

Terms of Reference

Audit Committee of Mortgage Advice Bureau (Holdings) plc

Adopted on 1 May 2026

Terms of Reference for the Audit Committee (the Committee) of Mortgage Advice Bureau (Holdings) plc (the Company)

1. Purpose

- 1.1. The purpose of these terms of reference is to identify and formalise the roles, tasks and responsibilities of the Committee to assist in achieving best practice in corporate governance for the Company and its subsidiaries (the **Group**) including transparent arrangements for considering how to apply the financial reporting principles set out in the UK Corporate Governance Code (**the Code**) and the Financial Reporting Council Audit Committees and the External Audit: Minimum Standard (**the FRC Minimum Standard**).
- 1.2. The Committee has the delegated authority of the Board in respect of the functions and powers set out in these terms of reference.

2. Membership

- 2.1. The Committee shall comprise at least three members, all of whom shall be independent non-executive directors of the board of the Company (**Board**). At least one member shall have recent and relevant financial experience and the Committee as a whole shall have competence relevant to the sector in which the Company operates. The Chair of the Board shall not be a member of the Committee. The Committee shall include at least one member of the Company's Risk Committee and, where possible, one member of the Remuneration Committee.
- 2.2. Members of the Committee shall be appointed by the Board, on the recommendation of the Nomination Committee in consultation with the Committee Chair. Appointments shall be for a period of up to three years which may be extended for up to two additional three-year periods, provided members continue to be independent.
- 2.3. Only members of the Committee have the right to attend and vote at Committee meetings. However, the Chief Financial Officer, Head of Internal Audit and external audit lead partner will be invited to attend meetings of the Committee on a regular basis and other individuals, such as the Chair of the Board, other directors, the heads of risk management and compliance and representatives of the finance function, may be invited to attend all or part of any meeting as and when appropriate and necessary.
- 2.4. The Committee will meet the Head of Internal Audit at least once a year without management being present. In addition, the head of the internal audit function will have the right of direct access to the Chair of the Committee.
- 2.5. The Board shall appoint the Committee Chair. In the absence of the Committee Chair and/or an appointed deputy at a Committee meeting, the remaining members present shall elect one of themselves to chair the meeting.

3. Secretary

- 3.1. The Company Secretary, or their nominee, shall act as the 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. Where the Company Secretary is also an executive director from time to time, the Committee may nominate one of its members to act as secretary for any meeting which the Committee wishes to hold without executive directors being present.

4. Quorum and voting arrangements

- 4.1. The quorum necessary for the transaction of business shall be two members, at least one of whom has recent and relevant financial experience present in person or by audio or video conference or such other electronic facility as provides an electronic means of attendance and participation in the meeting, enabling all attending to be heard by and be able to communicate with all other attendees.
- 4.2. A duly convened meeting 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.
- 4.3. Each Committee member shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending a Committee meeting.
- 4.4. If a matter that is considered by the Committee is one where a Committee member, either directly or indirectly, has a personal interest, that member shall not be permitted to vote at the meeting.

5. Frequency of meetings

- 5.1. The Committee shall meet at least three times a year at appropriate intervals in the financial reporting and audit cycle and otherwise as required.
- 5.2. Outside of the formal meeting programme, the Committee Chair will maintain a dialogue with key individuals involved in the Company's governance, including the Chair of the Board, the Chief Executive Officer, the Chief Financial Officer, the external audit lead partner and the Head of Internal Audit.

6. Meetings

- 6.1. Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee Chair or any of its members, or at the request of the external audit lead partner, Head of Internal Audit or Chief Financial Officer 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 and 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. Committee papers may be forwarded at shorter notice with the approval of the Committee Chair.
- 6.3. Notices of meeting, agendas and supporting papers may be available in electronic format.
- 6.4. Decisions of the Committee will be made by majority vote. In the event of an equality of votes, the Committee Chair will have a second or casting vote.
- 6.5. Meetings of the Committee may be conducted when the members are physically present or in the form of video or audio conferences or some other electronic means enabling attendance and participation in the meeting.

7. Minutes of meetings

- 7.1. The secretary shall minute the proceedings and decisions of all Committee meetings, including recording the names of those present and in attendance.
- 7.2. The Secretary should ascertain, at the beginning of each meeting, the existence of any conflicts of interest, or any personal financial interest (other than as a shareholder) in any matter to be decided on, or any other matter which may compromise independence as a non-executive director and minute them accordingly.
- 7.3. Draft minutes of Committee meetings shall be circulated to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board and the Company Secretary unless, exceptionally, it would be inappropriate to do so in the opinion of the chair of the Committee.

8. Engagement with shareholders

- 8.1. The Committee Chair should attend the annual general meeting (the **AGM**) to answer any shareholder questions on the Committee's activities. In addition, the Committee Chair should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

9. Duties

- 9.1. The Committee should have oversight of the Mortgage Advice Bureau group of companies as a whole and, unless required otherwise by regulation, carry out the duties below for the parent company (Mortgage Advice Bureau (Holdings) plc), and all major subsidiary undertakings, 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, preliminary results announcements and any other formal statements relating to its financial performance, and review and report to the Board on significant financial reporting issues and judgements which those statements contain having regard to matters communicated to it by the auditor.
 - 9.2.2. In particular, the Committee shall review and challenge where necessary:
 - 9.2.2.1. the application of significant accounting policies and any changes to them;
 - 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 adopted appropriate accounting policies and made appropriate estimates and judgements, taking into account the external auditor's views on the financial statements;
 - 9.2.2.4. the clarity and completeness of disclosures in the financial statements and the context in which statements are made;
 - 9.2.2.5. all material information presented with the financial statements, including the strategic report and the corporate governance statements relating to the audit and to risk management;

- 9.2.2.6. the assumptions or qualifications in support of the going concern statement (including any material uncertainties as to the Company's ability to continue as a going concern over a period of at least twelve months from the date of approval of the financial statements), and the longer term viability statement (including of the prospects of the Company looking forward over an appropriate and justified period); and
 - 9.2.2.7. the legality of any proposed dividend and the Company's ability to pay it and remain a going concern.
 - 9.2.3. The Committee shall review any other statements requiring approval by the Board which contain financial information first, where to carry out a review prior to approval by the Board would be practicable and consistent with any prompt reporting requirements under any law or regulation including the Financial Conduct Authority's UK Listing Rules, the prospectus regime (where relevant) and Disclosure Guidance and Transparency Rules sourcebook.
 - 9.2.4. The Committee shall receive assurance from the Board Sustainability Committee on any ESG or Sustainability focussed disclosures prior to its own review.
 - 9.2.5. 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.
 - 9.2.6. The Committee shall undertake an annual review of the internal process for the preparation of financial reports and publications to ensure integrity and robustness.
- 9.3. Narrative reporting
- 9.3.1. Where requested by the Board, the Committee should review the content of the annual report and accounts and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy and whether it informs the Board's statement in the annual report on these matters that is required under the Code.
- 9.4. Internal audit
- The Committee shall:
- 9.4.1. approve the appointment or termination of appointment of the Head of Internal Audit function;
 - 9.4.2. review and approve the role and mandate of internal audit, monitor and review the effectiveness of its work, and annually approve the internal audit charter ensuring it is appropriate for the current needs of the Company;
 - 9.4.3. review and approve the annual internal audit plan, including any amendments, to ensure it is aligned to the key risks of the business, and receive regular reports on work carried out;
 - 9.4.4. ensure internal audit has unrestricted scope, the necessary resources and

access to information to enable it to fulfil its mandate, ensure there is open communication between different functions and that the internal audit function evaluates the effectiveness of these functions as part of its internal audit plan, and ensure that the internal audit function is equipped to perform in accordance with appropriate professional standards for internal auditors;

- 9.4.5. ensure that the internal auditor has direct access to the Chair of the Board to the Committee Chair and to the Chair of the Risk Committee, providing independence from the executive and accountability to the Committee;
- 9.4.6. carry out an annual assessment of the effectiveness of the internal audit function and as part of this assessment:
 - 9.4.6.1. meet with the Head of Internal Audit without the presence of management to discuss the effectiveness of the function;
 - 9.4.6.2. review and assess the annual internal audit work plan;
 - 9.4.6.3. receive a report on the results of the internal auditor's work;
 - 9.4.6.4. determine whether it is satisfied that the quality, experience and expertise of internal audit is appropriate for the business; and
 - 9.4.6.5. review the actions taken by management to implement the recommendations of internal audit and to support the effective working of the internal audit function;
- 9.4.7. monitor and assess the role and effectiveness of the internal audit function in the overall context of the Company's risk management system and the work of compliance, finance and the external auditor; and
- 9.4.8. consider whether an independent, third party review of processes is appropriate.

9.5. External Audit

The Committee shall:

- 9.5.1. 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;
- 9.5.2. ensure that at least once every ten years the audit services contract is put out to tender to enable the Committee to compare the quality and effectiveness of the services provided by the incumbent auditor with those of other firms and, in respect of such tender, develop and oversee the selection process in accordance with applicable regulatory requirements, the Code and the FRC Minimum Standard and ensure all tendering firms have such access as is necessary to information and individuals during the tendering process;
- 9.5.3. if an external auditor resigns, investigate the issues leading to this and decide whether any action is required;
- 9.5.4. oversee the relationship with the external auditor, including (but not limited to):

- 9.5.4.1. approve their remuneration, including both fees for audit and non-audit services, and ensure that the level of fees is appropriate to enable an effective and high-quality audit to be conducted; and
- 9.5.4.2. approve their terms of engagement, including any engagement letter issued at the start of each audit and the scope of the audit;
- 9.5.5. assess annually the external auditor's independence and objectivity taking into account relevant law, regulation, the FRC's Revised Ethical Standard 2024 and other professional requirements and the Company's relationship with the auditor as a whole, including any threats to the auditor's independence and the safeguards applied to mitigate those threats including the provision of any non-audit services;
- 9.5.6. satisfy itself that there are no relationships between the auditor and the Company (other than in the ordinary course of business) which could adversely affect the auditor's independence and objectivity;
- 9.5.7. agree with the Board a policy on the employment of former employees of the Company's auditor, taking into account the FRC's Revised Ethical Standard 2024 and legal requirements, and monitor the application of that policy;
- 9.5.8. monitor the auditor's processes for maintaining independence, its compliance with relevant law, the FRC Minimum Standard, regulation, other professional requirements and the FRC's Revised Ethical Standard 2024, including the guidance on the rotation of audit partner and staff;
- 9.5.9. monitor the level of fees paid by the Company to the external auditor compared to the overall fee income of the firm, office and partner and assess these in the context of relevant legal, professional and regulatory requirements, guidance and the FRC Revised Ethical Standard 2024;
- 9.5.10. assess annually the qualifications, expertise and resources, and independence of the external auditor and the effectiveness of the external audit process, which shall include a report from the external auditor on their own internal quality procedures;
- 9.5.11. seek to ensure coordination of the external audit with the activities of the internal audit function;
- 9.5.12. evaluate the risks to the quality and effectiveness of the financial reporting process in light of the external auditor's communications with the Committee and consideration of the need to include the risk of withdrawal of the auditor from the market in that evaluation;
- 9.5.13. develop and recommend to the Board the Company's formal policy on the provision of non-audit services by the auditor, including prior approval of non-audit services by the Committee and specifying the types of non-audit service to be preapproved, and assessment of whether non-audit services have a direct or material effect on the audited financial statements. The policy should include consideration of the following matters:
 - 9.5.13.1. threats to the independence and objectivity of the external auditor and any safeguards in place;

- 9.5.13.2. the nature of the non-audit services;
 - 9.5.13.3. whether the external audit firm is the most suitable supplier of the non-audit service;
 - 9.5.13.4. the fees for the non-audit services, both individually and in aggregate, relative to the audit fee; and
 - 9.5.13.5. the criteria governing compensation;
 - 9.5.14. meet regularly with the external auditor (including once at the planning stage before the audit and once after the audit at the reporting stage) and, at least once a year, meet with the external auditor without management being present, to discuss the auditor's remit and any issues arising from the audit;
 - 9.5.15. discuss with the external auditor the factors that could affect audit quality and review and approve the annual audit plan, ensuring it is consistent with the scope of the audit engagement, having regard to the seniority, expertise and experience of the audit team;
 - 9.5.16. review the findings of the audit with the external auditor. This shall include but not be limited to, the following:
 - 9.5.16.1. a discussion of any major issues which arose during the audit;
 - 9.5.16.2. the auditor's explanation of how the risks to audit quality were addressed;
 - 9.5.16.3. key accounting and audit judgements;
 - 9.5.16.4. the auditor's view of their interactions with senior management; and
 - 9.5.16.5. levels of errors identified during the audit;
 - 9.5.17. review any representation letter(s) requested by the external auditor before it is (they are) signed by management;
 - 9.5.18. review the management letter and management's response to the auditor's findings and recommendations;
 - 9.5.19. review 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; and
 - 9.5.20. report to the Board and shareholders on how the Committee has discharged its responsibilities with respect to the external audit.
- 9.6. Other responsibilities
- 9.6.1. The Committee will conduct, on at least an annual basis, a review of the Financial Position and Prospects Procedures memorandum to ensure compliance or note where updates should be considered.

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 shall also formally report to the Board on how it has discharged its responsibilities. This report shall include:
 - 10.1.1. the significant issues that it considered in relation to the financial statements (required under paragraph 8.2.1) and how these were addressed;
 - 10.1.2. its assessment of the effectiveness of the external audit process (required under paragraph 8.7.10), the approach taken to the appointment or reappointment of the external auditor, length of tenure of audit firm, when a tender was last conducted and advance notice of any retendering plans; 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, and adequate time should be available for Board discussion when necessary.
- 10.3. The Committee shall compile a report on its activities to be included in the Company's annual report. The report should describe the work of the Committee, including:
 - 10.3.1. the significant issues that the Committee considered in relation to the financial statements and how these issues were addressed;
 - 10.3.2. an explanation of how the Committee has assessed the independence and effectiveness of the external audit process and the approach taken to the appointment or reappointment of the external auditor, information on the length of tenure of the current audit firm, when a tender was last conducted and advance notice of any retendering plans; and
 - 10.3.3. an explanation of how auditor independence and objectivity are safeguarded if the external auditor provides non-audit services, having regard to matters communicated to it by the auditor and all other information requirements set out in the Code and the FRC Minimum Standard.
- 10.4. In compiling the reports referred to in 9.1 and 9.3, 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 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.
- 10.5. In conjunction with the Risk Committee, the Committee will provide advice to the Remuneration Committee of the Board on any risk weightings to be applied to performance objectives incorporated in the incentive structure for executive remuneration and make recommendations to the Remuneration Committee on clawback provisions.

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 secretariat for advice and 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 Code and published guidance, the requirements of the Financial Conduct Authority's UK Listing Rules, the prospectus regime and Disclosure Guidance and Transparency Rules sourcebook and any other applicable rules, as appropriate;
- 11.4. be responsible for oversight of the coordination 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 ensuring interaction between committees and with the Board is reviewed regularly, taking particular account of the impact of risk management and internal controls being delegated to different committees, and in particular the Risk Committee;
- 11.7. ensure that a periodic evaluation of the Committee's performance is carried out; and
- 11.8. 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 for approval.

12. Authority

The Committee is authorised to:

- 12.1. request the attendance of any employee at a meeting of the Committee and/or seek any information it requires from any employee of the Company in order to perform its duties;
- 12.2. obtain, at the Company's expense, independent legal, accounting or other professional advice on any matter if it believes it necessary to do so; and
- 12.3. 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. If the Board has not accepted the Committee's recommendation on the external auditor appointment, reappointment or removal, the annual report should include a statement explaining the Committee's recommendation and the reasons why the Board has taken a different position.

Approved by the board of directors of Mortgage Advice Bureau (Holdings) plc on 30 March 2026.