

**LIVANOVA PLC**  
**AUDIT & COMPLIANCE COMMITTEE CHARTER**

**General Purpose**

The Audit & Compliance Committee (the “Committee”) of LivaNova PLC (the “Company”) is appointed by the Board of Directors of the Company (the “Board”) to assist the Board and to perform an oversight function with respect to the following:

- (1) reviewing the Company’s consolidated financial statements and internal controls (including reporting structures) with management and the independent auditors;
- (2) monitoring actions taken by the Company to comply with its internal accounting and control policies as well as external financial, legal and regulatory requirements;
- (3) monitoring the Company’s internal audit function;
- (4) consideration of regular reports from the IT Function;
- (5) reviewing the qualifications and independence of the registered public accounting firm engaged for the purpose of auditing our consolidated financial statements and issuing an audit report for inclusion in the Company’s Annual Report on Form 10-K (“independent auditors”);
- (6) selecting - subject to shareholder approvals required - the Company’s independent auditors and evaluating their performance; and
- (7) reviewing and approving the Company’s investment policy (including, without limitation, any investment guidelines with regard to maturity, liquidity, risk and diversification) and any modifications thereto. The Committee will also review foreign currency strategy, including the use of hedging instruments, and advise the Board with respect to the Company’s key investment objectives and strategies.

**Selection of Members of the Committee**

The Committee shall be comprised of three or more directors, as determined by the Board or the Nominating & Corporate Governance Committee of the Board, none of whom shall be an affiliate of the Company or an employee or a person who receives any compensation from the Company other than fees paid for service as a director, and at least one of whom shall qualify as a “financial expert” as defined by the Securities and Exchange Commission (“SEC”). The Chairman of the Board shall not be a member of the Committee. The members of the Committee shall be elected by the Board or the Nominating & Governance Committee of the Board and shall serve until their successors shall be duly elected and qualified/for a period of up to three years extendable by no more than two additional three-year periods, so long as the members continue to be “independent.” The chairperson of the Committee shall be designated by the Board or, if no such designation is made, shall be selected by the affirmative vote of the majority of the Committee. Each member shall be “independent” as defined from time to time by the

listing standards of the NASDAQ Stock Market LLC (the “NASDAQ”) and by applicable regulations of the SEC and a non-executive director. If the Company’s securities are listed on any other exchange, the Committee shall meet the independence and experience requirements of such exchange. Each member of the Committee shall be financially literate and must meet such other qualifications as may be established by the NASDAQ and the SEC.

### **Accountability of the Independent Auditors**

The independent auditors are accountable to the Committee. Subject to the approval of the shareholders pursuant to the UK Companies Act 2006, the Committee shall have the sole authority and responsibility with respect to the selection, engagement, compensation, oversight, evaluation and where appropriate, dismissal of the Company’s independent auditors.

### **Authority and Responsibilities of the Committee**

The Committee has the authority, at the Company’s expense, to retain professional advisors, including without limitation special legal, accounting or other consultants, to advise the Committee, as the Committee deems necessary or advisable in connection with the exercise of its powers and responsibilities as set forth in this Committee Charter, all on such terms as the Committee deems necessary or advisable.

Only members of the Committee have the right to attend Committee meetings. The Committee may require or invite any officer or employee of the Company or its subsidiary, the Company’s outside legal counsel or the Company’s independent internal or external auditor to attend a meeting, in whole or in part, of the Committee or to meet with any members of, or consultants to, the Committee as and when appropriate and necessary.

The Committee shall be responsible for the resolution of any disagreements between the independent auditors and management regarding the Company’s financial reporting.

The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditors employed by the Company for the purpose of rendering or issuing an audit report, compensation to any legal, accounting or other professional advisers employed by the Committee engaged for any matter it believes it is necessary to do so, and ordinary administrative expenses that are necessary or appropriate in carrying out the Committee’s duties.

The Committee should meet at least quarterly with management, internal auditors and the independent auditor in separate executive sessions to discuss any matter that the Committee or any of these groups believes should be discussed privately. The Chairman of the Committee shall develop and set the Committee’s agenda for each meeting, in consultation with other members of the Committee, the Board and designated members of management. The Chairman of the Committee, along with other members of the Committee, shall review any issues that arise with respect to the Company’s financial statements, compliance with legal or regulatory requirements, performance of the independent auditor or performance of Internal Audit, as well as any actions taken by the Committee, with the Board at the next regularly scheduled Board meeting.

The Committee shall 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.

In connection with the general purpose, powers and responsibilities set forth above, the Committee shall also:

#### Independent Auditor

1. Subject to the approval of the shareholders at the Annual General Meeting, pursuant to the UK Companies Act 2006, appoint the independent auditor and approve the fees to be paid to the independent auditor, which firm is ultimately accountable to the Committee.
2. Annually review the experience and qualifications of the senior members of the independent auditor team, the effectiveness of the audit process and the quality control procedures of the independent auditor (which shall be described in a report provided by the independent auditor). Evaluate the performance of the independent auditor and, subject to shareholder approvals required, replace the independent auditor if appropriate.
3. Review and approve the plan and scope of the audit, non-audit services and the fees to be paid for such services, ensuring that these services are consistent with the terms of engagement.
4. Review and approve the terms of engagement, including any engagement letter issued at the start of each audit and the scope of the audit. 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 audit firms; and in respect of such tender oversee the selection process and ensure that all tendering firms have such access as is necessary to information and individuals during the duration of the tendering process.
5. If the independent auditor resigns, investigate the issues leading to this and decide whether any action is required.
6. Review and approve the Company's hiring of employees of the independent auditor who were engaged on the Company's account.
7. Receive periodic reports from the independent auditor, including a formal written statement delineating all relationships between the auditor and the Company, regarding the auditor's independence consistent with rules adopted by the Public Company Accounting Oversight Board, regulations of the Securities and Exchange Commission, and the listing requirements of the NASDAQ and the London Stock Exchange, discuss such reports with the auditor and take appropriate action to oversee the auditor's independence. Confirm that there are no relationships (such as family, employment, investment, financial or business)

between the independent auditor and the Company which could adversely affect the independence and objectivity of the independent auditor.

8. Monitor the independent auditor's compliance with relevant ethical and professional guidance on the rotation of the audit partner, the level of fees paid by the Company compared to the overall income of the firm, office and partner and other related requirements.
9. Work to ensure proper co-ordination between the activities of the independent auditor and the Company's internal audit department.
10. Meet regularly with the independent auditor (including once at the planning stage before an audit and once after an audit at the reporting stage) and at least once a year, without management being present, to discuss payment of the independent auditor and any issues arising from the audit.
11. Review the findings of any audit with the independent auditor, which review shall include but not be limited to, the following:
  - (a) a discussion of any major issues which arose during the audit;
  - (b) key accounting and audit judgments;
  - (c) levels of errors identified during the audit; and
  - (d) the effectiveness of the audit process.
12. Review the management letter and management's response to the independent auditor's findings and recommendations.
13. Develop and implement policy on the supply of non-audit services by the independent auditor to avoid any threat to auditor objectivity and independence, taking into account any relevant ethical guidance on the matter.

#### Financial Statements

14. Review with management and the independent auditor, and monitor the integrity of, the Company's quarterly or annual consolidated financial information prior to the filing of the Company's Quarterly Report on Form 10-Q or Annual Report on Form 10-K and half-yearly reports, as the case may be, or prior to the release of earnings and meet at least quarterly with the Chief Financial Officer and the independent auditor in separate executive sessions.
15. Discuss and review with the independent auditor issues on which it has consulted with its national office of the independent auditor.
16. Review, discuss with management and the independent auditor, and challenge where necessary, the annual audited consolidated financial statements, including

major issues regarding accounting and auditing principles and practices, the methods used to account for significant or unusual transactions where different approaches are possible, as well as the adequacy of internal controls that could significantly affect the Company's consolidated financial statements. Based on the foregoing review, make its recommendation to the Board as to the inclusion of the Company's annual consolidated financial statements in the Company's Annual Report on Form 10-K.

17. Review with management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's consolidated financial statements, including a review of the effect of generally accepted accounting principles in the United States ("GAAP") and international financial reporting standards as adopted in the European Union (IFRS) methods on the Company's consolidated financial statements when new material procedures, transactions or policies are adopted or approved or changes are made to material procedures or policies and a description of any transactions as to which management obtained Statement on Auditing Standards No. 50 letters.
18. Review with management, the independent auditor and counsel, as appropriate, and challenge, where necessary, the effect of financial, regulatory and accounting initiatives and related disclosure requirements, including the clarity and completeness of disclosure in the Company's financial reports and the context in which statements are made, and all material information presented with the financial statements, such as the business review and the corporate governance statements relating to the audit and risk management. Discuss the impact of off-balance sheet structures, if any, on the Company's consolidated financial statements.
19. Meet periodically with management to review the Company's major financial risk exposures, including risk exposures of the type disclosed in connection with the Company's discussion of quantitative and qualitative market risks in its Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K, and the steps management has taken to monitor and control such exposures.
20. Review major changes to the Company's auditing and accounting principles and practices as suggested by the independent auditor, internal auditors or management.
21. Review with the Company's Chief Financial Officer and the independent auditor that nothing has come to their attention that would lead them to believe that the Company's foreign subsidiary and foreign affiliated entities are not in conformity with applicable legal requirements, including disclosures of insider and affiliated party transactions.
22. Discuss with the independent auditor the matters required to be discussed by GAAP and IFRS relating to the conduct of the Company's audit.

23. Review with management and the independent auditor any correspondence with regulators or governmental agencies and any employee complaints, whistleblower notifications or published reports that raise material issues regarding the Company's consolidated financial statements, accounting policies or internal controls.
24. Review with the independent auditor any problems or difficulties the auditor may have encountered, including:
  - (a) any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information, and any disagreements with management; and
  - (b) any changes required in the planned scope of the audit.
25. Monitor actions taken by the Company in response to any internal control letters or other reports to management provided by the internal auditors or independent auditors.
26. Review the Company's policies with respect to conflicts of interest.
27. Review and approve all related-person transactions.
28. Review and approve the report of the Committee required by the rules of the SEC to be included in the Company's annual proxy statement.
29. Where requested by the Board, review the content of the Company's Annual Report and accounts and provide its view to 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.
30. 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.

#### Internal Audit

31. Review and approve the hiring, reassignment or dismissal of the Director of Internal Audit, and review compensation of the Director of Internal Audit. The Director of Internal Audit will report to the Committee. The Chief Financial Officer will have day-to-day administrative responsibility for the Director of Internal Audit.
32. Review and approve an annual audit plan prepared by the Director of Internal Audit regarding objectives, organizational structure, qualifications and staffing of the internal audit department. Review and approve any major changes to the scope of the internal audit plan.

33. Review the annual budget for Internal Audit to assure that it contains resources necessary to complete the annual audit plan in accordance with appropriate professional standards for internal auditors.
34. Discuss with the Director of Internal Audit any significant uncorrected failures of internal control, improper conduct or other significant financial or accounting matters that, in the opinion of the Director of Internal Audit, are not receiving adequate management attention.
35. Ensure the Director of Internal Audit has access to the Board Chairman and to the Committee Chairman, and is accountable to the Committee.
36. Review and monitor management's responsiveness to the Director of Internal Audit's findings and recommendations.
37. Meet with the Director of Internal Audit once a year without the presence of management.
38. Monitor and review the effectiveness of the Company's internal audit function in the context of the Company's overall risk management system.

#### Ethical and Legal Compliance

39. Review with management, the internal auditors and the independent auditors the Company's policies and procedures regarding compliance with its internal policies, as well as applicable laws and regulations, including without limitation with respect to maintaining books, records and accounts and a system of internal accounting controls in accordance with Section 13(b)(2) of the Securities Exchange Act of 1934, as amended.
40. Establish, and review the adequacy and security of, procedures for (a) the receipt, retention and treatment of complaints received regarding accounting, internal accounting controls and auditing matters and (b) the confidential, anonymous submissions by employees of concerns regarding questionable accounting or auditing matters.
41. Review the Company's procedures for detecting fraud, and any disclosures provided by the Chief Executive Officer or the Chief Financial Officer to the Committee regarding (a) significant deficiencies in the design or operation of internal controls that could adversely affect the Company's ability to record, process, summarize and report financial data and (b) any fraud, including that which involves management or other employees who have a significant role in the Company's internal controls.
42. Investigate at its discretion any matter brought to its attention by, without limitation by enumeration, reviewing the Company's books, records and facilities and interviewing Company officers or employees and ensure appropriate follow-up action.

43. Review the Company's systems and controls for the prevention of bribery and receive reports on non-compliance.
44. Review with the Company's General Counsel and Compliance Officer legal and compliance matters that may have a material impact on the consolidated financial statements, the Company's compliance policies and compliance program and any material reports or inquiries received from regulators or governmental agencies.
45. Review regular reports from the money laundering reporting officers and the adequacy and effectiveness of the Company's anti-money laundering systems and controls.
46. Inquire of the independent auditor whether any violation of Section 10A (relating to the detection of illegal acts that may have a direct and material effect on the determination of financial statement accounts) of the Securities Exchange Act of 1934, as amended, has been detected.
47. Review the appointment and any replacement of the Chief Financial Officer, the Company's Compliance Officer(s), and internal auditor.
48. Review regular reports from the Company's Compliance Officer and keep under review the adequacy and effectiveness of the Company's compliance function.

#### Internal controls and risk management

49. Review the adequacy and effectiveness of the Company's internal financial controls and internal controls and risk management systems.
50. Review and approve the statements to be included in the Company's Annual Report concerning internal controls and risk management.

#### General

51. Review and reassess the adequacy of this Committee Charter annually and recommend any proposed changes to the Board for approval.
52. Conduct an annual self-evaluation of Committee organization and operation.
53. Perform any other activities consistent with this Committee Charter, the Company's Certificate of Incorporation and Bylaws, listing standards of the NASDAQ and governing law as the Committee or the Board deems necessary or appropriate.

#### **Limitation on Responsibilities and Powers**

While the Committee has the responsibilities and powers set forth above in this Committee Charter, it is not the duty or responsibility of the Committee to plan or conduct audits of the Company's consolidated financial statements and internal controls or to determine that the

Company's consolidated financial statements are complete and accurate and are in accordance with GAAP and IFRS. These activities shall remain the responsibility of management and the independent auditor.

#### Reporting responsibilities

The Committee Chairman 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:

- the significant issues that it considered in relation to the financial statements and how these were addressed;
- its assessment of the effectiveness of the independent audit process and its recommendation on the appointment or reappointment of the independent auditor; and
- any other issues on which the Board has requested the Committee's opinion.

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

The Committee shall compile a report on its activities to be included in the Company's Annual Report. The report should include an explanation of how the committee has addressed the effectiveness of the independent audit process; the significant issues that the Committee considered in relation to the financial statements and how these issues were addressed, having regard to matters communicated to it by the auditor; and any other information which may be relevant to the shareholder in this regard.

In the compiling the reports referred to in this section, the Committee should exercise judgment 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. The report to shareholders need not repeat information disclosed elsewhere in the Company's Annual Report and accounts, but could provide cross-references to that information.

#### Procedures

1. **Meetings.** The Committee shall meet at the call of its members or at the request of the independent audit lead partner or head of internal audit if they consider it necessary. The Committee shall meet at least four times a year at appropriate intervals in the financial reporting and audit cycle and otherwise as required.
2. **Quorum.** The quorum necessary for the transaction of business shall be two members.
3. **Annual Report.** The Committee will prepare and adopt a report on its activities for incorporation in the Corporate Governance Statement.

4. **Contact.** Outside of the formal meeting program, the Committee Chairman will maintain dialogue with key individuals involved in the Company's governance, including the Board Chairman, the CEO, the finance director, the independent audit lead partner and the head of internal audit.
5. **Resources.** The Committee shall have access to sufficient resources in order to carry out its duties.
6. **Training.** The Committee shall be provided with appropriate and timely training, provided on a continuous basis, both in the form of an induction program for new members and on an ongoing basis for all members.
7. **Law and Regulation.** The Committee shall give due consideration to the laws, regulation and any published guidelines, including but not limited to the listing requirements of the NASDAQ, the requirements of the UK Financial Conduct Authority's Listing, Prospectus and Disclosure and Transparency Rules, and any other applicable laws as appropriate.
8. **Co-ordination.** The Committee shall be responsible for the co-ordination of the internal auditor and independent auditors.
9. **Investigation** The Committee shall oversee any investigations which are within its Charter.
10. **Review of Charter.** Each year, the Committee shall review and evaluate, and at least annually review its constitution and Charter to ensure it is operating at maximum effectiveness, and recommend any changes it considers necessary to the Board.
11. **Annual General Meeting.** The Committee Chairman should attend the annual general meeting to answer shareholder questions on the committee's activities.