

Internal Audit Charter

HOWDEN

Document Information & Control

Document Title: Internal Audit Charter

Version: 1.0

Effectivity Date: 30 March 2026

Document Control No: HIAC-03-2026-R00

Information Classification: Level 1 (Limited)

Review Due: March 2027

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01 Purpose

HOWDEN INSURANCE & REINSURANCE BROKERS (PHIL), INC. (“HIRBPI” or the “Company”) has formalized and established this Internal Audit function, which provides an independent, objective assurance and advisory services designed to assist the Board of Directors in fulfilling its oversight responsibilities by evaluating the adequacy and effectiveness of the Company’s internal controls, risk management, governance practices, and compliance with applicable laws and regulations. Further, the Internal Audit function supports the Company’s ISO management system certification and recertification processes.

02 Authority

The Internal Auditor(s) are authorized full and unrestricted access to all records, systems, personnel, and properties necessary to perform audit activities. The Internal Audit function may obtain assistance from employees or specialized services as needed. Internal Auditors must not have any operational responsibilities or management functions in relation to the controls, processes, and systems subject of the audit function.

The Board retains ultimate oversight responsibility for ensuring that the Company maintains an effective internal audit function in compliance with Insurance Commission regulations.

03 Independence and Objectivity

The Internal Audit function shall remain independent of operational management.

The Internal Auditor(s) shall report functionally to the Board of Directors, or its Audit Committee and shall have direct access to the latter whenever necessary. Administrative matters may be coordinated with Senior Management.

04 Scope of Internal Audit Activities

The Internal Audit function includes evaluating the adequacy and effectiveness of:

- Internal control systems
- Risk management processes
- Corporate governance practices
- Compliance with laws, regulations, and Insurance Commission requirements
- Financial and operational controls
- Information systems and data security controls
- ISO management system policies, processes, and procedures

05 Responsibilities of Internal Auditors

Internal Auditors shall prepare a risk-based audit plan, conduct audit in accordance with generally accepted methodologies, evaluate the effectiveness of internal controls and compliance processes, report audit findings and recommendations to Senior Management, monitors implementation of recommended corrective actions.

06 Internal Audit Structure

- **Group Internal Audit:** The Company's regulatory internal audit function shall be performed by the Group Internal Audit team of its parent company - HBG Holdings (Singapore) Pte Ltd., where the Company forms part of the corporate group. This team shall include the Company within its risk-based audit plan, have full and direct access to records and personnel, and report audit findings directly to the Board of Directors or its Audit Committee.
- **Local ISO Audit Team:** The Company may form a local internal audit team from its employees to perform audits specifically for ISO management system certification or recertification. Senior Management shall appoint the members of this team. This ISO Audit Team shall focus on ISO policies and processes, maintain independence from areas they audit, report findings and recommend corrective actions to the Senior Management or the ISO Management Representative. ISO audits shall not replace the regulatory internal audit function.

07 Audit Planning and Reporting

Internal audits shall be conducted according to a risk-based plan considering, among others, organizational risks, strategic priorities and regulatory requirements. Audit findings, recommendations, and corrective action status shall be reported to the appropriate governance body:

- **Group Internal Audit:** Board of Directors / Audit Committee
- **ISO Audit Team:** Senior Management or ISO Management Representative

Senior Management shall implement corrective actions for all audit findings.

08 Follow-Up of Audit Findings

Internal Audit shall monitor the implementation of agreed corrective actions and report the status of outstanding issues to the Board or Audit Committee.

09 Review of Charter

This Charter shall be reviewed periodically and updated accordingly to ensure continued adequacy and effectiveness.

Any material changes shall be approved by the Board.

10 Effectivity

This Internal Audit Charter was reviewed and approved by the Board on 30 March 2026, as evidenced by Board Resolution dated 30 March 2026, and shall take effect immediately thereafter.

Version Control

Version:	Nature of Changes:	Prepared by:	Approved by:	Date:
1.0	First Issuance	Atty. Emmanuel G. Villanueva	Board of Directors	30 March 2026

The logo for Howden, featuring the word "HOWDEN" in a bold, blue, sans-serif font. The letters are closely spaced and have a slightly irregular, blocky appearance. The logo is positioned on the left side of the page, partially overlapping a large, light blue circular shape that extends from the left edge.