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<b>Charter of the Audit and Compliance Committee of Livanova PLC</b>			
<b>Policy #</b>	<b>n/a</b>	<b>Audience</b>	All
<b>Issue date:</b>	24 July 2019	<b>Approver</b>	Board

# Charter of the Audit and Compliance Committee of Livanova PLC

Original: 19 October 2015  
Updated: 24 October 2017  
17 October 2018  
Last Reviewed: 24 July 2019 (no updates)



## 1. MEMBERSHIP

### 1.1. Number.

The Audit and Compliance Committee (the "Committee") of the board of directors (the "Board") of LivaNova Plc (the "Company") shall consist of three or more directors and shall not include the Chair of the Board.

### 1.2. Independence.

Each member of the Committee shall be independent in accordance with the requirements of Rule 10A-3 of the Securities Exchange Act of 1934 and the rules of NASDAQ. No member of the Committee can have participated in the preparation of the Company's or any of its subsidiaries' financial statements at any time during the past three years.

### 1.3. Financial expertise.

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement. At least one member of the Committee must have past employment experience in finance or accounting, requisite professional certification in accounting or other comparable experience or background that leads to financial sophistication. At least one member of the Committee must be an "audit committee financial expert" as defined in Item 407(d)(5)(ii) of Regulation S-K. A person who satisfies this definition of audit committee financial expert will also be presumed to have financial sophistication.

### 1.4. Overboarding.

No member of the Committee may serve simultaneously on the audit committee of more than two other public companies. In addition, the chairman of the Committee may not serve simultaneously on the audit committee of more than one other audit committee of a public company.

### 1.5. Term.

The members of the Committee shall be appointed by the Board based on recommendations from the Nominating and Corporate Governance Committee of the Board. The members of the Committee shall serve for such term or terms as the Board may determine or until earlier resignation or death. The Board may remove any member from the Committee at any time with or without cause.

## 2. PURPOSE

### 2.1. The purpose of the Committee is:

- 2.1.1. to oversee the Company's accounting, financial reporting and disclosure processes and the audit of the Company's financial statements;
- 2.1.2. to review the Company's internal controls (including reporting structures) with management and the independent auditors;
- 2.1.3. to oversee the Company's compliance function;

- 2.1.4. to monitor actions taken by the Company to comply with its internal accounting and control policies as well as external financial, legal and regulatory requirements;
- 2.1.5. to monitor the Company's internal audit function;
- 2.1.6. to consider regular reports from the Company's information technology function;
- 2.1.7. to review the qualifications and independence of the registered public accounting firm engaged for the purpose of auditing the Company's consolidated financial statements and issuing an audit report for inclusion in the Company's Annual Report on Form 10 K ("independent auditors");
- 2.1.8. to select, subject to required shareholder approvals, the Company's independent auditors and to evaluate their performance; and
- 2.1.9. To fulfill the above obligations, the Committee relies on: management for the preparation and accuracy of the Company's financial statements; both management and the Company's internal audit function for establishing effective internal controls and procedures to ensure the Company's compliance with accounting standards, financial reporting procedures and applicable laws and regulations; and the Company's independent auditors for an unbiased, diligent audit or review, as applicable, of the Company's financial statements and the effectiveness of the Company's internal controls over financial reporting. The members of the Committee are not employees of the Company and are not responsible for conducting the audit or performing other accounting procedures.

## 3. DUTIES AND RESPONSIBILITIES

**3.1. The Board delegates to the Committee the express authority in respect of the following responsibilities:**

**3.2. Independent Auditors.**

3.2.1. The following provisions shall apply in respect of the independent registered public accounting firm engaged for the purposes of the audit of the Company and Group's (as defined hereinafter) US GAAP financial statements and in respect of the statutory audit auditors engaged for the purposes of the audit required pursuant to the UK *Companies Act 2006*, as the case may be.

**3.2.2. Selection, Appointment and Compensation.**

3.2.2.1. to select and retain an independent registered public accounting firm to act as the Company's independent auditors for the purpose of auditing the Company's annual financial statements, books, records, accounts and internal controls over financial reporting, subject to approval by the Company's shareholders of the selection of the independent auditors,

3.2.2.2. to set the compensation of the Company's independent auditors,

3.2.2.3. to oversee the work done by the Company's independent auditors,

- 3.2.2.4. to terminate the Company's independent auditors, if necessary, and
- 3.2.2.5. to select, retain, compensate, oversee and terminate, if necessary, any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company.

### 3.2.3. **Pre-Approval of Audit and Non-Audit Services.**

- 3.2.3.1. to approve all audit engagement fees and terms; and
- 3.2.3.2. to pre-approve all audit and permitted non-audit and tax services that may be provided by the Company's independent auditors, and establish policies and procedures for the Committee's pre-approval of permitted services by the Company's independent auditors on an on-going basis.

### 3.2.4. **Statement from Independent Registered Public Accounting Firm.** At least annually, to obtain and review a report by the Company's independent auditors that describes:

- 3.2.4.1. the accounting firm's internal quality control procedures,
- 3.2.4.2. any material issues raised by the most recent internal quality control review, peer review or Public Company Accounting Oversight Board review or inspection of the firm or by any other inquiry or investigation by governmental or professional authorities in the past five years regarding one or more audits carried out by the firm and any steps taken to deal with any such issues, and
- 3.2.4.3. all relationships between the firm and the Company or any of its subsidiaries or any persons in a financial reporting oversight role at the Company or any of its subsidiaries, consistent with Public Company Accounting Oversight Board (the "PCAOB") Rule 3526 and to discuss with the independent auditors this report and any relationships or services that may impact the objectivity and independence of the auditors.

### 3.2.5. **Review of the Company's Registered Accounting Firm.** At least annually, to evaluate the qualifications, performance and independence of the Company's independent auditors, including an evaluation of the lead audit partner; and to assure the regular rotation of the lead audit partner at the Company's independent auditors and to consider periodic rotation of the accounting firm serving as the Company's independent auditors.

### 3.2.6. **Scope of Audit and Review of Audit.** To review and discuss with the Company's independent auditors:

- 3.2.6.1. the auditors' responsibilities under generally accepted auditing standards and the responsibilities of management in the audit process,
- 3.2.6.2. the overall audit strategy,
- 3.2.6.3. the scope and timing of the annual audit,

3.2.6.4. any significant risks identified during the auditors' risk assessment procedures and

3.2.6.5. when completed, the results, including significant findings, of the annual audit.

### 3.2.7. Accounting Report.

3.2.7.1. To review and discuss with the Company's independent auditors

3.2.7.1.1. all critical accounting policies and practices to be used in the audit;

3.2.7.1.2. all alternative treatments of financial information within generally accepted accounting principles ("**GAAP**") that have been discussed with management, the ramifications of the use of such alternative treatments and the treatment preferred by the auditors; and

3.2.7.1.3. other material written communications between the auditors and management.

3.2.7.2. To review with management and the Company's independent auditors: any major issues regarding accounting principles and financial statement presentation, including any significant changes in the Company's selection or application of accounting principles; any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including the effects of alternative GAAP methods; and the effect of regulatory and accounting initiatives and off-balance sheet structures on the Company's financial statements.

3.2.8. **Related Party Transactions and the Audit.** To keep the Company's independent auditors informed of the Committee's understanding of the Company's relationships and transactions with related parties that are significant to the company; and to review and discuss with the Company's independent auditors the auditors' evaluation of the Company's identification of, accounting for, and disclosure of its relationships and transactions with related parties, including any significant matters arising from the audit regarding the Company's relationships and transactions with related parties.

3.2.9. **Internal Controls Review with Auditors.** To review with management, the internal audit function and the Company's independent auditors the adequacy and effectiveness of the Company's financial reporting processes, internal control over financial reporting and disclosure controls and procedures, including any significant deficiencies or material weaknesses in the design or operation of, and any material changes in, the Company's processes, controls and procedures and any special audit steps adopted in light of any material control deficiencies, and any fraud involving management or other employees with a significant role in processes, controls and procedures.

3.2.10. **Other Communications with Auditors.** To review and discuss with the Company's independent auditors any other matters required to be discussed by applicable auditing standards, including, without limitation, the auditors' evaluation

of the quality of the company's financial reporting, information relating to significant unusual transactions and the business rationale for such transactions and the auditors' evaluation of the company's ability to continue as a going concern.

### 3.3. Financial Reporting.

- 3.3.1. **10-K, Audit Opinion.** To review and discuss with the Company's independent auditors and management the Company's annual audited financial statements (including the related notes), the form of audit opinion to be issued by the auditors on the financial statements and the disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations" ("MD&A") to be included in the Company's annual report on Form 10-K before the Form 10-K is filed.
- 3.3.2. To recommend to the Board that the audited financial statements and MD&A section be included in the Company's Form 10-K and to produce the audit committee report required to be included in the Company's proxy statement.
- 3.3.3. **Review of 10-Q.** To review and discuss with the Company's independent auditors and management the Company's quarterly financial statements and the disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations" to be included in the Company's quarterly report on Form 10-Q before the Form 10-Q is filed.
- 3.3.4. **Approval of 10-Q.** To approve the quarterly report on Form 10-Q for filing.
- 3.3.5. **UK Statutory Accounts.** To review the UK Annual Report and Accounts and advise the Board as to whether taken as a whole, they are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.
- 3.3.6. **Audit Committee Report.** To review and approve the report of the Committee for inclusion in the US proxy statement, the UK annual report or other similar public document.
- 3.3.7. **Press Releases.** To review and discuss with management and the Company's independent auditors: the Company's earnings press releases, including the type of information to be included and its presentation and the use of any pro forma, adjusted or other non-GAAP financial information, before their release to the public; and any financial information and earnings guidance provided to analysts and ratings agencies, including the type of information to be disclosed and type of presentation to be made.

### 3.4. Internal Audit and Risk Management.

- 3.4.1. **Internal Audit.** To review, discuss with the Company's independent auditors, and approve the functions of the Company's internal audit department, including its purpose, authority, organization, responsibilities, budget and staffing; and to review the scope and performance of the department's internal audit plan, including the results of any internal audits, any reports to management and management's response to those reports; and to review and approve the hiring or dismissal of the Director of Internal Audit (or equivalent role reporting to the Audit and Compliance

Committee.)

### 3.4.2. Risk Management.

- 3.4.2.1. On behalf of the Board (which retains overall responsibility for risk management), to review and ensure oversight of the processes by which risks relating to the Company and its operations are managed, through regular functional reports and presentations, and report any issues arising out of such reviews to the Board.
- 3.4.2.2. On behalf of the Board, to review financial risks through regular functional reports and presentations, and report any issues arising out of such reviews to the Board.
- 3.4.2.3. To review the effectiveness of the risk management process of the Company and its subsidiaries (the "Group") in supporting the Group's strategy and objectives.
- 3.4.2.4. To review and discuss with management the risks faced by the Company and the policies, guidelines and process by which management assesses and manages the Company's risks, including the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.

3.4.3. **Cybersecurity.** To review and ensure oversight of the processes by which cybersecurity risks are managed, through regular functional reports and presentations, and report any issues arising out of such reviews to the Board.

3.5. **Hiring of Audit Personnel.** To set Company hiring policies for employees or former employees of the Company's independent auditors that participated in any capacity in any Company audit.

### 3.6. Compliance and Fraud.

- 3.6.1. To review the Company's compliance with applicable laws and regulations and to review and oversee the Company's policies, procedures and programs designed to promote and monitor legal, ethical and regulatory compliance.
- 3.6.2. To monitor compliance with the Company's Code of Business Conduct and Ethics (the "**Code**"), and the Company's investigation of alleged breaches or violations of the Code, and enforcement of the provisions of the Code.
- 3.6.3. *Whistleblowing.* To establish and oversee procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.
- 3.6.4. To review and approve the hiring or dismissal of the Chief Compliance Officer.
- 3.6.5. To review the Company's procedures for detecting fraud.



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- 3.6.6. To review the Company's systems and controls for the prevention of bribery, and to receive reports on non-compliance with respect to these.
- 3.7. **Legal.** To review, with the General Counsel and external legal counsel, legal and regulatory matters, including lawsuits or regulatory investigations that could have a significant impact on the Company's financial statements.
- 3.8. **Approval of Related Party Transactions.**

  - 3.8.1. To develop policies and procedures for the Committee's approval of related party transactions.
  - 3.8.2. To review, approve and oversee any transaction between the Company and any related person (as defined in Item 404 of Regulation S-K) and any other potential conflict of interest situations on an ongoing basis, in accordance with Company policies and procedures.
- 3.9. **Expenses.** The Committee shall receive annual reports from the Chief Accounting Officer or his/her designate in respect of (i) expenses of the executive leadership team (including the Chief Executive Officer and the Chief Financial Officer) and (ii) directors.
- 3.10. **Miscellaneous.**

  - 3.10.1. The Committee may perform any other activities and make such recommendations to the Board as are consistent with this Charter, the Company's Articles of Association, applicable listing standards and governing law, including, but not limited to, the right to investigate at its discretion any matter brought to its attention.
  - 3.10.2. The Committee shall have unrestricted access to the Company's employees, independent auditors, internal auditors and external counsel and may require any employee of the Company to attend a meeting of the Committee or to meet with any member of the Committee.

## 4. OUTSIDE ADVISORS

- 4.1. The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of independent outside counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. The Committee shall set the compensation, and oversee the work, of any such outside counsel and other advisors.
- 4.2. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to the Company's independent auditors, any other accounting firm engaged to perform services for the Company, any outside counsel and any other advisors to the Committee.

## 5. STRUCTURE AND OPERATIONS

- 5.1. **Chair.** The Board shall designate a member of the Committee as the chairperson.



- 5.2. **Frequency of meetings.** The Committee shall meet at least four times a year at such times and places as it deems necessary to fulfill its responsibilities.
- 5.3. **Reports to the Board.** The Committee shall report regularly to the Board on its discussions and actions, including any significant issues or concerns that arise at its meetings, and shall make recommendations to the Board as appropriate.
- 5.4. **Rules Governing Meetings, etc.**
  - 5.4.1. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and voting requirements as are applicable to the Board.
  - 5.4.2. Quorum is two members.
  - 5.4.3. Only members of the Committee have the right to attend the Committee meetings. The Committee may require or invite any officer or employee of the Company or its subsidiaries, the Company's external legal counsel, or the Company's independent internal or external auditors 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.
- 5.5. **Executive Sessions.** The Committee shall meet separately periodically with the Director of Internal Audit, the Chief Compliance Officer, the Chief Accounting Officer, the Chief Financial Officer and representatives of the Company's independent auditors, and shall invite such individuals to its meetings as it deems appropriate, to assist in carrying out its duties and responsibilities. The Committee shall also meet regularly without such individuals present.
- 5.6. **Charter Review.** The Committee shall review this Charter at least annually and recommend any proposed changes to the Board for approval.
- 5.7. **Secretary of the meeting.** The Company Secretary shall be the secretary of the Committee.

## 6. DELEGATION OF AUTHORITY

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.

## 7. PERFORMANCE EVALUATION

The Committee shall conduct an annual evaluation of the performance of its duties under this Charter and shall present the results of the evaluation to the Board. The Committee shall conduct this evaluation in such manner as it deems appropriate.