

Audit Committee Charter

Ryanair Holdings plc (the “Group”)

2019

General Terms of Reference

This charter provides the framework within which the Group Audit Committee (“Audit Committee”) shall operate. It is periodically reviewed against best practice in corporate governance and is amended as appropriate. The charter is approved by the Audit Committee on an annual basis.

Purpose & Objectives of the Audit Committee

The Audit Committee is appointed by the Board of Directors (the “Board”) to assist the Board in discharging its oversight responsibilities with respect to the Group’s accounting and financial reporting processes, the system of internal control over financial reporting and audits of financial statements, compliance with laws and regulations, cyber security and information technology related risk management, performance of the Group’s internal audit function, as well as the quality and integrity of the Group’s financial statements and reports and the qualifications, independence and performance of its external auditor.

In performing its duties, the Committee will maintain effective working relationships with the Board, management, the external and the internal auditor. The Audit Committee is responsible for reporting to the Board in respect of any key issues identified in performing its duties and on how it has discharged its responsibilities.

The Audit Committee shall monitor employees’ compliance with policies and procedures set forth in accordance with local laws. The Audit Committee shall assess the adequacy of internal policies and procedures to prevent crimes set forth by local laws and report to the Board of Directors in respect of any amendments to existing policies and the implementation of new policies and procedures which may be required from time to time in order to comply with local laws.

Membership

The Board will nominate the chairman and the members of the Audit Committee. The Audit Committee will comprise of not less than three members who are all independent non-executive directors of the Group, in accordance with the criteria for independence under (i) the NASDAQ Stock Market LLC (“NASDAQ”) Audit Committee requirements, (ii) the rules and regulations of the U.S. Securities and Exchange Commission (the “SEC”), (iii) the Irish Companies Act 2014 and (iv) the U.K. Corporate Governance Code (the “Code”), the Irish Corporate Governance Annex to the Listing Rules of the Irish Stock Exchange and the Italian Legislative Decree n. 231 of 8 June 2001 (the “Decree”).

Appointments should be for a period of up to three years, extendable by no more than two additional 3-year periods (i.e. nine consecutive years), so long as members continue to be

independent. The Board of Directors can revoke each Audit Committee member at any time for just cause. In case of revocation or resignation of one or more members, the Board of Directors shall proceed to replace the revoked or resigning member(s) within 30 days of revocation or resignation. In case all members of the Audit Committee cease their office due to revocation or resignation before expiry of their term, the Board of Directors will proceed to nominate the chairman and the members of the Audit Committee in compliance with this section.

The Board of Directors, upon nominating the chairman and the members, shall also resolve upon their compensation, as well as on the yearly budget to be allocated for the Audit Committee's activities.

Eligible members shall not:

- have been criminally convicted for any crimes indicated in the Decree or preventing them from exercising any public or corporate functions;
- have been subject to disciplinary actions by the Company;
- have breached any of the Company's internal policies and procedures.

The above constitute just cause for revocation by the Board.

Each member shall be financially literate, under the financial literacy requirements of NASDAQ, and have the skills and experience appropriate to the Group's business, including being familiar with crimes committed through unlawful use of Group's funds, violation of health and safety laws, and violation of environmental laws. At least one member will be an "audit committee financial expert" as such term is defined in regulation S-K of the SEC rules, as designated annually by the full Board, with all of the following attributes:

- an understanding of International Financial Reporting Standards, ("IFRS") and the financial statements.
- experience in preparing, auditing and analysing financial statements presenting a level of complex accounting issues comparable to those that can be reasonably expected to be raised by Group's financial statements (or experience actively supervising one or more persons engaged in such activities).
- an understanding of internal controls for financial reporting.
- an understanding of Audit Committee functions.

A quorum of any meeting will be two members. The Company Secretary of the Group will be the secretary of the Audit Committee. The Chief Financial Officer ("CFO") will act as the secretary of the Audit Committee if the Company Secretary is not available.

Authority

The Board authorises the Audit Committee, within the scope of its responsibilities, to:

- engage independent counsel and other advisers as it deems necessary to carry out its duties (the Group shall provide appropriate funding for the compensation of advisors);
- have unrestricted access to members of management, employees and relevant information;
- have oversight of the procedures for the receipt, retention and treatment of confidential, anonymous submission of concerns by employees and other stakeholders

- regarding accounting, internal control or auditing matters, as well as compliance with internal policies and regulations; and
- have unrestricted access to evidence files completed with respect to accounting and auditing transactions carried out by the Group.

Meetings

Members of the Audit Committee should participate in every meeting of the committee (either in person or via video conference or telephone). Meetings shall be held not less than four times a year and should correspond with the Group's financial reporting cycle. Special meetings may be convened as required (external audit partner and head of internal audit may request a meeting if they consider that one is necessary). At a minimum, the Chairman of the Audit Committee (or another member of the committee) shall attend the Board meeting at which the financial statements are approved.

Only committee members are entitled to attend meetings. The Audit Committee may invite such other persons (e.g. CEO, CFO, external audit engagement partner, head of internal audit and senior Finance managers) to its meetings, as and when appropriate and necessary.

There will be at least one meeting per annum, where the Audit Committee meets separately the external audit partner and head of internal audit without executive management present.

During a reasonable period in advance of each meeting, the secretary shall circulate the agenda and supporting documentation to the Audit Committee members. The secretary will also be responsible for distributing the minutes of meetings to members of the committee (and the internal & external auditor where appropriate).

Independence

Each Audit Committee member must be a member of the Board. To be considered independent for the Audit Committee, members may not:

- accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Group other than in his / her capacity as a member of the Audit Committee or Board;
- be an 'affiliated person' of the Group or any subsidiary thereof;
- bear any conflicting interests with the Group, the members of the Board, or the Management, nor will they be family members and/or relatives of the members of the Board or of the Management; or
- act on the basis of instructions or orders given by the Group, including but not limited to the Board.

Responsibilities

The Audit Committee has oversight of the whole Group and carries out the duties below for the parent company, major subsidiary undertakings and the Group as a whole. The responsibilities of the Audit Committee shall include:

Financial Reporting

The Audit Committee will gain an understanding of the current areas of greatest financial risk and how these are being managed. They will oversee the financial reporting process to ensure the balance, transparency and integrity of published financial information, including guidance. They will review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on financial reports.

The Audit Committee will monitor the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance, including profit guidance, and will review significant financial reporting judgements contained in them.

The Audit Committee will meet with management and the external auditors to review the financial statements, the key accounting policies and judgements, and the results of the audit. They will ensure that significant adjustments, unadjusted differences, disagreements with management, critical accounting policies and any other significant issues affecting the quality of earnings, are discussed with the external auditor.

The Audit Committee will review the interim and annual financial statements and annual report, and preliminary announcements before submission to the Board, including advising the Board whether, taken as a whole, the content of the annual report and Form 20F, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

During this review the Audit Committee will focus particularly on:

- critical accounting policies and practices, and any changes in them;
- decisions requiring a significant element of judgement;
- the extent to which the financial statements are affected by any unusual transactions in the year and how they are disclosed;
- the clarity of disclosures;
- significant adjustments resulting from the audit;
- the going concern assumption;
- compliance with accounting standards, and
- compliance with stock exchange, SEC and legal requirements.

The Audit Committee will review the clarity and responsiveness to all disclosure requirements and all other sections of the annual report before its release. They will ensure that the information is unbiased, understandable, and consistent with members' knowledge about the Group and its operations.

The Audit Committee must consider the Group's major financial risk exposures and the steps management has taken to monitor and control such exposures. The Audit Committee must review management policies with respect to financial risk management.

The Audit Committee must determine whether the financial statements have been prepared following appropriate accounting standards and that they give a true and fair view. They must then make a recommendation to the Board as to whether to approve the financial statements.

Internal Control

The Audit Committee will have an understanding of the controls and processes implemented by management to ensure that the financial statements, derived from the underlying financial systems, comply with relevant standards and requirements, and are subject to appropriate management review.

The Audit Committee will review the effectiveness of the Group's internal control over financial reporting and risk management systems. The Audit Committee will also review the enterprise risk management reports completed by Management.

The Audit Committee will evaluate whether management is setting the appropriate 'control culture' by communicating the importance of internal control and management of risk. They will consider whether management has implemented recommendations made by the internal and external auditors.

Compliance with Law and Regulations

The Audit Committee will satisfy themselves that appropriate regulatory compliance matters have been considered in the preparation of the financial statements. They will do this by reviewing the effectiveness of the system for monitoring compliance with laws and regulations and obtain regular updates from management and the Group's legal counsel regarding compliance matters that may have a material impact on the Group's financial statements. The committee will also review the findings of examinations by regulatory agencies in regard to financial matters.

The Audit Committee will approve all related party transactions. They will be directly responsible for recommending the adoption of guidelines and policies for reviewing and making informed decisions about related party transactions, with input from legal counsel as may be required. They will confirm that management has appropriate policies and practices in place covering management's identification and review of related party transactions.

The Audit Committee will satisfy themselves that internal policies and regulations are complied with in order to avoid Group's liability pursuant to the Decree. Should the Audit Committee detect a flaw in the internal procedures which entail the risk of crimes being committed pursuant to the Decree, they will report to the Board and suggest the amendment of existing or the implementation of new policies and procedures.

Whistleblowing and Fraud

To obtain reasonable assurance with respect to the Group's procedures for the prevention and detection of fraud, the Audit Committee will:

- review management's arrangements for the prevention and deterrence of fraud;
- discuss with management and internal and external auditors any findings on the appropriateness of the Group's anti-fraud systems and controls;
- review the arrangements in place allowing employees to raise concerns about possible wrongdoing in confidence, via a regular review of the Group Code of Business Conduct and Ethics; and
- review the reports and follow-up action arising from the independent investigation of such matters.

Cybersecurity and Information Technology Related Risk Management

The Audit Committee will consider the Group's cybersecurity and information technology risks, associated programmes, escalation protocols and their effectiveness. The Audit Committee will also review with management and report to the Board with respect to root cause and remediation efforts with respect to all material cybersecurity incidents.

To this end, the Audit Committee will review periodic internal reports in relation to information technology and cybersecurity issues prepared by internal audit or management and consider if appropriate measures have been taken with regard to:

- the security of IT systems and applications;
- contingency plans for processing financial information in the event of a system breakdown; and
- prevention and detection of fraud, including misuse of Group IT systems.

The overall oversight for cybersecurity and information technology related risk management remains with the Board of Directors, with the Chief Technology Officer reporting on critical matters on a regular basis.

External Audit

The Audit Committee will assess the qualifications, independence and performance of the external auditor and make recommendations to the Board, for it to put to the shareholders for their approval in general meeting, for the appointment, reappointment or termination of the appointment of the external auditor. The Audit Committee will also oversee the audit tender and selection process and if the external auditor resigns the Audit Committee shall investigate the issues leading to this and decide whether any action is required.

The Audit Committee will review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements.

The Audit Committee will approve all audit engagement fees and terms (the Group shall provide appropriate funding for the compensation of the external auditors).

The Audit Committee will:

- review the external auditors' proposed audit scope and approach in the light of the Group's present circumstances and changes in regulatory and other requirements;
- review and approve the annual audit plan and ensure that it is consistent with the scope of the audit engagement having regard to the seniority, expertise and experience of the audit team;
- discuss with the external auditor the appropriateness of the accounting policies applied in the Group's financial reports and whether they are considered as aggressive, balanced or conservative;
- discuss with the external auditor any audit problems encountered in the normal course of audit work, including any restriction on audit scope or access to information;
- discuss with the external auditor the matters required to be discussed under the standards of the Public Company Accounting Oversight Board ("PCAOB");

- review the procedures and safeguards which the external auditor has put in place to ensure their objectivity and independence in accordance with regulatory and professional requirements;
- review the letters of engagement and representation;
- review the findings of the audit with the external auditor, including any major issues arising during audit, explanation by external auditor of how risks to audit quality have been addressed, key accounting and audit judgements, auditor's view of their interactions with senior management, level of errors identified during the audit and the effectiveness of the audit process;
- develop and implement policy on the engagement of the external auditor to supply non-audit services, considering relevant ethical guidance regarding the provision of non-audit services by the external audit firm;
- expressly pre-approve every engagement of the external auditor for all audit and non-audit services provided to the Group. Only those services deemed permissible under Statutory Instrument No. 312 of 2016 and U.S. SEC rules may be provided by the external auditor, to ensure the fees paid to the external auditor for audit and non-audit work are appropriate and that audit independence is not compromised through the level of non-audit fees and the nature of non-audit work carried out by the external auditor; and
- to report to the Board, identifying any matters in respect of which it considers that action or improvement is needed, and making recommendations as to the steps to be taken.

At the end of each audit, the Audit Committee and the external auditor will appraise both the role of the external auditor and the role of the Audit Committee and what improvements are needed going forward to achieve their mutual objectives.

Internal Audit

The Audit Committee will review the role and mandate of the internal audit function and ensure that there are no unjustified restrictions or limitations posed on their activities. They will review and approve the Group internal audit charter annually to ensure it is appropriate to the current needs of the Group.

The Audit Committee will review the internal audit plan regularly presented by the head of internal audit and ensure that it addresses key areas of risk and ensure appropriate co-ordination with the external auditor. They will receive regular reports on work carried out and review and monitor management's responsiveness to internal audit findings and recommendations.

The Audit Committee will monitor and review the overall effectiveness of the Group's internal audit function and ensure internal audit is equipped to perform its duties in accordance with appropriate professional standards and good practice. They will ensure the head of internal audit has direct access to the Chairman of the Audit Committee, providing independence from management and accountability to the Audit Committee. The Audit Committee will also review and approve the appointment, replacement or dismissal of the head of internal audit.

Reporting Responsibilities

The Audit Committee will report to the Board, identifying any matters in respect of which it considers that action or improvement is needed, and making recommendations as to the steps to be taken. They will also report on any significant issues in relation to the financial statements and how these were addressed, an assessment of the effectiveness of the external audit process and its recommendations on the appointment or reappointment of the external auditor (as above) and any other issues on which the Board has requested the Audit Committee's opinion.

The Committee will report to shareholders on its activities in the Group's Annual Report. The report should include, at a minimum, the information requirements set out in the UK Corporate Governance Code.