Beazley Plc

Audit Committee

Terms of Reference approved by the Beazley Plc Board on 3 August 2026

The Audit Committee is a Committee established by the Beazley Plc Board

1. Objective

1.1. To assist the Beazley Plc Board of Directors in fulfilling their oversight responsibilities for the financial reporting process, the system of internal financial controls and the audit process.

2. Mandate

2.1. The Audit Committee (the 'Committee') derives its authority from the Beazley Plc Board.

2.2. The authority of the Audit Committee is restricted by the items outlined in the Scheme of Delegation, and Matters Requiring Approval Schedule.

3. Reporting Responsibilities

3.1. The Committee Chair or their nominee will report formally to the Beazley Plc Board on its proceedings after each meeting on all matters within its duties and responsibilities.

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

3.3. The Committee shall report to the Board on how it has discharged its responsibilities.

3.4. The Committee shall compile a report on its activities to be included in the Company's annual report including on how it has met regulatory requirements.

4. Duties

The Audit Committee is, subject to the parameters set out in the Scheme of Delegation, Matters Requiring Approval Schedule, responsible for:

4.1. **Financial and regulatory reporting**

4.1.1. Monitoring the integrity of the Company's financial and narrative statements, together with any operating and financial review, (including any disclosures such as the Task Force on Climate-Related Financial Disclosures (TCFD) report, interim report, preliminary or other formal announcement relating to the Company's financial performance) and reviewing significant financial reporting judgements contained in them, before submission to, and approval by, the Board, and before clearance by the external auditors.

4.1.2. In particular, reviewing and challenging where necessary:

4.1.2.1. The consistency of, and any changes to, significant accounting policies both on a year-on-year basis and across the Company/Group;

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

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

4.1.2.4. The clarity and completeness of disclosure in the Company's financial reports and the context in which statements are made; and

4.1.2.5. All material information presented with the financial statements, such as the business review, strategic report and the corporate governance statements relating to the role of the Committee.

4.1.3. Reviewing the content of the annual report and accounts and advising the Board on whether, taken as whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy. This includes any accompanying press statements.

4.1.4. Reviewing the Solvency and Financial Condition Report and Regular Supervisory Report, as required.

4.2. **Internal financial and non-financial reporting controls**

4.2.1. Monitoring the effectiveness of the group's financial and non-financial reporting controls, including those related to climate change reporting. This includes:

4.2.1.1. Material internal reporting, operational and compliance controls supporting the 'as at' balance sheet date review (effective from FY 1 January 2026); and

4.2.1.2. The effectiveness of any actions taken or proposed to be taken to improve the controls where these are not operating effectively.

4.2.2. Reviewing the conclusions of controls testing related to activities noted in 4.2.1 above and making a recommendation to the Board on the effectiveness of the controls, to allow the Board to make its annual declaration of the effectiveness of the controls supporting reporting disclosures (effective from FY 1 January 2026).

4.3. **Internal Audit**

4.3.1. Recommending to the Board the appointment, or termination of appointment, of the Head of the Internal Audit function.

4.3.2. Monitoring and reviewing the effectiveness of the Company's internal audit function.

4.3.3. Reviewing and approving the internal audit plan.

4.3.4. Reviewing and monitoring management's responsiveness to the internal auditor's findings and consider outstanding points from previous audits.

4.3.5. Reviewing and approving the internal audit charter, ensuring the function has the necessary resources and access to information to enable it to fulfil its mandate and ensuring that the internal audit function is equipped to perform in accordance with appropriate professional standards for internal auditors.

4.3.6. Receiving a report on the results of the internal auditor's work and reviewing internal audit reports and making recommendations to the Board on a periodic basis.

4.3.7. Ensuring the internal auditor has direct access to the Board Chair and the Committee Chair, is accountable to the Committee.

4.4. **Whistleblowing**

4.4.1. Reviewing the adequacy and security of the Company's arrangements by which employees and contractors of the group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The Committee's objective should be to ensure that arrangements are in place for the proportionate and independent investigation of such matters and for appropriate follow up action and to report such matters to the Board.

4.5. **External Audit**

4.5.1. Conducting and leading a tender process as required under the FRC's minimum standard for audit Committees and the external audit (Minimum Standard) and making recommendations to the Board, about the appointment, reappointment and removal of the external auditor.

4.5.2. The Committee shall consider and make recommendations to the Board, to be put to shareholders for approval at the AGM, in relation to the appointment, re-appointment and removal of the Company's external auditor.

4.5.3. Managing non-audit relationships with audit firms to ensure a fair choice of suitable external auditors and to monitor the potential impact on future audit tenders. If eligible firms are reticent to tender, investigating the reasons for this.

4.5.4. If an auditor resigns, investigating the issues leading to this and deciding whether any action is required.

4.5.5. Overseeing the relationship with the external auditor including (but not limited to):

4.5.5.1. Annually assessing the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional, regulatory and ethical requirements;

4.5.5.2. Developing and implementing a policy on the engagement of the external auditor to supply non-audit services, ensuring there is prior approval of non-audit services, considering the impact this may have on independence, taking into account the relevant regulations and ethical guidance in this regard, reporting to the Board on any improvement or action required, and reporting to the Board on how the audit Committee has implemented the obligations of the policy;

4.5.5.3. Approving external auditor remuneration and ensuring that the level of fees is appropriate to enable an effective and high-quality audit to be conducted; and

4.5.5.4. Approving external auditor terms of engagement, including any engagement letter issued at the start of each audit and the scope of the audit.

4.5.6. Meeting regularly with the external auditor (including once at the planning stage before the audit and once after the audit and the reporting stage) and at least once a year, without management being present, to discuss the auditor's remit and any issues arising from the audit.

4.5.7. Reviewing and approving the annual audit plan to ensure that it is consistent with the scope of the audit engagement, having regard to the seniority, expertise and experience of the audit team. The Committee Chair should seek engagement with shareholders regarding the scope of the external audit and significant matters related to the Committee's areas of responsibility where appropriate.

4.5.8. Reviewing the findings of the audit with the external auditor.

4.5.9. Reviewing and recommending to the Board any representation letter(s) requested by the external auditor before they are signed by management.

4.5.10. Reviewing the management letter and management's response to the auditor's findings and recommendations.

4.5.11. Reviewing the effectiveness of the audit process, including an assessment of the quality of the audit, the handling of key judgements by the auditor, and the auditor's response to questions from the Committee. Considering evidence on the effectiveness of the external auditor both internally and externally.

4.5.12. Reviewing the external audit plan, including its scope and timetable.

4.6. **Consulting Actuaries (if appointed)**

4.6.1. In respect of any firm of consulting actuaries which may be appointed by the Company for a review of insurance reserving, the Audit Committee will be responsible for:

4.6.1.1. Recommending their appointment and termination;

4.6.1.2. Recommending their Terms of Reference;

4.6.1.3. Receiving regular reports from the consulting actuaries concerned, independently of management where necessary;

4.6.1.4. Determining their independence;

4.6.1.5. Monitoring their performance; and

4.6.1.6. Recommending to the Board the approval of their fees.

4.6.2. The Audit Committee will not consider anything required to be done by a regulated entity in this regard.

5. Members

5.1. The Committee shall comprise not less than three members.

5.2. All members of the Committee shall be independent non-executive directors, at least one of whom shall have recent and relevant financial experience ideally with a professional qualification from one of the professional accountancy bodies, and the Committee as a whole shall have competence relevant to the sector in which the Company operates.

5.3. The Chair of the Board shall not be a member of the Committee.

5.4. Members of the Committee shall be appointed by the Board on the recommendation of the Nomination Committee.

5.5. The Board shall appoint the Committee Chair.

5.6. In the absence of the Chair and/or an appointed deputy, the remaining members present shall elect one of their number to Chair the meeting.

5.7. Only members of the Committee have the right to attend Committee meetings. Any other relevant roles, other directors, management, staff or external advisors be invited to attend for all or part of any meeting, as and when appropriate, to provide information or assistance. These will normally include:

- 5.7.1.1. The Chief Executive Officer, the Chief Financial Officer, the Chief Underwriting Officer, the Chief Risk Officer, the Head of Internal Audit and the External Audit lead partner; and
- 5.7.1.2. Selected executive management representing Beazley's business operations.

6. Secretary

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

7. Quorum

7.1. The quorum necessary for the transaction of business shall be two members present in person, by telephone, or other virtual means. 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, discretions, and independent judgement vested in or exercisable by the Committee.

8. Frequency and Location

Meetings shall be aligned with those of the Beazley Plc Board, and occur:

8.1. At such a time before a Board meeting so that all business can be properly and fully conducted, with referrals and minutes passed to the Board in line with the requirements of the Board.

8.2. The Committee shall meet at least quarterly and at such other times as required.

8.3. The Committee shall meet at least annually with the Head of Internal Audit, the external auditors and the Head of Actuarial, without management, to discuss matters relating to their remit and any issues identified from their work.

8.4. The Committee Secretary shall schedule a calendar of meetings at the beginning of the year and indicate whether the meeting is expected to be in person, via virtual means, or hybrid.

8.5. However, if the day and time needs to be changed to accommodate other business needs, this will be done as far in advance as possible.

9. Notice of Meeting

9.1. Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of the Chair of the Committee or at the request of other relevant individuals if they consider it necessary.

9.2. Unless otherwise agreed by the Chair, notice of each meeting confirming the venue, time and date shall be sent to each member of the Committee and any other person required to attend no later than five working days before the date of the meeting. The agenda and supporting papers shall be sent to Committee members and to other attendees as appropriate in advance of the meeting.

10. Minutes of Meeting

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

10.2. Minutes of Committee meetings shall be circulated promptly to the Chair of the Committee and made available to the Board and the External auditors.

10.3. Updated minutes will be included in the next scheduled Committee meeting agenda for final approval.

11. Other Matters

The Committee shall:

11.1. Have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required.

11.2. 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.

11.3. Give due consideration to all relevant laws and regulations, the provisions of the UK Corporate Governance Code and the requirements of the UK Listing Authority's Listing, Prospectus and Transparency Rules and any other applicable rules, as appropriate.

11.4. Have oversight of the work of the internal and external auditors.

11.5. Oversee any investigation of activities which are within its Terms of Reference.

11.6. Work and liaise as necessary with all other Board Committees and with the Audit Committees of the regulated subsidiaries.

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

11.8. Ensure that Audit Committee meetings are used as an open avenue of communication between internal audit, the external auditors and the Board.

11.9. The Committee will receive reports from the Audit Committees of the regulated subsidiaries.

The Chair shall:

11.10. Be available to shareholders to discuss significant matters within the Committee’s remit.

11.11. Attend the Annual General Meeting and shall be prepared to respond to any shareholder questions on the Committee’s activities.

12. Authority

12.1. The Committee is authorised by the Board to:

12.1.1. Seek any information it requires from any employee in order to perform its duties;

12.1.2. Obtain legal or other independent professional advice or assistance from external advisers with relevant expertise and experience, as it considers necessary, at the Company's expense on any matters within its Terms of Reference;

12.1.3. 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.