

## ENVIPCO HOLDING N.V.

### Charter of the Audit Committee

#### 1. INTRODUCTION

- 1.1 This charter (the **Audit Committee Charter**) regards the terms of reference for the audit committee (the **Audit Committee**) of the board of directors (the **Board**) of Envipco Holding N.V. (the **Company**).
- 1.2 Capitalized terms used but not otherwise defined in this Audit Committee Charter have the meaning attributed to such terms in the rules (*reglement*)<sup>1</sup> of the Board (the **Board Charter**).
- 1.3 Words importing the singular number include the plural number and vice versa. Any reference to a gender includes all genders and non-binary individuals.
- 1.4 Any reference to writing includes all modes of representing or reproducing words in a visible form, including in the form of electronic means of communication.
- 1.5 In the event of lack of clarity or difference of opinion on the interpretation of any provision of this Audit Committee Charter, the opinion of the Chairperson shall be binding.
- 1.6 This Audit Committee Charter is based upon the Code. The Code contains principles and best practice provisions that apply to the Company's corporate governance structure. The 'Comply or Explain'- report of the Company in accordance with the Code shall be made available in the Report of the Board of Directors and/or on the Company's website.

#### 2. GENERAL ROLE AND RESPONSIBILITIES

- 2.1 The Audit Committee advises the Board in relation to its responsibilities and undertakes 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 and shall prepare resolutions of the Board in relation thereto.<sup>2</sup>
- 2.2 The Audit Committee shall in any event have the following duties and responsibilities:
- (a) supervising and monitoring, and discussing with and advising the Board on, the effectiveness of the design and operation of the internal risk

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<sup>1</sup> Art. 9.3 AoA

<sup>2</sup> BPR 1.5.1

management and control systems, including supervising the enforcement of the relevant legislation and regulations, and supervising the effect of codes of conduct;

- (b) supervising the preparation and submission of financial and sustainability information by the Company (including choice of accounting policies, application and assessment of the effects of new rules, information about the handling of estimated items, forecasts, work of the Company's internal auditor (if present) and the External Auditor);
- (c) supervising the compliance with, recommendations and follow-up of comments by, the internal auditor (if present), the External Auditor and any other external party involved in auditing the sustainability reporting;
- (d) supervising the functioning of the internal audit department (if present); in particular co-determining the plan of action for the internal audit department, taking note of the findings and considerations of the internal audit department and giving an opinion on the way in which the internal audit function fulfils its responsibility to the Board;
- (e) supervising the Company's tax policy;
- (f) supervising the funding of the Company;
- (g) maintaining frequent contact and supervising the relationship with the External Auditor;
- (h) implementing the procedure for the selection of the External Auditor and submitting a recommendation to the Non-Executive Directors for the (re)appointment or dismissal of the External Auditor by the General Meeting, giving due consideration to the Executive Directors' observations of the work of the External Auditor;
- (i) informing the Board of the outcome of the statutory audit and explaining how the statutory audit contributed to the integrity of financial reporting and what the role of the Audit Committee was in that process;
- (j) monitoring the financial and sustainability reporting process and submitting recommendations or proposals to ensure its integrity;
- (k) determining whether and, if so, how the External Auditor shall be involved in the content and publication of financial reports other than the Annual Accounts;
- (l) issuing a recommendation on the appointment and dismissal of the senior internal auditor (if present);
- (m) ensuring that an independent third party assesses the performance of the internal audit function at least every five years;
- (n) if there is no separate department for the internal audit function, issuing a recommendation to the Board whether adequate alternative measures have been taken;

- (o) submitting a proposal to the Board for the engagement of the External Auditor to audit the Annual Accounts;
  - (p) considering and where appropriate, advising the Board on approving the Annual Accounts, the annual budget and major capital expenditures of the Company.<sup>3 4</sup>
- 2.3 The Audit Committee may in its sole discretion carry out any investigation which it determines to be necessary or desirable to carry out its duties. Each member of the Audit Committee has access to all relevant books, records and offices of the Company and the authority to interview officers and employees of the Company to the extent necessary or useful for the proper performance of his duties. Members of the Audit Committee shall exercise this right in consultation with the chairperson of the Audit Committee (the **Audit Committee Chair**) and the Secretary (as defined below).
- 2.4 The Audit 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.
- 2.5 While the Audit Committee has the responsibilities and powers set forth in this Audit Committee Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's statements and disclosures are complete or accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. Neither this Audit Committee Charter nor any activity of the Audit Committee shall release the Board or the internal audit function or the External Auditor from their duties and responsibilities. In carrying out its function, the Audit 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 certification as to the work of the External Auditor.<sup>5</sup>
- 2.6 The Audit Committee shall, together with the Executive Directors and the External Auditor, be consulted by the internal audit function (if present) on the drawing up of the audit plan by the internal audit function.<sup>6</sup>
- 2.7 The Audit Committee and the External Auditor shall discuss the audit plan and the findings of the External Auditor based on the work the External Auditor has undertaken. The Audit Committee shall discuss with the External Auditor:
- (a) 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
  - (b) based also on the documents from which the audit plan was developed, the findings and outcomes of the audit work on the Annual Accounts and the management letter.<sup>7 8</sup>

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<sup>3</sup> BPP 1.3.2, BPP 1.3.6, BPP 1.4.1, BPP 1.5.1, BPP 1.6.3, BPP 1.7.3, sec. 2 Decree on the Establishment of Audit Committees (*Besluit instelling auditcommissie*, **BIAC**)

<sup>4</sup> See Article 7.3 and Schedule 1 (*Deviations*)

<sup>5</sup> See Article 7.3 and Schedule 1 (*Deviations*)

<sup>6</sup> BPP 1.3.3

<sup>7</sup> Principle 1.7, BPP 1.7.2

<sup>8</sup> See Article 7.3 and Schedule 1 (*Deviations*)

- 2.8 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;
  - (b) the methods used to assess the effectiveness of the internal and external audit processes;
  - (c) material considerations concerning financial and sustainability reporting; and
  - (d) the way in which material risks and uncertainties have been analyzed and discussed, along with a description of the most important findings of the Audit Committee.<sup>9</sup>
- 2.9 The Audit Committee shall report annually to the Board on the functioning of, and the developments in, the relationship with the External Auditor. The Audit Committee shall advise the Board regarding the External Auditor's nomination for appointment/reappointment or dismissal and should prepare the selection of the External Auditor.<sup>10</sup>
- 2.10 The External Auditor shall receive the financial information underlying the adoption of the quarterly or half yearly accounts and other interim financial reports and shall be given the opportunity to respond to all information.
- 2.11 The External Auditor shall inform the Audit Committee Chair without delay if, during the performance of its duties, the External Auditor discovers or suspects an instance of misconduct or irregularity. If the actual or suspected misconduct or irregularity pertains to the functioning of a Board member, the External Auditor shall report this directly to the Chairperson.
- 2.12 Every Non-Executive Director shall have unrestricted access to all records of the Audit Committee.

### **3. APPOINTMENTS OF THE EXTERNAL AUDITOR<sup>11</sup>**

- 3.1 Unless it concerns the renewal of the audit engagement of the External Auditor, the recommendation as referred to in Article 2.2(h) shall be well-motivated and shall contain at least two choices for the audit engagement. The Audit Committee shall express a duly justified preference for one (or both, if applicable) of the candidates. In its recommendation, the Audit Committee shall state that its recommendation is free from influence by a third party and that no contractual clauses restrict the choice by the General Meeting to certain categories or lists of statutory auditors or audit firms.
- 3.2 An audit engagement may be renewed but may not exceed a maximum duration of ten years. The duration of an engagement shall be calculated as from the Company's first financial year covered in the audit engagement letter. After any ten-year engagement period, a cool-off period of four years applies.

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<sup>9</sup> BPP 1.5.3

<sup>10</sup> BPP 1.6.1

<sup>11</sup> Art. 16 and 17 Regulation (EU) No 537/2014

- 3.3 Unless it concerns the renewal of the audit engagement of the External Auditor, the recommendation as referred to in Article 2.2(i) shall be prepared following a selection procedure organized by the Company – under the responsibility of the Audit Committee – respecting the following criteria:
- (a) the Company shall be free to invite any statutory auditors or audit firms (which are licensed to audit public-interest entities) to submit proposals for the provision of the statutory audit service provided that (i) any mandatory cool-off period shall be observed and (ii) the organization of the tender process does not in any way preclude the participation in the selection procedure of firms which received less than fifteen percent (15%) of the total audit fees from public-interest entities in the Netherlands in the previous calendar year;
  - (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 Company 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 Company to evaluate the proposals made by statutory auditors or audit firms;
  - (c) the Company shall be free to determine the selection procedure and may conduct direct negotiations with interested tenderers in the course of the procedure;
  - (d) where the AFM requires statutory auditors and audit firms to comply with certain quality standards, those standards shall be included in the tender documents;
  - (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 published by the AFM regarding the quality and transparency of the applicant statutory auditor(s) or audit firm(s); and
  - (f) the Company shall be able to demonstrate, upon request, to the AFM that the selection procedure was conducted in a fair manner.

#### **4. COMPOSITION AND SIZE**

- 4.1 The Board shall determine the number of members of the Audit Committee and appoint the members of the Audit Committee. The Board may substitute the members of the Audit Committee at any time.
- 4.2 All members of the Audit Committee must be Non-Executive Directors.<sup>12</sup>

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<sup>12</sup> BPR 5.1.4

- 4.3 More than half of the members of the Audit Committee, including the Audit Committee Chair, shall be independent within the meaning of Best Practice Provision 2.1.8 of the Code.<sup>13</sup>
- 4.4 At least one member of the Audit Committee has competence in accounting and/or auditing. The members as a whole shall have competence relevant to the sector in which the Company is operating.<sup>14</sup>
- 4.5 The Audit Committee may not be chaired by the Chairperson or by a former Executive Director. The Audit Committee Chair shall be designated by the Board.<sup>15</sup>
- 4.6 Generally the term of office of a member of the Audit Committee will not be set in advance. It will, inter alia, depend on the composition of the Board as a whole and the other Committees from time to time.
- 4.7 The composition of the Audit Committee shall be mentioned in the Report of the Board of Directors.
- 4.8 The Company Secretary (if present) shall act as the secretary to the Audit Committee. In absence of a Company Secretary, the Audit Committee shall appoint a secretary (such appointed secretary or the Company Secretary, as applicable, the **Secretary**).
- 4.9 No member of the Audit Committee may receive, directly or indirectly, any compensation from the Company other than remuneration paid to Non-Executive Directors for service on the Board or a Committee thereof.
- 4.10 The Audit Committee Chair or one of the other Audit Committee members shall use its best efforts to be available to answer questions about the Audit Committee's activities at the annual General Meeting.

## **5. MEETINGS AND DECISION MAKING**

- 5.1 The Audit Committee shall meet as often as required for a proper functioning of the Audit Committee, and for that purpose at least four times a year, prior to the scheduled publication of the annual and quarterly results of the Company. The meetings are, as much as possible, scheduled annually in advance. The Audit Committee shall meet ad hoc when this is deemed necessary by the Audit Committee Chair or any of its other members. Meetings of the Audit Committee are in principle convened by the Secretary in consultation with the Audit Committee Chair.
- 5.2 Article 9 of the Board Charter shall apply regarding meetings of, and decision-making by the Audit Committee.
- 5.3 The Audit Committee shall meet with the External Auditor as often as it considers necessary, but at least once a year, outside the presence of the Executive Director(s).<sup>16</sup>

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<sup>13</sup> BPP 2.3.4, sec 3 BIAC

<sup>14</sup> Sec 3 BIAC

<sup>15</sup> BPP 2.3.4, BPP 5.1.4, sec 3 BIAC

<sup>16</sup> BPP 1.7.4

- 5.4 The chief financial officer of the Company, its finance director, the internal auditor (if present) and the External Auditor shall attend the Audit Committee meetings, unless the Audit Committee determines otherwise. The Audit Committee shall decide whether and, if so, when the Chairperson shall attend its meetings.<sup>17</sup> In addition, other individuals, including Company or independent experts may be invited to attend (parts of) meetings of the Audit Committee.<sup>18</sup>
- 5.5 The Audit Committee shall, as soon as possible after its meeting, report to the Board its deliberations and findings.<sup>19</sup> The Secretary shall send a copy of the minutes of Audit Committee meetings to the Board. If and when required, the Audit Committee Chair shall provide further information to the Board during its meetings on the results of the Audit Committee's discussions.
- 5.6 The number of meetings of the Audit Committee, the attendance rate of each of the members of the Audit Committee and the main items discussed shall be mentioned in the Report of the Board of Directors.<sup>20</sup>

## 6. **OUTSIDE ADVISORS**

The Audit Committee may, in exercising its duties, seek the assistance or advice of one or more experts, at a price and conditions to be agreed by the Audit Committee in consultation with the Chairperson, at the expense of the Company.

## 7. **MISCELLANEOUS**

- 7.1 The Audit Committee shall annually review and evaluate its own performance, and submit such evaluation, including any recommendations for change, to the full Board for review, discussion and approval.
- 7.2 The Audit Committee shall from time-to-time review and assess the adequacy of this Audit Committee Charter and recommend any proposed changes to the Board.
- 7.3 The Board may amend this Audit Committee Charter and/or revoke any powers granted by it to the Audit Committee. The Board may allow temporary deviations from this Audit Committee Charter. In the event that a provision in this Audit Committee Charter is based on or derived from a Principle or Best Practice Provision of the Code, a deviation from such Principle or Best Practice Provision in accordance with the Code also constitutes a Board allowed deviation from the corresponding provision of this Audit Committee Charter.

On the date that this Audit Committee Charter was adopted, the Company deviated from the Principles and Best Practice Provisions from the Code as set out in **Schedule 1 (Deviations)**. Accordingly as per this Article 7.3, as long as the Company continues to such deviations from the Code they also constitute Board allowed deviations from the corresponding provision of this Audit Committee Charter.

- 7.4 This Audit Committee Charter, and any amendments thereto, shall be posted on the Company's website.

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<sup>17</sup> BPP 1.5.2

<sup>18</sup> See Article 7.3 and Schedule 1 (*Deviations*)

<sup>19</sup> BPP 2.3.5

<sup>20</sup> BPP 2.4.4

- 7.5 This Audit Committee Charter shall be governed by and shall be construed in accordance with the laws of the Netherlands. Any dispute arising in connection with this Audit Committee Charter shall be submitted to the exclusive jurisdiction of the competent court in Amsterdam, the Netherlands.
- 7.6 This Audit Committee Charter was adopted by the Board on 5 February 2024 and remain in full force and effect until amended or terminated (in whole or in part).



## SCHEDULE 1 – DEVIATIONS

Principle / Best Practice Provision deviation	Corresponding deviation Audit Committee Charter
Principle 1.3, Best Practice Provisions 1.3.1, 1.3.2, 1.3.3, 1.3.4, 1.3.5, 1.5.2, 2.4.8, 2.6.4 – Internal audit function	Articles 2.2, 2.5, 2.6 and 5.4 – Due to its size, the Company does not have an internal audit function. It has established capability through a designated internal officer reporting to the CFO based in the Netherlands responsible for the assessment of the design and operation of the internal risk management and control systems, as well as compliance with other reporting matters such as ESG and CSDR. This set up will be monitored and separated from the finance function when the Company expands in size.