **Independent Auditor's Quality Control Procedures, Performance and Independence:** evaluate the quality control procedures, performance and independence of the Independent Auditor in carrying out its responsibilities,

including obtaining and reviewing, at least annually, a report by the Independent Auditor describing:

- The firm's internal quality-control procedures;
 - Any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and
 - All relationships between the Independent Auditor and the Corporation.
- (g) **Staffing of Audit Team:** review the experience and qualifications of the Independent Auditor's audit team assigned to the audit of the Corporation and make annual recommendations to the Board as to the need (if any) for rotation of the Independent Auditor or the members of the Independent Auditor's audit team assigned to the audit of the Corporation.
- (h) **Relationship between Independent Auditor and Management:** satisfy itself generally that there is a good working relationship between Senior Management and the Independent Auditor, and review:
- Any management representations letters;
 - The Independent Auditor's management letters and management's responses thereto;
 - The Independent Auditor's schedule of unadjusted differences; and
 - Any other reports of the Independent Auditor.
- (i) **Hiring from Independent Auditor:** review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and any former Independent Auditor.
- (j) **Evaluation of Independent Auditor:** conduct a periodic evaluation (taking into account Senior Management's opinion) of the Independent Auditor's qualifications, performance and independence, and present to the Board the Committee's conclusions. The evaluation must consider and assess independence, objectivity and professional skepticism, quality of the engagement team, and quality of communications and interactions with the Independent Auditor. While assessments should be completed annually, a comprehensive review should take place at least every five years.

2. Internal Controls

- (a) **System of Internal Controls:** satisfy itself through review and discussion that Senior Management has established and is maintaining an adequate and effective system of internal control over financial reporting and is responding on a timely basis to any material weaknesses or significant deficiencies which have been identified, including by meeting with and reviewing significant reports of the Independent Auditor relating to the Corporation's internal controls.
- (b) **Reports on Internal Controls:** review:
 - 1. Any concerns, weaknesses or deficiencies disclosed in connection with the interim and annual CEO and CFO certifications relating to the effectiveness of the Corporation's disclosure controls and procedures, internal control over financial reporting and changes in internal controls over financial reporting; and
 - 2. The Independent Auditor's management letter and whether recommendations have been acted on and, if not, the reasons why they have not been acted on.

3. Accounting Matters

- (a) **Critical Accounting Policies:** review and discuss with the Independent Auditor:
 - 1. The selection, use and application of, as well as proposed material changes to, critical accounting policies, principles, practices and related judgments; and
 - 2. Alternative IFRS treatments for policies and practices relating to material items, including the ramifications of such alternative disclosures or treatments and any recommended treatment,

to ensure that the critical accounting policies and practices and IFRS treatments adopted are appropriate and consistent with the Corporation's needs and applicable requirements.
- (b) **Disagreements:** satisfy itself that there is an agreed course of action leading to the resolution of significant unsettled issues between Senior Management and the Independent Auditor that do not affect the audited financial statements (e.g. disagreements regarding correction of internal control weaknesses or the application of accounting principles to proposed transactions), if any.
- (c) **Contingent Liabilities:** review all material contingent liabilities and the related accounting presentation and disclosure.
- (d) **Related Party Transactions:** review all material related party transactions and the related accounting presentation and disclosure.

- (e) **Off-Balance Sheet Transactions:** review all material off-balance sheet transactions and the related accounting presentation and disclosure.
- (f) **Other Board Committee Reports:** receive and review reports from other board committees with regard to matters that could affect financial reporting.
- (g) **Expense Reports:** review the Chairman and Chief Executive Officer (“CEO”) expense reports. Such authority may be delegated to the Chair of the Committee.

4. Financial Disclosures

- (a) **Disclosure Controls:** satisfy itself that procedures are in place for the review of the Corporation’s public disclosure to ensure consistent presentation of financial information extracted or derived from the Corporation’s financial statements and assessing the adequacy of those procedures annually.
- (b) **Approval of Disclosures:** meet to review and discuss the Corporation’s financial statements with Senior Management and the Independent Auditor and recommend, where appropriate to do so, to the Board, prior to release, the adoption and dissemination of all financial statements of the Corporation, together with related Management’s Discussion & Analysis of Results of Operations and Financial Position (“MD&A”), earnings press releases, Annual Information Form (“AIF”) and all other public disclosure documents of the Corporation containing financial information of the Corporation.
- (c) **Audit Committee Report:** prepare the Audit Committee report for inclusion in the Corporation’s public disclosure documents in the form and at the time required by the laws, rules and regulations of applicable regulatory authorities.
- (d) **Other Financial Information:** review and discuss financial information and earnings guidance provided to analysts and rating agencies; this review need not be done on a case-by-case basis but may be done generally (consisting of a discussion of the types of information disclosed and the types of presentations made) and need not take place in advance of the disclosure.

5. Risk Management

- (a) **Financial Risk Management:** assess with Senior Management the Corporation’s material risk exposure to financial and financial reporting matters and the Corporation’s actions to identify, monitor and mitigate such exposure.
- (b) **Insurance Coverage:** periodically review the adequacy of insurance coverages maintained by the Corporation.
- (c) **Taxation:** periodically review the status of taxation matters of the Corporation.

- (d) **Legal Matters:** review with the Corporation's General Counsel legal matters that may have a material impact on the financial statements, the Corporation's compliance with applicable laws and regulations and any material reports or inquiries received from regulators or governmental agencies.

6. Ethical Business Conduct

- (a) **Code of Conduct:** monitor compliance with the Corporation's Code of Business Conduct and Ethics and the Corporation's policies and procedures regarding compliance with applicable laws and regulations; make recommendations to the Board, where appropriate, as to any waivers of compliance of such Code.
- (b) **Whistleblower Procedures:** provide recommendations to the Corporate Governance and Nominating Committee and, as appropriate, the Board with respect to the implementation, operation and effectiveness of the Corporation's Whistleblower Policy as it relates to:
1. The receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal controls, and auditing matters; and
 2. The confidential, anonymous submission of complaints by employees of the Corporation regarding questionable accounting or auditing matters.

7. Reports to the Board

The Committee shall report to the Board on a regular basis and, in any event, before the public disclosure by the Corporation of its quarterly and annual financial results. The reports of the Committee shall include any issues of which the Committee is aware with respect to the quality or integrity of the consolidated financial statements of the Corporation, its compliance with legal or regulatory requirements, and the performance and independence of the Independent Auditor and changes in Risks.

LIMITATION OF AUDIT COMMITTEE ROLE

The Committee is not responsible for:

- planning or conducting audits; or
- certifying or determining the completeness or accuracy of the Corporation's financial statements or that those financial statements are in accordance with International Financial Reporting Standards ("IFRS").

Each member of the Committee shall be entitled to rely in good faith upon:

- financial statements of the Corporation presented to him or her by Senior Management of the Corporation or in a written report of the Independent Auditor to present fairly the financial position of the Corporation in accordance with IFRS; and

- any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

“Good faith reliance” means that the Committee member has considered the relevant issues, questioned the information provided and assumptions used, and assessed whether the analysis provided by Senior Management or the expert is reasonable. Generally, good faith reliance does not require that the member question the honesty, competence and integrity of Senior Management or the expert unless there is a reason to doubt their honesty, competency and integrity.

SIZE, COMPOSITION AND INDEPENDENCE

- (a) **Size:** The members of the Committee shall be three or more individuals who are appointed (and may be replaced) by the Board on the recommendation of the Corporate Governance and Nominating Committee. The appointment of members of the Committee shall take place annually at the first meeting of the Board after a meeting of shareholders at which directors are elected, provided that if the appointment of members of the Committee is not so made, the directors who are then serving as members of the Committee shall continue as members of the Committee until their successors are appointed. The Board may appoint a member to fill a vacancy that occurs in the Committee between annual election of directors. Any member of the Committee may be removed from the Committee by a resolution of the Board. Unless the Chair is elected by the Board, the members of the Committee may designate a Chair by majority vote of the members of the Committee.
- (b) **Independence:** Each of the members of the Committee shall meet the Corporation’s Categorical Standard for Determining Independence of Directors.
- (c) **Financial Literacy and Expertise:** Each of the members of the Committee shall be “financially literate” (or acquire that literacy within a reasonable period after appointment) in accordance with applicable legislation and stock exchange requirements.
- (d) **Limit on Outside Audit Committees:** No member shall concurrently serve on the audit committee of more than three other public companies without the prior approval of the Committee, the Corporate Governance and Nominating Committee and the Board and their determination that such simultaneous service would not impair the ability of the member to effectively serve on the Committee (which determination shall be disclosed in the Corporation’s annual management information circular).
- (e) **Independent Advisors:** The Committee may retain and compensate such outside financial, legal and other advisors at the expense of the Corporation as it deems reasonably necessary to assist and advise the Committee in carrying out the Committee’s duties and responsibilities.

- (f) **Role of Chair:** The Chair of the Committee shall generally provide leadership to enhance the effectiveness of the Committee and act as the liaison between the Committee and the Board as well as between the Committee and Senior Management. The Chair shall also manage the Committee's activities and meetings, manage any outside legal or other advisors retained by the Committee and manage the process of reporting to the Board on the Committee's activities and related recommendations.

COMMITTEE MEETING ADMINISTRATION

- (a) **Meetings:** The Committee will meet as many times as is necessary to carry out its responsibilities but in no event will the Committee meet less than four times a year. Meetings will be at the call of the Chair. Notwithstanding the foregoing, the Independent Auditor or any member of the Committee may call a meeting of the Committee on not less than 48 hours' notice. The notice period may be waived by a quorum of the Committee.
- (b) **Committee Access to Employees and Others:** The Committee shall periodically meet separately with Senior Management and the Independent Auditor and may request any member of the Corporation's Senior Management or the Corporation's outside counsel or Independent Auditor to attend meetings of the Committee or with any members of, or advisors to, the Committee. The Committee may also meet with the investment bankers, financial analysts and rating agencies that provide services to, or follow, the Corporation.
- (c) **Meeting Agendas:** The Committee Chair shall establish a preliminary agenda for each Committee meeting. Any director or other person entitled to call a meeting may request items to be included on the agenda for any meeting.
- (d) **Quorum:** A quorum for meetings shall be a majority of the members of the Committee or such greater number as the Committee shall by resolution determine. The powers of the Committee may be exercised at a meeting at which a quorum of the Committee is present in person or by telephone or other electronic means or by a resolution in writing signed by all the members of the Committee entitled to vote on that resolution at a meeting of the Committee. Each member (including the Chair) is entitled to one (but only one) vote in Committee proceedings.

ANNUAL EVALUATION

At least annually and more frequently at the request of the General Counsel, the Committee shall, in a manner it determines to be appropriate:

- perform a review and evaluation of the performance of the Committee and its members, including the compliance of the Committee with this Charter, to be reviewed with the Board; and

- review and assess the adequacy of this Charter and the position description for its Chair and recommend to the Board any changes to this Charter or the position description of the Chair that the Committee determines to be appropriate, except for minor technical amendments to this Charter authority for which is delegated to General Counsel, who will report any such amendments to the Board at its next regular meeting.

Board Approved: _____