

Board Audit Committee Activities Report

1 July 2025 through 31 December 2025

Section 1: Complete Activities

Item	Description	BAC Completion Date	Accomplishment/Outcome
Presentation by the Independent External Audit Firm on the status of the FY25 audit	The BAC met with the external audit firm to discuss the FY25 audit process, including the audit approach, scope, audit firm's responsibilities, anticipated timeline and deliverables.	22 July 2025	The BAC received and reviewed Baker Tilly's audit plan. There were no significant issues.
FY25 Independent External Audit - Review	The BAC received a briefing from ICANN's Independent Audit Firm on the FY25 audited financial statements, which included PTI's financial statements. The auditor issued an unmodified opinion, indicating that no audit adjustments, significant deficiencies or material weaknesses were identified. The BAC also received a briefing on the draft Audited Financial Statements.	30 September 2025	The audit firm reported on several aspects of its work as part of its required communications to the BAC.
BAC Training	The BAC received training on ICANN's Financial Reports, difference between GAAP and Non-GAAP reporting, and review of FY25 Financial Results.	23 October 2025	BAC training completed for better understanding of the financial statements and financial results to improve transparency.
Executive Interviews	The BAC committee members held an interview with John Jeffrey in 27 October 2025	27 October 2025	The purpose of the interviews is to help BAC members to understand any potential pressures that executives might would be a risk to ICANN.

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Assessment of External Audit Firm's performance; and recommendation for appointment of External Audit Firm for FY26 Audit. Assessment of Independent Advisor to the BAC and recommendation for renewal.	The BAC assessed the External Auditor's performance and appointment the independent audit firm for FY26. The BAC also assessed and recommended the renewal of the term of the Independent Advisor to the committee.	9 December 2025	The BAC recommended to the Board the appointment of the independent audit firm to serve as ICANN's audit firm for the FY26 audit, which is set for Board consideration in January 2026. The BAC also recommended the renewal of Ruth McHugh as an Independent Advisor to the committee for 2026.
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Section II: Appendix – Resolutions Recommended by the BAC

Appointment of the FY26 independent financial statement audit firm:

Board Resolution