ICCL AUDIT & RISK COMMITTEE

TERMS OF REFERENCE

Purpose / Objectives / Role and Responsibilities

The Audit & Risk Committee was established as a sub-committee of the Board of Directors of the ICCL (the "Company") to assist the Board in fulfilling its oversight responsibilities in relation to:

a) Monitoring the integrity of financial statements including accounting policies and financial control;
b) The risk management processes and corporate governance requirements of the Company;
c) The Internal audit process;
d) The appointment of the external auditor and approval of remuneration and terms of engagement;
e) Monitoring and reviewing the external auditor's independence, objectivity and effectiveness;
f) Develop and implement policy on the engagement of the external auditor to supply non-audit services;
g) The Company's response to issues identified by internal or external audit activity to include financial dealings and risk mitigation;
h) The Company's process for monitoring compliance with laws and regulations affecting financial reporting;
i) The Investment Policy and Procedures;
j) The Company's anti-fraud policies, protected disclosure processes, arrangements for special investigations, and staff's awareness of them;
k) An annual self-review of its performance to include identified limitations and its own terms of reference with a subsequent report to be sent to the Board for consideration. The review shall include the records of attendance at committee meetings.

The Audit & Risk Committee during the course of its oversight and reviewing functions shall report to the Board, following each of its meetings, making recommendations to address the position, as appropriate.

Section A provides detail on the scope of each of the areas of responsibility of the Committee.

Section B provides detail on the organisation of the Committee.

A. SCOPE OF RESPONSIBILITIES

1. Monitoring the integrity of the financial statements

The Audit & Risk Committee will discharge the following responsibilities in respect of the Company's financial reporting:

a) Review the financial statements and related formal statements, the key accounting policies and significant financial reporting issues and judgments made in connection with preparation of same and the result of the audit, including any difficulties encountered.
b) Review the annual financial statements, and either:
   (i) recommend to the ICCL Board that they are approved, and consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles as advised by the auditors, and whether, in the Committees opinion, they give a true and fair view of the state of affairs of the Company and the surplus or deficit of the Company.
   (ii) report its view on any area that it has been unable to satisfy itself with.
c) Review other disclosure sections of the annual report and related regulatory filings before release and consider the accuracy and completeness of information.
d) Where requested by the Board, provide advice on whether the annual report and accounts, 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.
e) Report, as part of the Directors' Report in the Annual Report, on the Committee's activities for the year.
f) Ensure that the annual report outlines the significant issues that were considered by the Committee in relation to the financial statements, and how these issues were addressed.
g) Understand how the Executive develops financial information.
h) Ensure procedures operate for the timely filing of annual returns and related information.
i) Determine annually, in conjunction with the annual statutory audit, whether the Company has kept proper books of account.
j) Review whether the Directors' compliance statement complies with legislation and is fair and reasonable and is based on due and careful enquiry. Where this is the case, recommending it to the ICCL Board for approval. Where this is not the case, taking appropriate action.

2. Reviewing the Company's internal financial control and risk management systems

a) Consider the effectiveness of the Company's internal control over annual financial reporting, including information technology security.
b) Understand the scope of internal and external auditors' review of internal control and risk management systems and obtain reports from either the Executive or internal and external auditors on any tests carried out, together with the Executive's responses.

c) Review the Company's Risk Register on a quarterly basis and advise the Board on suggested amendments based on external developments or internal risk factors.
d) Update the Board on agreed actions implemented to reduce identified risks.
e) Review the Company's Risk Appetite Statement on an annual basis to ensure that it outlines the necessary information for all stakeholders in a clear and concise manner.
f) Review the Company's Risk Framework on an annual basis ensuring that it complies with "Best Practice" in risk identification and management.
g) Advise the Board, in advance of the Annual Report, on the adequacy of risk management and internal control systems together with advice on how deficiencies can be addressed.
h) Review the Annual Budget for operating expenditure prepared by the Executive and make appropriate recommendations to the Board
i) Within the general terms of these terms of reference, initiate any special projects or investigations deemed necessary by the Committee.
j) Monitor the Executive's implementation of both internal and external audit recommendations.
k) Review the adequacy and effectiveness of controls operated by the Executive to identify, assess, manage and monitor financial and non-financial risk.
l) Determine annually whether financial control, including the delegation structure, enables the Company to achieve its objectives on a value for money basis.

3. Internal Audit

The Company does not have a separate Internal Audit function. It relies on the Central Bank's Internal Audit division (IAD) which has agreed to provide internal audit services to the Company. This arrangement includes:

a) The IAD request the Audit & Risk Committee's input when planning the scope for future audits.
b) Reporting to the Audit & Risk Committee on IAD's findings arising from its reviews.
c) Following up on the Company's progress in addressing the IAD's recommendations.
d) Meeting as necessary, and at least annually[i], with the Audit & Risk Committee to consider any matters that the Committee or Internal Audit believes merit discussion.
e) Considering the contents of the management letter which the statutory auditor issues to the Company each year.
f) Considering whether to attend the annual planning meeting held between the Company's Executive team and the statutory auditors.
g) The Audit and Risk Committee will review the adequacy of the Executives response to issues identified in IAD reports and monitor the agreed implementation of recommendations made.

4. External Audit

The role of the Audit and Risk Committee shall include the following:

a) To consider the appointment, reappointment or removal of the external auditor and assess the process undertaken, making appropriate recommendations to the Board. The Committee should consider the need to put the external audit contract out to tender at least every three years, with an option to extend to five years. If the Board does not take the Committee's recommendation, it shall include in the Directors' report a statement from the Committee detailing its recommendation and the reasons for the Board's differing position.
b) Review the engagement letter as issued by the external auditor prior to commencement of the annual audit, ensuring it is updated for changes in circumstance.
c) Assess and recommend an appropriate audit fee to the Board.
d) On resignation of an external auditor, the Committee should fully investigate the issues giving rise to the resignation, drawing where necessary on appropriate external resources or expertise, and consider if any action is necessary.
e) Review with the external auditor, the findings of their work, discussing major issues encountered, both resolved and unresolved and the levels of errors identified.
f) Monitor the implementation of agreed recommendations made by the external auditor.
g) Assess the effectiveness of the annual external audit process considering whether the scope and terms of the engagement have been satisfied.
h) Review the external auditor's management letter and the response of the Executive thereto.
i) Monitor the performance and quality of the auditor's work and ensure that the annual report explains how adequate protection of auditor independence is maintained.
j) Obtain from the auditor up to date information to enable the committee to monitor the Company's relationship with the auditor, including, but not limited to, information relating to the auditor's affiliates.
k) Recommend whether or not to award contracts to the auditor or an affiliate for non-audit work.

5. Regulatory and Legal Compliance

a) Receive and review reports, from the Executive, detailing the status of compliance issues that arise in each quarter.
b) Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of the Executive's investigation and follow-up of any instances of non-compliance.

6. Confidential Disclosures

a) Review arrangements whereby staff may, in confidence, raise concerns about improprieties of financial or non-financial reporting, control or any other matters. In addition, the Committee should ensure such matters are investigated appropriately, with recourse to independent resources as necessary, and any matters arising thereon are brought to the Board's attention where relevant.

7. Other Responsibilities

a) Perform other activities related to these terms of reference as agreed with the Board of Directors.
b) Institute and oversee special investigations as needed.
c) Review and assess the adequacy of the Committee terms of reference annually, requesting Board approval for proposed changes.
d) Monitoring the adequacy of the ICCL's Business Continuity arrangements.

B. ORGANISATION OF THE COMMITTEE

The Audit & Risk Committee will:

a) Regularly report to the Board of Directors on issues dealt with by the Committee and related recommendations;
b) Provide an open avenue of communication between the Central Bank Internal Audit Department, the external auditors, and the Board of Directors;
c) The chair of the Audit & Risk Committee or his/her nominee should be available at the AGM to answer questions.

1. Authority

The Board of Directors of the Company has, inter alia, authorised the Audit & Risk Committee to:

a) conduct or authorise investigations into matters within its scope of responsibility;
b) retain outside expertise to advise it in the conduct of its business;
c) seek any information it may require from employees of the Company;
d) meet with Company officers, external auditors or advisors as necessary.

2. Composition & Terms of Office

The Audit & Risk Committee will consist of a minimum of three members of the Board of the ICCL. All members are non-executive directors. The Board will appoint the Committee chair. The Board will also appoint the Committee members in consultation with the Committee chair. The Chairperson of the Board may attend the Audit & Risk Committee meetings but may not be a member of the Audit & Risk Committee. At least one member of the Audit & Risk Committee will have experience in financial reporting with another to have relevant risk management experience. Appointments to the Committee shall be for a period of up to 3 years, which, in the ordinary course, can be renewed for up to 3 years, to a maximum of 6 years in total. Members of the

ARC will possess, or acquire as soon as possible following appointment, an understanding of:

a) The organisations culture, objectives and challenges.
b) The organisations structure, including key relationships.
c) Relevant legislation and other rules governing the organisation.

The current Committee members are listed in the 'about us' section on the ICCL website. The Committee may also invite additional members to provide specialist skills, knowledge, and experience should the need arise. Appointments shall also be made by the Board against objective criteria with due regard to the benefits of diversity on the Audit & Risk Committee.

A standard Letter of Appointment will be issued to each new Audit & Risk Committee member.

There will be a formal induction process in place for new Audit & Risk Committee members with additional training (external or internal) made available to members as necessary.

Each member of the Committee will be personally responsible for declaring in advance any potential conflict of interest arising in relation to any items noted on each meeting agenda. The Committee will hold a central register of all conflicts arising during the course of the year.

3. Meetings and attendance

The Committee will meet at least four times each year and will have the authority to convene additional meetings as circumstances require. At least two meetings, will be in-person. The meetings should be organised by the Committee Chairperson and the Secretary to the Committee and coincide with key financial dates or events. Subject to the prior approval of the Committee Chairperson, members may participate in meetings in person or via videoconference/teleconference.

All Committee members are expected to attend each meeting, and a quorum is a simple majority of the members of the Committee at the time of the meeting. In the absence of the Committee Chairperson at a meeting they will nominate a Committee member to deputise as Chairperson. If a deputy has not been appointed, the remaining Committee members present shall elect one of themselves to chair the meeting. The Board may request the Audit & Risk Committee to convene additional ad-hoc meetings to discuss particular issues on which the Board requires guidance.

The Committee may invite members of the Executive, internal and external auditors, and others to attend meetings and provide pertinent information as necessary.

The Committee will, during each engagement, meet with the internal and external auditors without the Executive being present.

The Committee will have as a standing item on the agenda of each meeting the option to meet without the Executive present.

Meeting agendas along with appropriate briefing materials will be prepared and provided to the Committee members by the secretary at least one week in advance of meetings. Briefing materials shall include, but are not limited to, a report detailing any proposed alterations to the Company's Risk Register, a progress report from Internal and External Auditors (if appropriate) and reports from the Executive on any major incidents, breaches, near misses or lessons learned.

The Chief Operations Officer will designate a member of the Executive to act as Secretary to the Audit & Risk Committee and minute all meetings. The Secretary is permitted to record a transcript of the Committee meeting with the approval of the Chair in advance. All members of the Committee must be informed via meeting invite, agenda and by the Chair at the start of the meeting that a transcript of the meeting will be recorded. The Secretary may prepare minutes of the meeting with the assistance of Microsoft Copilot Chat. A transcript of a meeting (including copy transcripts taken and converted into Word or other formats) will be retained until the minutes are approved at the subsequent board meeting. It is the responsibility of the Secretary to ensure that the transcript is deleted following approval of the minutes. Minutes of such meetings will be supplied to the Committee members on a timely basis. The Chairperson of the Audit & Risk Committee will report to the ICCL Board after each meeting of the Committee.

Approved by the Board
14 September 2026

[i] The Head of Internal Audit, or his/her representative, will attend the annual ARC meeting at which the ICCL's statutory auditors' report their findings.