IPB Insurance Clg

Board Audit Committee

Effective 23 July 2026

Version History

Date	Owner	Version	Approver	Description
July 2024	Chair of Audit Committee	V1.0[1]	IPB Audit Committee and Board of Directors	Annual Review
July 2025	Chair of Audit Committee	V1.2	IPB Audit Committee and Board of Directors	Annual Review
July 2026	Chair of Audit Committee	V2.0	IPB Audit Committee and Board of Directors	Annual Review

Next Review	July 2027

[1] Version 1.0 used as although previous versions exist, version history page commenced in July 2024

1. **Purpose**

1.1 The Audit Committee ("Committee") is a-committee of the Board of Directors ("Board") of IPB Insurance CLG ("IPB" or "the Company"). The Board has established the Committee to support it in meeting its oversight responsibilities for financial reporting and risks, internal controls and audit processes, legal and regulatory compliance and per the Central Bank of Ireland ('CBI') Corporate Governance Requirements for Insurance Undertakings 2015 ("the Requirements''): (a) monitoring effectiveness and adequacy of internal control, internal audit and IT systems, (b) liaising with External Auditors particularly on audit findings, (c) reviewing financial statements' integrity and ensuring provision of a 'true and fair view' of financial status, (d) reviewing financial announcements, reports and accounts and recommending Board approval or otherwise and (e) assessing auditor independence and the audit process' effectiveness.

1.2 The Board has delegated authority to the Committee, without abrogating responsibility, in respect of the functions and powers set out in these terms of reference. The Committee is also authorised to make decisions under any authority delegated to it by the Board.

2. **Membership**

2.1 The Committee Members ("Members") shall be appointed by the Board, on the recommendation of the Remuneration, Nomination and Culture Committee (REMCO) and shall be compromised of a minimum of three Members, with the number of Members being sufficient to handle the nature, scale and complexity of the business. The Committee shall compromise solely of Independent Non-Executive Directors ("INEDs") and Group Non-Executive Directors ("GNEDs"). There shall be at least 1 shared Member between IPB's Risk Committee and Audit Committee. The Committee as a whole shall have competence relevant to the company's sector and relevant financial knowledge and experience, and at least one Member shall have an appropriate qualification.

2.2 The Committee, in recognition of section 1551(7) of the Companies Act 2014 (as inserted by section 51 of the Companies (Statutory Audits) Act 2018 and maintenance of its independence, shall appoint an INED as Committee Chair ("Chair") based on recommendations from REMCO. In the absence of the Chair at a Committee meeting the remaining Members present shall elect one of them to chair the meeting. No individual may simultaneously serve as Chair of both the Committee and the Board Risk Committee.

2.3 Members are generally appointed for three years, however for reasons of continuity of experience, a director may continue as a Member of the Committee for longer. Membership of the Committee is reviewed annually or more often, if required, through REMCO to ensure that membership is appropriate in terms of skills and experience. The Board Chair and CEO may not be Members of the Committee.

2.4 The Committee shall engage as appropriate with the Board Risk Committee so that the Committee can draw on the work of the Board Risk Committee.

2.5 Should a significant actual or perceived conflict of interest arise, either in relation to the Committee's work or a change in a Member's personal circumstances, the affected Member shall promptly declare the conflicts to the Chair, Board Chair and Company Secretary. The declaration shall be formally recorded, and appropriate steps taken to resolve the matter. Should the conflict involve the Chair or the Board Chair, the conflict shall instead be declared to an alternate Member designated by the Company Secretary. In cases where the conflict is ongoing, REMCO or the Board may review the Committee's composition.

3. Secretary

3.1 The Company Secretary or the Chair's nominee shall act as Committee secretary.

4. Meetings and Reporting Procedures

4.1 The Committee shall meet at least four times a year.

4.2 The Chair shall be responsible for the effective management of the Committee's agenda and ensure that adequate time is made available for discussion of all agenda items. Members may suggest items for inclusion, and all agenda items before the Committee shall have clear sponsorship and authorship assigned.

4.3 Meetings of the Committee shall be called by the Company Secretary at the request of the Chair or any of the Members, subject to the satisfaction of a quorum of three Members for transacting business with decisions by majority vote. Failing meeting of a quorum, the Members shall nominate an INED or NED to attend as an alternate with Board approval in support of such.

4.4 Unless the Committee otherwise agrees, notices of each meeting confirming the date, time and venue, together with the agenda shall be served electronically to Members no later than seven calendar days before the meeting. Supporting papers shall also be sent to Members and to other attendees as appropriate but may be circulated with shorter notice on the approval of the Chair.

4.5 Members shall attend meetings regularly and in person or participate via video/teleconference if not possible to attend due to circumstances beyond their control. Members may communicate their perspective on a topic in advance of a meeting if they are unable to attend, via email to the Company Secretary for communication. The Board, in consultation with REMCO, shall replace a Member who is unable to provide sufficient time to attend meetings over the medium to long term, with a suitable appointee.

4.6 Only Members have the right to attend and vote at Committee meetings. However, the Committee may invite non-members, including other Board members, members of management, internal audit, external audit and any advisers, to attend all or part of a meeting.

5. Voting Arrangements

5.1 Each Member shall have one vote, which may be cast on matters considered at the meeting. Votes can only be cast by Members attending a meeting, whether in person or by remote video or teleconference.

5.2 If a matter that the Committee considers is one where a Member, either directly or indirectly, has a personal interest, that Member shall not be permitted to vote at the meeting.

5.3 Except where they have a personal interest, the Chair, or their alternate, shall have a casting vote.

5.4 The Chair may ask any attendees or Members of a meeting to leave the meeting to allow discussions of matters relating to them or a conflict of interest arises.

6. Minutes of Meeting

6.1 The Committee secretary shall minute the proceedings, decisions, and actions arising from all Committee meetings, including the names of those present and in attendance.

6.2 Minutes of a Committee meeting shall be agreed with the Chair fifteen (15) working days, or as soon as possible thereafter, following the meeting and then circulated to all Members for approval. The minutes shall be included in the Committee pack for Board visibility in advance of the subsequent quarters' Board meeting

7. Reporting Responsibilities

The Chair shall:

7.1 Report to the Board on Committee proceedings after each meeting and update the Board on any significant matters arising at the Committee meeting.

7.2 Prepare a formal annual account of the Committee's activities for the Company's Stakeholder and Annual Report, with the Chair representing it at general meetings of the Company.

7.3 Make whatever recommendations to the Board the Committee considers appropriate on any area within its remit where action or improvement is needed.

7.4 Annually review and update these terms of reference, and once approved by the Board, make available to the Company's members via the Company's website.

8. Resources

The Committee shall have access to adequate resources to carry out its duties, as required.

8.1 The Company Secretary shall arrange induction for new Members as well as ongoing and relevant training for all Members in matters within the Committee's remit. The Company Secretary shall secure (at IPB's expense) independent legal, accounting or other professional advice for the Committee as required by Members to support discharge of their duties.

9. Role and Responsibilities

The Committee's role and responsibilities shall include:

9.1 **Financial Reporting:** review announcements, reports and material information accompanying financial statements to include tax risk matters to recommend Board approval via monitoring IPB's financial statements including the statutory audit, annual and interim accounts to ensure a true and fair view and reviewing going concern assumptions, summary financial statements and significant regulatory returns and challenging content and the financial reporting process where necessary with particular attention to a consideration of consistency of, and any change to, accounting policies on a year on year basis; methods to account for significant or unusual transactions if others apply; whether IPB followed appropriate accounting standards with appropriate estimates and judgements, taking the External Auditor's views into account; Disclosure clarity in IPB's financial accounts and statement context;

9.2 **Internal Controls, and Risk Management Systems:** monitor the effectiveness and adequacy of IPB's internal controls, risk management and IT systems and remedial action and procedural arrangements for identifying wrongdoing and fraud, raising concerns in confidence and ensuring initiation of proportionate and independent investigations and determination of appropriate action by approving and reviewing the framework for securing compliance across all areas and ensuring the monitoring of material issues and their reporting to the Board.

9.3 **Speak up and whistleblowing:** Ensuring the independence, autonomy and effectiveness of the firm's policies and procedures on Speak up and whistleblowing.

9.4 **Compliance:** Safeguarding the independence of the compliance function and for oversight of the function and the Head of Compliance.

9.5 **Culture & ESG:** nurture ongoing commitment to cultivation of an appropriate organisational culture where people can Speak Up, diversity and equity and inclusion is fostered and celebrated, and activity is informed by a focus on securing of sustainability for the short, medium, and long term aligned to IPB's mutual ethos and Member's interests with regular assessment of progress against agreed strategy, plans, targets and metrics. The Committee shall consider recommendations from the Board Sustainability Committee on ESG-related matters.

9.6 **Internal Audit:** Safeguarding the independence of the internal audit function, select and recommend appointment or cessation to the Board, oversight of the function, and the Head of Internal Audit including monitoring effectiveness of and annually review (a) effectiveness per remit, reporting procedures, resource adequacy, qualifications, skills and experience and internal quality processes, (b) independence per rotation processes, permitted non audit services, unrestricted access to functions, personnel and data and recognition of the team's accessibility to the Board and Board Chair and (c) efficacy of the audit plan and charter including risk appetite framework adherence and risk and control culture assessment, results and management responses.

9.7 **External Audit:** oversee the selection process for External Auditors and recommend appointment, reappointment, or removal, for AGM approval by Members, to the Board and investigate the circumstances of any resignation and decide if action is required. In overseeing External Auditors and monitoring statutory audit the Committee shall take into account relevant Supervisory Authority findings and conclusions (if any), meet the External Auditors regularly, including at audit planning and reporting stages, to review required changes to the next year's audit, any issues, accounting, and audit judgements; reporting procedures and levels of error; the representation letter and management letter and management's responses. (a) approve engagement terms and recommend remuneration for audit and non-audit work; (b) assess annually in Committee their independence effectiveness and that of the audit per resource adequacy, qualifications, skills, experience, unrestricted access to functions, personnel and data and recognition of accessibility to the Board and Board Chair, internal quality processes and independence per rotation processes and ensuring no family, employment or business relations (except in the ordinary course of business).

9.8 **Strategy:** The Committee shall undertake any other related duties directed by the Board.

9.9 The Committee shall support IPB with fulfilling its responsibilities under the Central Bank Individual Accountability Framework.

10. Committee Effectiveness

10.1 To ensure it is operating at maximum effectiveness, the Committee shall, at any time propose, to the Board, changes it considers necessary, for approval.

10.2 In framing audit strategy, frameworks and policies, the Committee shall consider the principles and provisions of the Corporate Governance Requirements for Insurance Undertakings 2015 and the long-term interests of IPB's Members and customers.