

AUDIT COMMITTEE RULES

Ariston Holding N.V.

26 November 2021



300002322/26489764.6

1. Introduction

- 1.1. These Audit Committee Rules have been drawn up and adopted by the Board pursuant to article 8.4 of the Board Rules on 28 October 2021.
- 1.2. In these Audit Committee Rules, unless where explicitly provided otherwise, capitalised words and expressions have the meaning as set forth in the list of definitions attached hereto as Schedule 1.

2. Mission and vision of the Audit Committee

- 2.1. The mission of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities.
- 2.2. The Audit Committee will review the Company's financial reporting process, the systems of internal control and management of enterprise risk, the external audit process, and the Company's process for monitoring compliance with laws and regulations and its own code of business conduct, as well as such other matters, which may be specifically delegated to the Audit Committee by the Board, from time to time.
- 2.3. In performing its duties, the Audit Committee shall also consider the social, economic, legal and any other consequences of the operations of the Company regarding (i) the employees, the subsidiaries and the suppliers of the Company, (ii) the interests of the customers of the Company and its subsidiaries, (iii) the communities and the society in which the Company, its subsidiaries and suppliers operate their businesses, (iv) the local and global environment, and (v) the short-term and long-term interests of the Company.

3. Composition of the Audit Committee

- 3.1. The members of the Audit Committee and its chair shall be appointed, and may be replaced from their position at any time, by the Board.
- 3.2. The Audit Committee shall consist of at least three members. The Audit Committee shall comprise exclusively of Non-Executive Directors.¹
- 3.3. More than half of the members of the Audit Committee, including the chair of the Audit Committee, shall be independent within the meaning of best practice provision 2.1.8 of the Dutch Code.²
- 3.4. If a member of the Audit Committee is or becomes aware of any circumstances which may reasonably impair or affect his or her independence or the perception of his or her independence, that member will inform the Audit Committee promptly. The Audit Committee will then consult with the Board to determine whether there is sufficient cause for that member to resign from, or terminate his or her membership of, the Audit Committee.
- 3.5. The Audit Committee shall not be chaired by the chair of the Board or by a former Executive Director.³
- 3.6. At least one member of the Audit Committee must have competence in financial reporting

¹ Best practice provisions 2.3.2 Dutch Code.

² Best practice provision 2.3.4 and Article 2(3) Audit Committee Decree 2016.

³ Best practice provision 2.3.4 Dutch Code.

- or auditing of financial statements.⁴ The Audit Committee as a whole must have competence relevant to the sector in which the Company operates.⁵
- 3.7. The chair of the Audit Committee is primarily responsible for the proper functioning of the Audit Committee. He or she shall act as the spokesperson of the Audit Committee and shall be the main contact for the Board.

4. Duties and powers

4.1. General duties and powers

- 4.1.1. The Audit Committee shall prepare the Board's decision-making on 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.⁶ Among other things, it shall focus on:
- a) monitoring the Board with regard to:
 - i. relations with, and compliance with recommendations by and following up of comments by, the internal audit function and the External Auditor;
 - ii. the funding of the Company;
 - iii. the application of information and communication technology, including risk relating to cyber security; and
 - iv. the Company's tax policy.⁷
 - b) informing the Board of the outcome of the statutory audit, including an explanation of the manner in which the statutory audit has contributed to the integrity of financial reporting and the role of the Audit Committee in that process;⁸
 - c) monitoring the financial reporting process and making proposals to ensure the integrity of the process;⁹
 - d) monitoring the effectiveness of the internal management system, the internal audit system and the risk management system in relation to the financial reporting of the Company;¹⁰
 - e) monitoring the statutory audit of the Annual Accounts, in particular the process of such audit taking into account the review of the AFM in accordance with Article 26, paragraph 6 of Regulation (EU) No 537/2014;¹¹
 - f) reviewing and monitoring the independence of the external auditor, as referred to in Article 1 paragraph 1 (f) of the Supervision audit firms Act (*Wet toezicht accountantsorganisaties*), or the audit firm as referred to in Article 1 paragraph 1 (a)

⁴ Article 2(3) Audit Committee Decree 2016.

⁵ Article 2(3) Audit Committee Decree 2016.

⁶ Best practice provisions 1.5.1 and 2.3.2 Dutch Code.

⁷ Best practice provision 1.5.1 Dutch Code.

⁸ Article 2(2)(a) Audit Committee Decree 2016.

⁹ Article 2(2)(b) Audit Committee Decree 2016.

¹⁰ Article 2(2)(c) Audit Committee Decree 2016.

¹¹ Article 2(2)(d) Audit Committee Decree 2016.

and (c) of the Supervision audit firms Act (*Wet toezicht accountantsorganisaties*), and in particular the provision of other services to the Company;¹² and

- g) determining the procedure for the selection of the External Auditor and the nomination of the performed statutory audits pursuant to Article 16 of Regulation (EU) No 537/2014.¹³ The current procedure for the selection of the external auditor is set out in article 5.2.
- 4.1.2. When performing their duties, the members of the Audit Committee are entitled to seek assistance or information from one or more experts appointed by it and at a price agreed upon with the Board, which will be paid by the Company.
- 4.1.3. The Audit Committee is only entitled to exercise such powers as are explicitly attributed to it by the Board and it is never entitled to exercise powers beyond those exercisable by the Board as a whole.

4.2. Internal audit function

- 4.2.1. Regarding the internal audit function, the Audit Committee shall:
- a) issue recommendations to the Board regarding the appointment and dismissal of the senior internal auditor;¹⁴
 - b) annually formulate an opinion to the Board regarding the way in which the internal audit function fulfils its responsibilities;¹⁵
 - c) be involved in the internal audit function's process of drawing up the Company's audit plan, in which plan attention should be paid to the interaction with the External Auditor;¹⁶
 - d) keep records of how the Audit Committee is informed by the internal audit function. The internal audit function shall have sufficient resources to execute the internal audit plan and have access to information that is important for the performance of its work. The internal audit function shall have direct access to the Audit Committee and the External Auditor. Records should be kept of how the Audit Committee is informed by the internal audit function;¹⁷ and
 - e) review the essence of the audit results of the internal audit function.¹⁸
- 4.2.2. If there is no separate department for the internal audit function, the Non-Executive Directors will assess annually whether adequate alternative measures have been taken, partly on the basis of a recommendation issued by the Audit Committee, and will consider whether it is necessary to establish an internal audit department. The Non-Executive Directors should include the conclusions, along with any resulting recommendations and

¹² Article 2(2)(e) Audit Committee Decree 2016.

¹³ Article 2(2)(f) Audit Committee Decree 2016.

¹⁴ Best practice provision 1.3.1 Dutch Code.

¹⁵ Best practice provision 1.3.2 Dutch Code.

¹⁶ Best practice provision 1.3.3 Dutch Code.

¹⁷ Best practice provision 1.3.4 Dutch Code.

¹⁸ Best practice provision 1.3.5 Dutch Code.

alternative measures, in the Non-Executive Report.¹⁹

4.3. Risk management accountability

The Audit Committee periodically discusses the effectiveness of the design and operation of the internal risk management and control systems, which identify and manage the risk associated with the Company's strategy and activities, with the Board,²⁰ including any major failings in the internal risk management and control systems which have been observed in a financial year, any significant changes made to these systems and any major improvements planned.²¹

5. External Auditor

5.1. Duties regarding the External Auditor

5.1.1. Regarding the external audit function, the Audit Committee shall:

- a) report annually to the Board on the functioning of, and the developments in the relationship with the External Auditor;²²
- b) advise the Board regarding the nomination of the External Auditor for (re)appointment or dismissal and prepare the selection of the External Auditor;²³
- c) give due consideration to the Board's observations when reporting and advising on the issues listed under a. and b. above;²⁴
- d) submit a proposal to the Board for the External Auditor's engagement to audit the financial statements. In formulating the terms of engagement, attention should be paid to the scope of the audit, the materiality to be used and remuneration for the audit. The Non-Executive Directors shall resolve on the External Auditor's engagement;²⁵
- e) discuss with the External Auditor the audit plan and the findings of the External Auditor based on the work the External Auditor has undertaken;²⁶
- f) annually discuss with the External Auditor: (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 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;²⁷
- g) determine whether and, if so, how the External Auditor should be involved in the

¹⁹ Best practice provision 1.3.6 Dutch Code.

²⁰ Best practice provision 1.4.1 and principle 1.2 Dutch Code.

²¹ Best practice provision 1.4.2 sub iii. Dutch Code.

²² Best practice provision 1.6.1 Dutch Code.

²³ Best practice provision 1.6.1 Dutch Code.

²⁴ Best practice provision 1.6.1 Dutch Code.

²⁵ Best practice provision 1.6.3 Dutch Code.

²⁶ Principle 1.7 Dutch Code.

²⁷ Best practice provision 1.7.2 Dutch Code.

content and publication of financial reports of the Company other than the financial statements; and

- h) meet with the External Auditor as often as it considers necessary, but at least once per year, outside the presence of the Board.²⁸
- 5.1.2. The Audit Committee shall contact the External Auditor about the information included in its report. This report shall contain the matters which the External Auditor wishes to bring to the attention of the Board.
- 5.1.3. The Audit Committee acts as first point of contact for the External Auditor, if the External Auditor identifies any irregularities in the Company's financial reporting. In addition, the Audit Committee must be contacted by both the External Auditor and Board if there is a difference of opinion or any disagreement regarding the audit.

5.2. Selection procedure regarding the External Auditor

- 5.2.1. The proposal of the Board to the General Meeting for the appointment of the External Auditor shall include the recommendation by the Audit Committee. The recommendation of the Audit Committee should include at least two possible choices for the audit engagement. If the proposal of the Board deviates from the preference of the Audit Committee, the proposal shall justify the reasons for not following the recommendation of the Audit Committee. However, the External Auditor recommended by the Board must have participated in the selection procedure described below.²⁹
- 5.2.2. Unless it concerns the renewal of an audit engagement, the advice of the Audit Committee shall be prepared following a selection procedure organised by the Company respecting the following criteria:³⁰
 - a) the Company shall be free to invite any statutory auditors or audit firms to submit proposals for the provision of the statutory audit service on the condition that a cooling off period is respected and that the organisation of the tender process does not in any way preclude the participation in the selection procedure of firms which received less than 15% of the total audit fees from public-interest entities in the Netherlands in the previous calendar year;³¹
 - b) the Company shall prepare tender documents for the attention of the invited statutory auditors or audit firms. Those tender documents shall allow them to understand the business of the audited entity and the type of statutory audit that is to be carried out. The tender documents shall contain transparent and non-discriminatory selection criteria that shall be used by the audited entity to evaluate the proposals made by statutory auditors or audit firms;³²
 - c) the Company shall be free to determine the selection procedure and is entitled to conduct direct negotiations with interested tenderers in the course of the

²⁸ Best practice provision 1.7.4 Dutch Code.

²⁹ Article 16(5) Regulation (EU) No 537/2014.

³⁰ Article 16(3) Regulation (EU) No 537/2014.

³¹ Article 16(3)(a) and 17(3) Regulation (EU) No 537/2014.

³² Article 16(3)(b) Regulation (EU) No 537/2014.

procedure;³³

- d) if the AFM requires audit firms to comply with certain quality standards, those standards shall be included in the tender documents;³⁴
- e) the Company shall evaluate the proposals made by the statutory auditors or the audit firms in accordance with the selection criteria predefined in the tender documents. The Company shall prepare a report on the conclusions of the selection procedure, which shall be validated by the Audit Committee. The Company and the Audit Committee shall take into consideration any findings or conclusions of any inspection report on the applicant statutory auditor or audit firm referred to in Article 26(8) of Regulation (EU) 537/2014 and published by the competent authority pursuant to point (d) of Article 28 of Regulation (EU) 537/2014;³⁵
- f) the Company shall be able to demonstrate, upon request, to the AFM that the selection procedure was conducted in a fair manner.³⁶

6. Audit Committee meetings and decision-making

6.1. General provisions

- 6.1.1. The Audit Committee shall meet as often as deemed necessary for the proper functioning of the Audit Committee and at least four times a year. Meetings shall be scheduled as much as possible in advance. The Audit Committee shall meet with the External Auditor as often as it considers necessary but shall meet at least once a year with the External Auditor without the Board being present, in accordance with article 5.1.1.h).³⁷
- 6.1.2. Meetings of the Audit Committee are called in writing by or on behalf of the chair of the Audit Committee, possibly with the assistance of a secretary appointed by the Audit Committee. Save in urgent cases, to be determined by the chair of the Audit Committee, the agenda for the meeting shall be sent to the members of the Audit Committee at least three business days before the meeting. Whenever possible, an explanation in writing and/or other related documentation shall be attached for each item on the agenda.
- 6.1.3. Each member of the Audit Committee has the right to request that an item be placed on the agenda for an Audit Committee meeting.
- 6.1.4. Meetings of the Audit Committee are generally held at the offices of the Company but can also take place elsewhere. Meetings of the Audit Committee can be held by electronic means of communication, provided that all participants are able to see and/or hear each other simultaneously.
- 6.1.5. Meetings of the Audit Committee are chaired by the chair of the Audit Committee. If the chair is not present at a meeting, the member present who served on the Audit Committee

³³ Article 16(3)(c) Regulation (EU) No 537/2014.

³⁴ Article 16(3)(d) Regulation (EU) No 537/2014.

³⁵ Article 16(3)(e) Regulation (EU) No 537/2014.

³⁶ Article 16(3)(f) Regulation (EU) No 537/2014.

³⁷ Best practice provision 1.7.4 Dutch Code.

for the longest period of time will act as chair.

- 6.1.6. The chief financial officer, the head of the internal audit department and the External Auditor shall attend the Audit Committee meetings, unless the Audit Committee determines otherwise. The Audit Committee decides whether and, if so, when the CEO shall attend Audit Committee meetings.³⁸
- 6.1.7. The Audit Committee and the chair of the Audit Committee may request officers, independent experts or external advisors of the Company and its subsidiaries or other parties to be present (*verzoeken tot bijwonen*) at a meeting of the Audit Committee.
- 6.1.8. The admittance to the Audit Committee meetings (*toelaten tot de vergadering*) of persons other than the members of the Audit Committee, a secretary appointed by the Audit Committee and the invited persons in accordance with articles 6.1.6 and 6.1.7., shall be decided by the chair of the Audit Committee.
- 6.1.9. The members of the Audit Committee shall endeavour to achieve that resolutions are as much as possible adopted unanimously. If unanimity cannot be reached, all resolutions of the Audit Committee are adopted by an absolute majority of the votes cast. If the vote is tied, the proposal shall be deemed to have been rejected.
- 6.1.10. Each member of the Audit Committee shall be entitled to cast one vote in a meeting in which at least two members of the Audit Committee are present.
- 6.1.11. If no resolution can be adopted by the Audit Committee as a consequence of a conflict of interest (as described in article 15 of the Board Rules) of all members of the Audit Committee, the relevant resolution will be referred to the Board.
- 6.1.12. If a member of the Audit Committee is frequently absent during meetings of the Audit Committee, the chair of the Audit Committee will discuss this with that member. If the chair of the Audit Committee is frequently absent during meetings, the other members will discuss this with the chair of the Audit Committee.
- 6.1.13. A secretary appointed by the Audit Committee or any other person designated for such purpose by the chair of the Audit Committee shall draw up minutes of the meeting. The minutes shall provide insight into the decision-making process at the meeting. The minutes shall be adopted by the Audit Committee at the same meeting or the next meeting.

6.2. Reporting to the Board

- 6.2.1. The Audit Committee shall report to the Board on its deliberations and findings. This report must, at least, include the following information:
- a) the methods used to assess the effectiveness of the design and operation of the internal risk management and control systems of the Company;
 - b) the methods used to assess the effectiveness of the internal and external audit processes of the Company;
 - c) material considerations concerning the Company's financial reporting; and

³⁸ Best practice provision 1.5.2 Dutch Code.

- d) the way material risks and uncertainties referred to in the report of the Board have been analysed and discussed, along with a description of the most important findings of the Audit Committee.³⁹
- 6.2.2. The Audit Committee shall inform the Board of the result of the statutory audit of the Annual Accounts, with an explanation of the way in which the statutory audit contributes to the integrity of the financial reporting and the role of the Audit Committee in this process.⁴⁰

7. Miscellaneous

- 7.1. The Audit Committee may occasionally decide not to comply with these Audit Committee Rules, with due observance of applicable laws and regulations.
- 7.2. These Audit Committee Rules may be amended by the Board at any time, it being understood that any amendments of a non-substantive nature that may be required to comply with laws or regulations may be approved by the Executive Chair or by the CEO, who will report to the other Directors at the following Board meeting.
- 7.3. These Audit Committee Rules are complementary to the provisions governing the Audit Committee under Dutch law, the Board Rules and the Articles of Association. Where these Audit Committee Rules are inconsistent with Dutch law, the Board Rules or the Articles of Association, the latter shall prevail. Where these Audit Committee Rules are consistent with the Articles of Association or the Board Rules but inconsistent with Dutch law, the provisions of Dutch law shall prevail.
- 7.4. If one or more provisions of these Audit Committee Rules are or become invalid, this shall not affect the validity of the other provisions. The Board may replace the invalid provisions by provisions which are valid and the effect of which, given the contents and purpose of these Audit Committee Rules is, to the greatest extent possible, similar to that of the invalid provisions.
- 7.5. These Audit Committee Rules are governed by the laws of the Netherlands. The courts of the Netherlands have exclusive jurisdiction to settle any dispute arising from or in connection with these Audit Committee Rules (including any dispute regarding the existence, validity or termination of these Audit Committee Rules).

³⁹ Best practice provision 1.5.3 Dutch Code.

⁴⁰ Article 2(2)(a) Audit Committee Decree 2016.

Schedule 1 List of definitions

In these Audit Committee Rules, the following terms have the following meanings:

AFM	the Dutch Authority for the Financial Markets (<i>Autoriteit Financiële Markten</i>)
Annual Accounts	the annual accounts of the Company as referred to in article 2:101 DCC
Articles of Association	the articles of association (<i>statuten</i>) of the Company, as amended from time to time
Audit Committee	the audit committee of the Board
Audit Committee Decree 2016	Decree of 8 December 2016 amending the Audit Firms (Supervision) Decree and some other decrees to implement Directive no. 2014/56/EU of the European Parliament and the Council of the European Union of 16 April 2014 amending Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts (OJEU 2014, L 158) and to implement Regulation (EU) no. 537/2014 on specific requirements regarding statutory audit of public-interest entities (OJEU 2014, L 158) (Implementation decision on amending directive and regulation on statutory audits) (<i>Besluit van 8 december 2016 tot wijziging van het Besluit toezicht accountants-organisaties en enige andere besluiten ter implementatie van richtlijn nr. 2014/56/EU van het Europees Parlement en de Raad van de Europese Unie van 16 april 2014 tot wijziging van Richtlijn 2006/43/EG betreffende wettelijke controles van jaarrekeningen en geconsolideerde jaarrekeningen (PbEU 2014, L 158) en ter implementatie van verordening (EU) nr. 537/2014 van het Europees Parlement en de Raad van 16 april 2014 betreffende specifieke eisen voor de wettelijke controles van financiële overzichten van organisaties van openbaar belang (PbEU 2014, L 158)(implementatiebesluit wijzigingsrichtlijn en verordening wettelijke controles jaarrekeningen).</i>)
Audit Committee Rules	these rules of the Audit Committee, including the schedules belonging thereto
Board	the board (<i>bestuur</i>) of the Company
Board Rules	the rules of the Board, including the schedules belonging thereto

CEO	the Executive Director designated as chief executive officer by the Board in accordance with the Articles of Association
Company	Ariston Holding N.V.
DCC	the Dutch Civil Code (<i>Burgerlijk Wetboek</i>)
Directive 2006/43/EC	Directive of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directive 78/660/EEC and 83/349/EEC and repealing Council Directive 84/243/EEC
Director	an Executive Director or a Non-Executive Director
Dutch Code	the Dutch corporate governance code dated 8 December 2016, as amended from time to time
Executive Chair	the Executive Director designated as executive chair by the Board in accordance with the Articles of Association
Executive Director	a member of the Board appointed as executive director in accordance with the Articles of Association
External Auditor	a qualified accountant (<i>registeraccountant</i>) or other expert as referred to in article 2:393 paragraph 1 DCC or an organisation in which such experts work together
General Meeting	the general meeting (<i>algemene vergadering</i>) of the Company, meaning the corporate body of the Company that consists of the shareholders and all other persons with voting rights or the meeting in which the shareholders and all other persons entitled to attend such meeting assemble
Non-Executive Director	a member of the Board appointed as non-executive director in accordance with the Articles of Association
Regulation (EU) No 537/2014	Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2009/509/EC
written and in writing	a message transmitted by letter, by telecopier, by e-mail or by any other means of electronic communication provided the relevant message or document is legible and reproducible, unless Dutch law or the Articles of Association provide otherwise