Internal Audit Charter

October 2025

1. Forward

The Board of RTÉ attaches a high priority to the establishment and maintenance of a strong control environment in all areas of its operations, the objectives of which are to ensure:

- the achievement of strategic goals;
- compliance with policies, procedures, laws and regulations;
- the safeguarding of assets;
- the reliability and integrity of information, including financial information; and
- the economical and efficient use of resources.

This responsibility is reinforced by the requirement for the Chair of the Board to formally report annually to the Minister for Culture, Communications and Sport on the systems of internal control and related matters, in accordance with Paragraph 2.6 of the Code of Practice for the Governance of State Bodies. Executive management is responsible for the implementation, operation and monitoring of the control environment on a daily basis.

2. Statement of Purpose

This Charter defines the purpose, authority, and responsibility of the RTÉ Internal Audit Function. Internal audit is an independent, objective assurance and consulting activity designed to add value to and improve RTÉ's operations.

The Internal Audit Function enhances RTÉ's:

- Successful achievement of its objectives.
- Governance, risk management and control processes.
- Decisions-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

3. Mandate

Authority

Internal audit's mandate is derived from the authority of the Board of RTÉ. This Charter:

- grants full, free, and unrestricted access to all functions, records, property, and personnel pertinent to carrying out any engagement.
- empowers internal audit to allocate resources, set frequencies, select audit areas, determine scopes of work, apply techniques required to accomplish audit objectives, and issue reports.
- authorises internal audit to obtain assistance from other specialised services or third parties to complete engagements.
- requires management and the Board to provide adequate resources and support to internal audit, and commits internal audit to operate in conformance with the IIA Global Internal Audit Standards 2024 ('the Standards').

Independence, Organisational Position and Reporting Relationships

The Head of Internal Audit will be positioned at a level in the organisation that enables internal audit services and responsibilities to be performed without interference from management, thereby establishing the independence of the internal audit function. The Head of Internal Audit reports administratively to the Director-General and functionally to the Audit and Risk Committee. The Audit and Risk Committee will approve the programme of work undertaken by internal audit staff.

Internal audit's independence is assured by:

- not exercising direct authority over, or having responsibility for persons, procedures or activities subject to audit,
- refraining from operational duties or decision-making, and
- remaining free from interference in audit selection, scope, procedures, and reporting.

In addition:

- administrative reporting lines (budget approval, HR administration, and expense approvals) will be defined by agreement with the Audit and Risk Committee.
- independence safeguards will be periodically reviewed with the Board in accordance with Standard 7.1 (Organisational Independence).

4. Commitment to Aligning to the Global Internal Audit Standards

RTÉ's Internal Audit Function seeks to align to the mandatory elements of the Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards and Topical Requirements. The Head of Internal Audit will report annually to the Chair of the Audit and Risk Committee regarding the internal audit function's alignment with the Standards, which will be assessed through a quality assurance and improvement programme.

Quality Assurance and Improvement Programme

Internal audit will maintain a Quality Assurance and Improvement Programme (QAIP), including quality assessments in compliance with Standard 8.4. The QIAP's purpose is to provide reasonable assurance that internal audit's work conforms to relevant standards and requirements of this Charter. The Standard requires an external review of the effectiveness review of the internal audit function to be performed at least once every five years.

5. Audit and Risk Committee Responsibilities

To establish, maintain, and ensure that RTÉ's internal audit function has sufficient authority to fulfil its duties, the Audit and Risk Committee will:

- Discuss with the Head of Internal Audit the appropriate authority, role, responsibilities, scope, and services (assurance and/or advisory). This discussion should include 'essential conditions' as described in the Standards, which establish the foundation that enables an effective internal audit function.
- Ensure the Head of Internal Audit has unrestricted access to and communicates and interacts directly with the Audit and Risk Committee.
- Review and approve the internal audit function's Charter, which includes the internal audit mandate and the scope and types of internal audit services. Ensure the Charter is reviewed periodically with the Head of Internal Audit.
- Approve the risk-based internal audit plan and the internal audit budget. Further, discuss and approve any significant revisions to the internal audit plan and budget.
- Receive communications from the Head Internal Audit about the internal audit function including its performance relative to its plan.
- Receive communication relating to potential impairments to independence, including relevant disclosures as applicable to ensure appropriate safeguards.
- Review and discuss significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the Board.
- Receive communication regarding management's responses to risk that the internal audit function determines may be unacceptable or acceptance of a risk that is beyond RTÉ's risk appetite.
- Ensure a quality assurance and improvement programme has been established. Review the results from the quality assurance and improvement programme, which include the internal audit function's conformance with the Standards and action plans to address the internal audit function's deficiencies and opportunities for improvement.
- Collaborate with executive management to determine the qualifications and competencies the organisation expects in a Head of Internal Audit, as described in the Standards.
- Authorise the appointment and removal of the Head of Internal Audit.
- Make appropriate inquiries of management and the Head of Internal Audit to determine whether scope or resources are appropriate.

6. Head of Internal Audit Roles and Responsibilities

Ethics and Professionalism

The Head of Internal Audit will ensure that internal audit:

- Conforms with the Standards, including the principles of ethics and professionalism, integrity, objectivity, competency, due professional care, and confidentiality.
- Understands, respects, meets, and contributes to the legitimate and ethical expectations of the organisation and is able to recognise conduct that is contrary to those expectations.
- Encourages and promotes an ethics-based culture in the organisation.
- Reports organisational behaviour that is inconsistent with the organisation's ethical expectations, as described in applicable policies and procedures.

Any data obtained by internal audit personnel during the course of its work or otherwise shall be treated as confidential and data will be managed in line with the RTÉ Data Retention Policy and the RTÉ Privacy Policy.

Objectivity

The Head of Internal Audit will ensure that the internal audit function remains free from all conditions that threaten the Function's ability to carry out its responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. If the Head of Internal Audit determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgement on audit matters to others, either in fact or appearance.

Internal auditors will have no direct operational responsibility or authority over any of the activities they review. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgement, including assessing specific operations for which they had responsibility within the previous year.

Internal auditors will:

- Disclose impairments of independence or objectivity, in fact or appearance, to appropriate parties and at least annually, such as the Head of Internal Audit, Audit Risk Committee, management, or others.
- Exhibit professional objectivity in gathering, evaluating, and communicating information.
- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid conflicts of interest, bias, and undue influence.

Head of Internal Audit roles beyond internal auditing.

The Head of Internal Audit will disclose any roles or responsibilities outside the internal audit function to the Audit and Risk Committee for review and approval. This ensures transparency and safeguards the independence and objectivity of the internal audit activity. Independence will not be compromised where internal audit personnel sit on steering committees or other project groups in order to contribute to the development of systems and procedures by advising on control and security issues.

Managing the Internal Audit Function

The Head of Internal Audit has the responsibility to:

- At least annually, develop a risk-based internal audit plan that considers the input of the Audit and Risk Committee and executive management.
- Discuss the plan with the Audit and Risk Committee and executive management.
- Submit the plan to the Audit and Risk Committee for review and approval.

- Communicate the impact of resource limitations on the internal audit plan to the Audit and Risk Committee and executive management.
- Review and adjust the internal audit plan, as necessary, in response to changes in RTÉ's business, risks, operations, programmes, systems, and controls.
- Communicate with the Audit and Risk Committee if there are significant interim changes to the internal audit plan.
- Discuss with the organisational leadership any disagreements with senior management or other stakeholders and if necessary, communicate with the Audit and Risk Committee management's perspective on the subject and obtain approval for any remedial actions.
- Ensure internal audit engagements are performed, documented, and communicated in accordance with the Standards.
- Issue objective, timely and risk focused audit reports.
- Follow up on engagement findings and confirm the implementation of recommendations or action plans and communicate the results of internal audit services to the Audit and Risk Committee and executive management periodically and for each engagement as appropriate.
- Ensure the internal audit function collectively possesses or obtains the knowledge, skills, and other competencies needed to meet the requirements of the Standards and fulfil the internal audit mandate.
- Establish and ensure adherence to methodologies designed to guide the internal audit function.
- Ensure adherence to RTÉ's relevant policies and procedures unless such policies and procedures conflict with the Internal Audit Charter or the Standards. Any such conflicts will be resolved or documented and communicated to the Audit and Risk Committee and executive management.

7. Responsibilities of Management and the Board

It is management's responsibility to manage risk and maintain effective controls. Executive management also has primary responsibility for the prevention of fraud and for detecting and dealing with any fraud that may occur.

Management and the Board have the responsibility to:

- Keep internal audit informed of all material changes within the organisation.
- Report all material risk incidents, compliance incidents and internal control failures (including near misses) and events to internal audit in a timely manner.
- Maintain appropriate resources.
- Approve the Internal Audit Charter and review it periodically, at least every two years or upon significant changes in RTÉ or the IIA Standards.

Auditees will proactively interface with internal audit, respond to draft reports in accordance with agreed procedures (below) and agree actions and timescales to rectify control weaknesses identified. In terms of responding to internal audit reports:

- The management of the area under review, to whom the draft report is addressed, will promptly respond in writing, indicating what actions are being taken to address the finding raised in the report.
- Management will be granted a maximum of 15 working days to respond to internal audit. This period may be extended, at the discretion of internal audit, having due regard for exceptional circumstances or other demands.
- If management fails to respond within the required time period, Internal Audit is authorised to issue the draft report as a "final report". In addition, where management has not committed to actions in the draft report, internal audit will include recommendations to address control issues in the final report.

The implementation of agreed actions included in internal audit reports will be the responsibility of the management of the area audited. The Head of Internal Audit should receive timely feedback from management of progress in completing the actions identified in audit reports to address audit issues.

8. Scope and Types of Internal Audit Services

In order to achieve its objective, internal audit's remit extends to every aspect of business activity across the organisation, other than those matters specified below. In planning its work, internal audit will co-ordinate its activity with other assurance providers, where appropriate. The work will be integrated into a combined assurance map provided to the Audit and Risk Committee, in respect of each financial year, reflecting the sources of assurance.

The scope of internal audit activities encompasses, but is not limited to, objective examinations of evidence to provide independent assurance and advisory services to the Audit and Risk Committee and management on the adequacy and effectiveness of risk management, governance and control processes for RTÉ. Internal Audit supports the Board in completing its annual assessment of the effectiveness of the system of internal control.

The nature and scope of advisory services may be agreed with the party requesting the service provided the internal audit function does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management.

The scope extends to investigating internal fraud, theft or other occasions where management has reservations concerning staff integrity. This includes receiving, and where necessary investigating, reports via the RTÉ Protected Disclosures Policy.

Editorial

The scope of internal audit does not include editorial matters, or the responsibility of the Director-General in their role as Editor-in-Chief. The Audit and Risk Committee will, as part of its broader review of risk, satisfy itself with regard to the effectiveness of the processes in place to achieve oversight of editorial risk.

However, any requests from the Programme / Audit and Risk Committee to carry out an editorial audit assignment will be considered in the context of the audit planning process, and this Charter does not exclude internal audit from carrying out assignment(s) in these areas.

Pensions

The pensions risk is overseen directly by the Board of RTÉ, and separately by the Trustees of the individual pension schemes sponsored by RTÉ.

EU Directive (2016/2341) on the activities and supervision of institutions for occupational retirement provision ('the IORP II Directive') was transposed into Irish law in April 2021. IORP II introduces many new obligations on Irish pension schemes including the appointment of key function holders for internal audit, risk management and actuarial. The Trustees of the scheme are responsible for overseeing the internal audit arrangements. In the event that the RTÉ Internal Audit Function is appointed the key function holder, the scope and programme of the work of internal audit in relation to the sponsored pension schemes is determined by the Trustees of the schemes.

9. Changes to the Mandate and Charter

Circumstances may justify a follow-up discussion between the Head of Internal Audit, Audit and Risk Committee and executive management on the internal audit mandate or other aspects of the Charter. Such circumstances may include but are not limited to:

- A significant change in the Standards.
- A significant reorganisation within the organisation.
- Significant changes in the Head of Internal Audit, Audit and Risk Committee, and/or organisational Leadership.
- Significant changes to the organisation's strategies, objectives, risk profile, or the environment in which the organisation operates.
- New laws or regulations that may affect the nature and/or scope of internal audit services.

Approval

On 23 October 2025 this Internal Audit Charter received the approval of:

Terence O'Rourke, Chair Board of RTÉ
Noreen O'Kelly, Chair of the Audit and Risk Committee
Kevin Bakhurst, Director General
Peadar Faherty, Head of Internal Audit