

**SCHEDULE 4 OF THE SUPERVISORY BOARD RULES**

**RULES GOVERNING AUDIT AND FINANCE COMMITTEE OF THE SUPERVISORY BOARD**

**AS PER 13 NOVEMBER 2019**

**1 RESPONSIBILITIES AND COMPOSITION OF THE AUDIT AND FINANCE COMMITTEE**

**Responsibilities**

- 1.1 The Audit and Finance Committee prepares the Supervisory Board's decision making regarding the supervision of the integrity and quality of the Company's financial reporting and the effectiveness of the Company's internal risk management and control systems.
- 1.2 The Audit and Finance Committee focuses on monitoring the Management Board in matters including:
- (a) relations with the internal and external auditors, and compliance with and follow-up on their recommendations and comments;
  - (a) the Company's funding;
  - (b) the application of information and communication technology by the Company, including risks relating to cybersecurity; and
  - (c) the Company's tax policy.
- 1.3 In addition, the Audit and Finance Committee carries out the following duties:
- (a) recommending persons for appointment as internal auditor;
  - (b) forming a position on how the internal audit function fulfils its responsibility;
  - (c) if the Company does not have an internal audit department, recommending to the supervisory board whether adequate alternative measures have been taken;
  - (d) monitoring the financial reporting process and where necessary ensuring that proposals are drawn up to safeguard the integrity of this process;
  - (e) monitoring the effectiveness of the internal control systems, the internal audit function and risk management systems with regard to the Company's financial reporting;
  - (f) monitoring the statutory audit of the annual accounts and the consolidated annual accounts;
  - (g) assessing and monitoring the independence of the external auditor or the audit firm, as applicable, specifically taking into account the provision of any ancillary services to the Company;
  - (h) determining the selection process for the external auditor or the audit firm, as applicable, of the Company and the nomination regarding the assignment to carry out the statutory audit; and

- (i) coordinating and monitoring compliance with best practice provisions 1.3.1 through 1.3.5 (internal audit) and 1.6.1 through 1.7.6 (external audit) of the Code.

### **Composition**

- 1.4 The Supervisory Board determines the size of the Audit and Finance Committee, provided that the Audit and Finance Committee consists of at least three members.
- 1.5 More than half of the members of the Audit and Finance Committee must be independent pursuant to best practice provision 2.1.8 of the Code.
- 1.6 The Chairman or a former Managing Director cannot serve as chairman of the Audit and Finance Committee. The chairman of the Audit and Finance Committee must be independent pursuant to best practice provision 2.1.8 of the Code.
- 1.7 At least one member of the Audit and Finance Committee must have specific expertise in financial reporting and in the reviewing of financial reports.

## **2 MEETINGS AND DECISION-MAKING**

- 2.1 Clause 5 of the Supervisory Board rules applies equally to the meetings and decision making of the Audit and Finance Committee, provided that:
  - (a) meetings of the Audit and Finance Committee are attended by the Chief Financial Officer, the internal auditor and the external auditor, unless the Audit and Finance Committee determines otherwise; and
  - (b) the Audit and Finance Committee may decide that, and if so when, the Chief Executive Officer attends its meetings.

## **3 REPORT TO THE SUPERVISORY BOARD**

- 3.1 The Audit and Finance Committee reports on its deliberations and findings to the Supervisory Board. This report includes information on how the duties of the Audit and Finance Committee were carried out in the financial year, and also reports on the composition of the Audit and Finance Committee, the number of meetings of the Audit and Finance Committee and the main items discussed at those meetings.
- 3.2 In particular, the Audit and Finance Committee reports on the results of the annual statutory audit to the Supervisory 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 Audit and Finance Committee in the audit.

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