

1. Introduction

- 1.1 The Public Interest Committee ("PIC") has been established to enable the firm's Independent Non-Executives ("INEs") to fulfil their functions under the Audit Firm Governance Code (Revised) 2022 ("AFGC"). It also enables the INEs to fulfil provision 30 of the AFGC by providing a forum through which the INEs can meet regularly as a private group to discuss matters relating to their remit.
- 1.2 The PIC has the delegated authority of the Oversight Board ("OB") in respect of the functions and powers set out in these Terms of Reference.

2. Purpose and Objectives of the PIC

- 2.1 The primary objective of the PIC is to enhance the firm's ability to meet the AFGC purpose by:
- promoting audit quality
 - ensuring the firm takes account of the public interest in its decision making
 - safeguarding the sustainability and resilience of the firm as a whole.
- 2.2 Certain matters, including matters relating to audit quality, are reserved to the Audit Board. The independent oversight role of the PIC is complementary to that of the Audit Board. The Audit Board's focus is on audit quality and audit people and culture matters; the focus of the PIC is firm-wide and takes into account the non-audit business of the firm.
- 2.3 In fulfilling its purpose, the PIC shall ensure it balances the interests of various stakeholders (employees, partners and clients of the firm, regulators and the public at large) and upholds:
- the integrity, brand and reputation of BDO;
 - the public interest;
 - the firm's purpose and values;
 - the firm's obligations and commitments as a firm within the BDO international network of member firms.
- 2.4 The PIC's objectives are to be aligned with BDO's mission, vision and strategic goals.

3. Responsibilities

3.1 In line with the AFGC's purpose, the PIC shall be responsible for the independent oversight of the following areas, which it shall consider with a focus on the public interest:

Governance and leadership

- 3.2 Supporting the firm's Executive Board ("EB") as they horizon scan the wider market and set the firm's strategy, including reviewing the strategy through a public interest lens.
- 3.3 Providing constructive challenge and specialist advice to the EB with a focus on the public interest.
- 3.4 Sharing with those in senior oversight and management positions information obtained from meetings with regulators, audit committees and investors both in the PIC meeting and also a written note of the meetings within 5 days of the meetings taking place.
- 3.5 Supporting succession to senior roles within the firm through engagement with the Nomination Committee.

People, values and behaviour

- 3.6 Overseeing compliance with the firm's Code of Conduct and the Partner Code of Conduct.
- 3.7 Reviewing the effectiveness of the firm's systems for the promotion and embedding of an appropriate culture underpinned by sound values and behaviour across the firm.
- 3.8 Satisfying itself that there is an effective whistleblowing policy and procedure operating within the firm and monitoring issues raised under that process.
- 3.9 Reviewing people management policies and procedures, including remuneration and incentive structures, recruitment and promotion processes, training and development activities and diversity and inclusion, to ensure that the public interest is protected.
- 3.10 Monitoring the firm's success at attracting and managing talent.
- 3.11 Understanding the views of colleagues throughout the firm using a range of data and engagement mechanisms.
- 3.12 Communicating the INEs' role and the purpose of the Code to colleagues throughout the firm.

Operations and resilience

- 3.13 Overseeing the firm's reviews of its:
 - internal control system;
 - system of quality management; and
 - firmwide approach to risk management and quality matters.

- 3.14 Overseeing the firm's policies and procedures for ensuring sustainability and resilience of the firm (including its assessment of principal risks). ROC and PR meeting
- 3.15 Receiving and discussing with management an annual report from the Finance Partner on financial performance and the resilience of the firm in light of this.
- 3.16 Receiving updates on any matters significantly impacting, or likely to impact, the reputation of the firm and considering these through a public interest lens.

4. Authority

- 4.1 These Terms of Reference have been approved by the PIC and the OB.
- 4.2 The PIC and its members have duly delegated authority to carry out their responsibilities as set out in these Terms of Reference.

5. PIC composition

- 5.1 The PIC shall comprise the firm's INEs.
- 5.2 The PIC will be attended by the Senior Partner, the Managing Partner, the Ethics Partner, the Head of Audit, the Head of Regulation and Public Policy
- 5.3 Members and attendees of the PIC shall have appropriate knowledge, skills and expertise to fulfil their role.
- 5.4 Members of the PIC shall serve for their term of appointment as INEs of the firm.
- 5.5 One of the INEs, selected by the Senior Partner with the support of the Nomination Committee, shall Chair the PIC.
- 5.6 The Senior Partner will have the right to remove any of the INE members of PIC, following discussion with the Managing Partner and agreement from the Nomination Committee.
- 5.7 The INE's responsibilities as Chair include:
 - effective chairing of meetings of the PIC;
 - determining the agenda for PIC meetings;
 - ensuring that the agenda points are consistent with the PIC's responsibilities as set out in these Terms of Reference;
 - ensuring that the agenda clearly sets out the purpose of each point and that the supporting papers provide sufficient detail and clarity for PIC members to carry out their responsibilities appropriately;

- ensuring that PIC's responsibilities are appropriately dealt with in scheduled meetings¹ of the PIC;
- reviewing the papers for each meeting, ensuring that the PIC receives accurate, timely and clear information;
- ensuring that all PIC members are involved in discussions and decision-making; and
- ensuring that PIC members are held to account for their actions in the PIC action log.

5.8 In the anticipated absence of the Chair, the Chair shall nominate another member of the PIC to be Chair.

5.9 Members of the PIC must uphold the highest standards of conduct, including respecting the confidential nature of matters discussed at meetings.

6. PIC Secretary ("PICSec")

6.1 The PICSec shall be Melanie Foard or appropriate substitute if required.

6.2 In the absence of the appointed PICSec, a suitable alternative will be supplied from the Governance team.

6.3 The role of the PICSec shall be to:

- organise meetings of the PIC;
- collate papers for meetings of the PIC;
- ensure that such papers adhere to the minimum standards for Oversight meetings set by the OB;
- circulate the agenda and supporting papers by way of a confidential Board Pack to the PIC at least 5 days in advance of each scheduled PIC meeting;
- take minutes of meetings of the PIC;
- timeously produce a draft of such minutes (ideally to be delivered to the Chair within 5 days of the meeting) and circulate to members of the PIC for comment/approval prior to the next meeting of the PIC; and
- maintain a log of actions arising from PIC meetings and hold PIC members to account for their completion.

¹ It is not expected that every scheduled meeting deals with all responsibilities listed but each responsibility must be covered at least once every year.

7. Meetings

Scheduled meetings

- 7.1 The PIC shall have scheduled meetings at least four times a year.
- 7.2 A scheduled meeting of the PIC shall be quorate when 50% of its members (including the Chair) are in attendance, either in person or remotely.
- 7.3 So far as scheduled meetings are concerned, the Chair will prepare the agenda and this will be circulated, together with supporting papers, to members of the PIC 5 days in advance of the meeting by way of Diligent.
- 7.4 In preparing the agenda, the Chair shall be assisted as necessary by the members of the PIC and the PICSec.
- 7.5 The agenda will clearly set out the purpose of each point including whether a PIC decision is required.
- 7.6 The supporting papers should ensure that members of the PIC have a full understanding of the issues to be discussed at the meeting.
- 7.7 Where a matter is to be decided by the PIC at a scheduled meeting, a vote shall be taken of members present and matters decided on a simple majority. Where there is a deadlock, the Chair shall have the casting vote.

Ad hoc meetings

- 7.8 The Chair can call an ad hoc meeting of the PIC at any time.
- 7.9 The Chair and PICSec shall ensure that an agenda and supporting papers are provided as soon as practical prior to the meeting to ensure that members of the PIC understand the matters to be discussed including whether a PIC decision is required.
- 7.10 An ad hoc meeting of the PIC shall be quorate when a majority of members are in attendance, either in person or remotely.

7.11 Where a matter is to be decided by the PIC at an ad hoc meeting, a vote shall be taken of members present and matters decided by a vote of 75% of members in attendance.

Email meetings

7.12 The Chair can call a meeting to decide an issue by email.

7.13 The Chair and PICSec shall ensure that an agenda and supporting papers are provided as soon as practicable prior to the email meeting to ensure that members of the PIC understand the matters to be discussed including whether a PIC decision is required.

7.14 Where a matter is to be decided by the PIC at an email meeting, a vote shall be taken of members and matters decided by a vote of 75% of members responding by the date notified by the Chair in the email calling the meeting.

Meetings generally

7.15 Members of the PIC have the right to attend any meeting and receive the agenda and papers or in the case of an email meeting receive the agenda and papers.

7.16 Other individuals can attend a meeting of the PIC in whole or in part by invitation of the Chair only.

7.17 Non-PIC attendees at a meeting do not have any voting rights nor do they have the right to be heard save at the invitation of the Chair.

7.18 Subject to the office location of individual members of the PIC, members of the PIC should endeavour to attend meetings in person.

7.19 Members of the PIC should declare any conflicts of interest at the commencement of the meeting and then recuse themselves from the discussion and/or vote on any matter relating to the conflict. Any such recusal will not impact the quoracy of the meeting and therefore the validity of any discussion and/or vote and the vote itself will still be determined based on a simple majority but calculated by reference to the non-conflicted members only.

8. PIC effectiveness and evaluation

8.1 Feedback for the yearly performance evaluation on the effectiveness of each member of the PIC will be provided by the Chair, following consultation with the Senior Partner.

8.2 Feedback for the yearly performance evaluation on the effectiveness of the Chair will be provided by at least two PIC members to the Senior Partner.

8.3 The PIC shall conduct an annual self-assessment of its effectiveness under these Terms of Reference, implement a plan to take forward any actions arising from the assessment and report any conclusions or recommendations to the OB.

8.4 The PIC shall review these Terms of Reference annually and consider any amendments that may be required.

9. General matters

9.1 The PIC shall have access to all relevant BDO partners, staff and information to allow it to discharge its duties.

9.2 The PIC shall have access to sufficient resources to carry out its duties and may seek any information it requires from employees or partners of the firm in order to perform its duties.

9.3 The PIC shall, with the approval of the OB, engage independent professional advice where it judges this necessary in order to allow it to discharge its duties.

9.4 When considering a matter or making a decision, the PIC shall give due regard to any relevant legal or regulatory requirements, as well as any guidance or best practice issued by relevant regulatory bodies.

9.5 In the event of a fundamental disagreement between PIC members, the Chair shall notify the MP and the SP of the matter in dispute and discuss with them the potential steps to resolve the matter.

Approved by the Public Interest Committee on 26 January 2026

Approved by the Oversight Board on 27 February 2026