
TERMS OF REFERENCE: AUDIT COMMITTEE

1. Introduction

- 1.1. The Audit Committee (hereafter: "Committee") is a standing committee of the Acomo Board of Directors (hereafter: "Board").
- 1.2. This Terms of Reference, as drawn up by the Board, indicates the role and responsibility of the Committee, its composition, and the manner in which it discharges its duties.
- 1.3. The Terms of Reference will be made available on the Acomo website at www.acomo.nl.

2. Objective

- 2.1. 2.1.1. The objective of the Committee is to undertake preparatory work for the Board's decision-making regarding the supervision of the integrity and quality of the company's financial and sustainability reporting and the effectiveness of the company's internal risk management and control systems, as referred to in best practice provisions 1.2.2 to 1.2.3¹ inclusive. It focuses among other things on the supervision of the Executive members of the Board with regard to:
 - I. I. relations with, and compliance with, recommendations and follow-up of comments by the internal and external auditors and any other external party involved in auditing the sustainability reporting;
 - II. the funding of the company; and
 - III. the company's tax policy.
- 2.2. The Committee shall provide a platform for private and direct communications between Committee members and the Company's external auditors, the internal audit function, and management in all risk assurance functions. The Committee shall serve as a channel of communication to the Board for the Company's external auditors and internal audit function. In addition, the Committee will establish procedures to receive, retain and treat complaints received by the Company regarding accounting, internal controls over financial reporting or auditing matters, and for the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.
- 2.3. While the Committee has the responsibility and authority outlined in this Terms of Reference, the Company's management and the external auditor are responsible for planning and conducting audits and determining that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles and applicable laws and regulations. In fulfilling their responsibilities hereunder, it is recognized that the Committee's members are not full-time employees of the Company and, as such, it is not the duty or responsibility of the Committee or its members to conduct auditing or accounting reviews, related procedures or compliance reviews.
- 2.4. In carrying out its function, the Committee is not providing any expert or special assurance as to the Company's financial statements or compliance with laws and regulations, or any professional

¹ Dutch Corporate Governance Code

certification. Each Committee member shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, prepared or presented by the Company's executives, external auditors or others with professional or expert competence.

3. Composition

- 3.1. The Committee consists of at least two members. All Committee members must also be members of the Board. More than half of the members of the Committee should be independent within the meaning of best practice provision 2.1.8. of the Dutch Corporate Governance Code.
- 3.2. The members of the Committee shall be appointed and may be replaced at any time by the Board.
- 3.3. The Board shall appoint one of the members of the Committee as chairman of the Committee. The Committee should not be chaired by the chairman of the Board or by a former member of the executive team of the Company. The chairman is particularly responsible for the proper operation of the Committee, acts as the spokesperson of the Committee and shall be the main point of contact for the Board.
- 3.4. At least one member of the Committee must have specific expertise in internal controls, financial reporting and the reviewing of financial reports.
- 3.5. The term of office of a member of the Committee will generally not be set beforehand. It will, inter alia, depend on the composition of the Board as a whole and that of other Committees from time to time, provided that membership rotation should be effected where practical.

4. Responsibilities of the Audit Committee

- 4.1. The Committee carries out the following duties:
 - a) recommending persons for appointment as head of the internal audit function;
 - b) annually evaluating how the internal audit function fulfils its responsibilities;
 - c) oversight of the external auditor or audit firm, including:
 - (i) determining the selection process for the external auditor;
 - (ii) advising the Board regarding the selection of the external auditor's nomination for (re-) appointment;
 - (iii) advising the Board regarding the nomination of the external auditor to audit the company's statutory audit of the annual accounts and the consolidated annual accounts for the current financial year; and
 - (iv) preparing advice to the Board on the dismissal of the external auditor;
 - d) submitting a proposal to the Board for the external auditor's engagement to audit the financial statements;
(The Committee is facilitated by the Executive Board members in this process. In formulating the terms of engagement, attention is paid to the scope of the audit, the materiality to be used and the remuneration for the audit. The Board decides on the engagement. If a new external auditor is to be engaged by the Company, the Committee motivates its proposal which contains at least two options for a possible external auditor to be engaged by the Company and explains the Committee's preferred option. The proposal furthermore states that the decision-making of the Committee in this regard is not influenced by any third party or by any agreement).

- e) annually discussing the draft audit plan with the external auditor, including:
 - (i) the scope and materiality of the audit plan and the principal risks of the annual reporting identified by the external auditor in the audit plan; and
 - (ii) based on the documents used to develop the audit plan, the findings and outcome of the audit work carried out on the financial statements and the management letter; and
- f) determining whether and, if so, how the external auditor is involved in the content and publication of financial reports other than the financial statements.

4.2. The Audit Committee also carries out the following duties:

- a) monitoring the financial reporting process and drawing up proposals to safeguard the integrity of this process;
- b) assessing the financial information provided by the Company (the reporting process and the outcome thereof), choice of accounting policies, application of generally accepted accounting rules, applied policies concerning the financial reporting and the assessments of the Executive Board members thereto, clarity of the notes, application of the effects of new legislation in this area, information on the treatment of estimated entries in the annual accounts, forecasts and the involvement of the external auditor thereto;
- c) monitoring the effectiveness of the internal risk management and control systems concerning the Company's strategic, operational, compliance and financial reporting risks;
- d) discussing any actual or suspected irregularities within the Group;
- e) monitoring the statutory audit of the annual accounts and the consolidated annual accounts;
- f) assessing and monitoring the independence of the external auditor or the audit firm, as applicable, specifically taking into account the extension of ancillary services to the Company.

4.3. Furthermore, the Committee has the following responsibilities:

- a) to be informed about (i) opinions of legislative and supervising institutions and (ii) changes in (international) accounting standards;
- b) maintaining frequent contact and supervising the relationship with the external auditor, including in particular (i) assessing the external auditor's independence, (ii) assessing and proposing with regard to the remuneration and instructions to the external auditor to provide non-audit services for the Group, (iii) determining the involvement of the external auditor in respect of the contents and publication of financial reporting by the company other than the annual accounts, and (iv) as the first contact, taking note of irregularities in respect of the content of the financial reporting as may be reported by the external auditor within the scope of his engagement;
- c) preparing the approval by the Board of (i) the annual accounts for adoption by the Annual General Meeting of Shareholders (ii) the dividend policy and profit distribution and (iii) the annual operational plan and substantial capital investments (including acquisitions) of the Company;
- d) assessing the propagation by the Executive Board members of the proper management culture through communicating the importance of internal risk management.

4.4. The Committee shall review and re-assess its performance and the adequacy of these Terms of Reference periodically, report its assessment to the Board and recommend, where appropriate, any proposed changes to the Board. Any amendment to this Terms of Reference must be approved by the affirmative vote of a majority of the Board.



- 4.5. The Committee shall have the authority to obtain, at the Company's reasonable expense, advice and assistance from internal or external legal, accounting or other advisers as it deems advisable to carry out its duties and to retain and terminate such advisers to the Committee. The Committee shall keep the Company's Chief Financial Officer advised as to the general range of anticipated expenses for outside consultants.
- 4.6. Consistent with its oversight function, the Committee shall have the authority to conduct or authorize investigations into any matters within the Committee's responsibilities and, in doing so, have access to the Company's records, employees, and independent auditors (with or without the presence of management).
- 4.7. The Committee may only exercise such powers as are explicitly attributed to it by the Board and may never exercise powers beyond those exercisable by the Board as a whole.
- 4.8. The following Annexes to this Terms of Reference contain further details on some of the duties of the Committee per specific subject:
- ANNEXURE A – OVERSIGHT OF THE EXTERNAL AUDITOR AND INTERNAL AUDIT FUNCTION;
ANNEXURE B – OVERSIGHT OF FINANCIAL REPORTING AND PUBLICATIONS;
ANNEXURE C – OVERSIGHT OF COMPLIANCE WITH LEGISLATION AND REGULATIONS; AND
ANNEXURE D – SUPERVISION OF FINANCING AND FINANCE-RELATED STRATEGIES.

5. Meetings

- 5.1. The Committee shall meet as often as required for the proper functioning of the Committee. The Committee shall prepare an annual schedule for its meetings and the dates. For all other instances or occasions, the meetings of the Committee should be called by the chairman of the Committee within a reasonable notice period. The Committee shall meet at least twice a year. Meetings can take place physically or by means of telephone, videoconference, or electronic communications provided all participants can participate in the meeting.
- 5.2. The chairman of the Committee shall set the agenda and chair the meeting of the Committee. Save for urgent cases, to be determined by the chairman of the Committee, the agenda for the meeting shall be sent at least one week before the meeting to all members of the Committee. To the extent possible, written explanations and/or other related documents will be enclosed for each item on the agenda.
- 5.3. The meetings shall be minuted and the chairman of the Committee shall appoint the minute-taker. The draft minutes shall be approved and signed by the chairman during the next meeting. The minutes of the meetings of the Committee shall be circulated among all members of the Board once available.
- 5.4. Each member of the Committee has the right to cast one vote. All resolutions must be adopted by an absolute majority of the votes cast. If there is a tie in voting, the chairman of the Committee shall have a casting vote.
- 5.5. The head of the internal audit function, the external auditor and the Company's Chief Financial Officer shall attend the Committee meetings unless the Committee decides otherwise. The Committee shall

decide if and when the Company's Chief Executive Officer should attend its meetings. In addition, independent experts may be invited to attend meetings of the Committee. Each Board member may attend meetings of the Committee as an observer.

5.6. The Committee shall meet separately with the independent external auditor and the head of the internal audit function of the Company as often as it considers necessary, but at least once a year, without Executive Board members being present.

6. Reporting to the Board

6.1. The Committee should report to the Board on its deliberations and findings. This report must, at least, include the following information:

- I. the methods used to assess the effectiveness of the design and operation of the internal risk management and control systems referred to in best practice provisions 1.2.1 to 1.2.3² inclusive;
- II. the methods used to assess the effectiveness of the internal and external audit processes;
- III. material considerations regarding financial and sustainability reporting; and
- IV. the way in which the material risks and uncertainties, referred to in best practice provisions 1.4.2 and 1.4.3², have been analysed and discussed, along with a description of the most important findings of the Committee.

6.2. Annually, the Committee should also include in its reports to the Board the following:

- I. comment on how the duties of the Committee were carried out in the financial year;
- II. the composition of the Committee;
- III. the number of meetings of the Committee; and
- IV. the main items discussed at those meetings.

6.3. The Committee reports on the results of the annual statutory audit and the audit of the consolidated accounts to the Board. This report includes information on how the audit has contributed to the integrity of the financial reporting, and also reports on the role of the Committee in the audit.

6.4. If requested, the chairman of the Committee shall at meetings of the Board provide the Board with further information on the outcome of the discussions of the Committee. The Board should discuss the items reported on by the Committee.

6.5. All Board members have unrestricted access to all records of the Committee. The individual Board members shall exercise this right in consultation with the chairman of the Committee.

7. Other

7.1. The chairman of the Committee (or one of the other Committee members) shall be available to answer questions regarding the Committee's activities at the Annual General Meeting of Shareholders (AGM).

7.2. The Board can at all times amend these Terms of Reference and/or revoke any powers granted by it to the Committee.

² Dutch Corporate Governance Code



7.3. The Committee shall review and provide advice on regulatory and compliance requirements of the new lines of business which the Company is considering entering.

ANNEXURE A: OVERSIGHT OF THE EXTERNAL AUDITOR AND INTERNAL AUDIT FUNCTION

- a) Assess and evaluate the external auditor and the lead partner of the audit team of the external auditor.
- b) Obtain and review a report from the external auditor (at least annually) regarding:
 - (i) the external auditor's internal quality control procedures;
 - (ii) any material issues raised by the most recent internal quality control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five months with respect to one or more independent audits carried out by the firm;
 - (iii) any steps taken to deal with any such issues; and
 - (iv) all relationships between the external auditor and the Company. Evaluate the qualifications, performance, and independence of the external auditor, including considering whether the external auditor's quality controls are adequate, and considering the opinions of the Executive Board members and internal auditors.
- c) Ensure the rotation of the lead audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as well as the other members of the external auditor, as required by law and regulation.
- d) Review and discuss periodically with the Executive Board members and the external auditor, the regulations for the internal audit function and the Risk and Internal Audit policy and the independence of the audit process.
- e) Meet with the external auditor prior to the audit to discuss the planning, scope, and staffing of the audit.
- f) Review the reports most significant to the Executive Board members as prepared by the internal audit function and the Executive Board members response.
- g) Discuss with the external auditor and the Executive Board members the internal audit function's responsibilities, budget and staffing and any recommended changes in the planned scope of the internal audits planned.
- h) Annually discuss with the external auditor:
 - (i) the scope and materiality of the audit plan and the principal risks of the financial statements identified by the external auditor in the audit plan; and
 - (ii) based also on the documents from which the audit plan was developed, the findings and outcomes of the audit work on the financial statements and the management letter.³

³ Dutch Corporate Governance Code, best practice provision 1.7.2.

ANNEXURE B: OVERSIGHT OF FINANCIAL REPORTING AND PUBLICATIONS

- a) Review and discuss with the Board and the external auditor the annual accounts and the Report of the Executive Board members, including disclosures made in management interviews, analyses, and the like.
- b) Review and discuss with the Board and the external auditor the interim financial statements prior to their release, including the results of any review by the external auditors of the interim financial statements.
- c) Determine whether and, if so, how the external auditor should be involved in the content and publication of financial reports other than the (interim) financial statements.⁴
- d) Discuss with the Board and the external auditor significant financial reporting issues and judgements made in connection with the preparation of the Company's financial statements, including the quality of earnings, actual performance, any significant changes in the Company's selection or application of accounting principles, any issues as to the adequacy of the Company's internal controls and any special steps adopted in light of control deficiencies.
- e) Review and discuss reports of the external auditor on:
 - (i) all major elements of the accounting policies and the methods used;
 - (ii) all key audit matters indicated by the external auditor as such;
 - (iii) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with the Board or any member thereof, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the external auditor; and
 - (iv) other important written communications between the External auditor and the Board or one of its members, e.g., management letters.
- f) Discuss with the Board the Company's:
 - (i) earnings press releases, including the use of non-GAAP information; and
 - (ii) plans and policies of the Company with respect to comments on financial information and earnings guidance given by analysts and rating agencies.
- g) Discuss with the Board and the external auditor the consequences of legislative or regulatory initiatives as well as of off-balance structures for the financial reporting by the Company.
- h) Discuss with the Board the Company's major financial risk exposures and the steps the Board has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.

⁴ Dutch Corporate Governance Code, best practice provision 1.7.3.



ANNEXURE C: OVERSIGHT OF COMPLIANCE WITH LEGISLATION AND REGULATIONS

- a) Obtain reports from the Board, the head of the internal audit function and the external auditor to the effect that the Company and its Subsidiaries comply with the applicable legislation and regulations and the internal rules of the Company.
- b) Review reports on and intended disclosures on insider and related party transactions. Advise the Board on policy and procedures of the Company for compliance with applicable legislation and regulations.
- c) Discuss with the Board and the external auditor any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies.
- d) Discuss matters being the subject of legal action against or by the Company or otherwise litigious which might have a material impact on the business of the Company.



ANNEXURE D: SUPERVISION OF FINANCING AND FINANCE-RELATED STRATEGIES

- a) Review and discuss with the Board at least once a year the general financial strategy of the Company in relation to, amongst other things, capital allocation and capital structure.
- b) Review and discuss with the Board the financial policies and financial procedures of the Company, including its Treasury policies and procedures.