

M A T A S

Audit Committee Charter



G R O U P

1. Establishment and function

- 1.1. The Audit Committee (the “Committee”) is a committee of the Board of Directors of Matas A/S, business reg. no. 27 52 84 06 (the “Company”) established in accordance with the EU directive on Statutory Auditing of Annual Accounts and Consolidated Accounts (8th Directive), the Danish Auditing Act (§31) and the Danish Recommendations on Corporate Governance.
- 1.2. The Committee is under the supervision of the Board of Directors and its function is preparatory in connection with the decisions made by the Board of Directors. Accordingly, all members of the Board of Directors must be provided with all relevant information and consider any recommendations or preparatory work of the Committee. The Board of Directors does not delegate any authority to the Committee to decide on matters presented to the Board of Directors and thus the Board of Directors remains responsible for decisions prepared by the Committee. The work of the Committee is governed by this charter (the “Charter”), setting forth the purpose, procedures for members, meetings and tasks of the Committee.
- 1.3. This Charter of the Committee is to be reviewed, amended if necessary and approved by the Board of Directors every year. Proposals for changes can be put forward by any member of the Board of Directors.

2. Purpose

- 2.1. The purpose of the Committee is to (i) prepare decisions to be made by the Board of Directors on audit and accounting matters, including risks related hereto, and (ii) to assist the Board of Directors by providing insight into financial and other materials presented to the Board of Directors for decision or approval, or (iii) any other matter the Board of Directors decides to have examined by the Committee.

3. Authorisation and resources of the Committee

The Board of Directors authorises the Committee to:

- 3.1. Report and make recommendations to the Board of Directors with respect to all matters within the scope of this Charter.
- 3.2. Examine and assess all matters within the scope of this Charter.
- 3.3. Unlimited access to any information that the Committee may find relevant for the performance of its responsibilities.
- 3.4. Obtain information from relevant employees from the Group's companies, who may be convened to attend meetings at the request of the Committee. Other board members, the Executive Committee and relevant employees are obliged to attend meetings if they are convened by the Committee.
- 3.5. Request information from the Group auditor.
- 3.6. Engage independent counsel and other advisors as it determines appropriate or necessary to carry out its duties and to incur other reasonable expenses as deemed necessary for the Committee to perform its duties. Expenses and the fees to above-mentioned advisors shall be paid by the Company.

4. Members of the Committee

- 4.1. The Board of Directors shall appoint at least three members of the Committee amongst the Board of Directors' own members.
- 4.2. The Company shall strive to ensure that the majority of the members of the Committee qualify as independent as defined by the Danish Recommendations on Corporate Governance.

- 4.3. The Board of Directors shall ensure that at least one of the members appointed to the Committee has qualifications in accounting and/or auditing to ensure that the Committee's combined expertise is sufficient to give it the relevant experience and insights into financial affairs and financial reporting and auditing.
- 4.4. The members of the Committee must have overall competencies relevant to the Company's sector (retail).
- 4.5. The Committee shall be appointed at the first ordinary board meeting after the annual general meeting.
- 4.6. The members are elected for one-year terms. Members may be removed by the Board of Directors at any time. Any member of the Committee who resigns from the Board of Directors also resigns from the Committee.
- 4.7. The Board of Directors appoints the Chair of the Committee. The Chair of the Board of Directors may not serve as Chair of the Committee.
- 4.8. Members of the Committee shall receive an annual fee in accordance with the Company's Remuneration Policy, proposed by the Board of Directors and approved by the general meeting.

5. Meetings of the Committee

- 5.1. The Committee shall hold a minimum of four meetings during the financial year in connection with the Company's financial reporting. Additional meetings may be requested by any member of the Committee, the Board of Directors, and the Executive Committee. To the extent possible, meetings are to be held prior to the board meetings.
- 5.2. The Chair of the Committee determines the meeting agenda as well as the frequency of meetings and convenes meetings in accordance with an annual wheel prepared by the Committee. In case of the absence of the Chair, one of the other Committee members shall undertake the responsibilities of the Chair of the Committee.
- 5.3. The Committee forms a quorum for a valid meeting when at least two members attend the meeting.
- 5.4. The members of the Committee are obligated to participate in the meetings of the Committee. Furthermore, attendance is required by at least the Group CFO and/or another member of the Executive Committee.
- 5.5. The Group auditor is invited to attend all Committee meetings and must attend at least one meeting a year (or a relevant part of this) with both the Committee and the Board of Directors, where the Executive Committee is not present.
- 5.6. The meetings of the Committee shall be subject to the same confidentiality provisions that apply to the Board of Directors.

6. Minutes of the Committee meetings

- 6.1. Minutes are prepared of all meetings and submitted for approval as soon as possible. The minutes are approved digitally by the members of the Committee and made available to the entire Board of Directors at the board portal. The minutes must reflect the dialogue and views that have been presented at the meetings in order to ensure an appropriate and fair basis for the entire Board of Directors to make decisions. If a board meeting is held without the members of the Board of Directors having received minutes from the most recent Committee meeting, the Chair of the Committee, or in the event of his/her absence one of the other members, gives a preliminary, oral report at the board meeting.
- 6.2. Minutes and any appendices thereto are made available to the Group auditor at the board portal.

- 6.3. A person delegated by the Executive Committee prepares and keeps minutes of the business transacted at the meetings of the Committee.

7. Tasks and areas of responsibility of the Committee

The overall tasks of the Committee are:

Financial reporting

- 7.1. To monitor the financial reporting process. In doing so, the Committee shall monitor compliance with applicable laws, standards and other regulations of listed companies regarding financial reporting and disclosure of financial reporting and make recommendations or proposals to ensure integrity.
- 7.2. The Committee shall assess and if necessary, investigate the Executive Committee's actions and assessments for the financial reporting before they are submitted to the Board of Directors, focusing particular on:
- the accounting policies applied and any changes hereto, including adoption of new accounting standards;
 - significant accounting estimates, management judgments in relation to the accounting and reporting process;
 - to evaluate content and information in the external reporting (annual reports, period notices, prospects, etc.);
 - presentation of financial reporting ensuring that it is sufficient and provides a true and fair view of the financial position of the Company;
 - to evaluate whether the going-concern principle can still be considered relevant and justified; and
 - To review and evaluate related party transactions.

Internal control functions

- 7.3. To monitor the Company's internal control environment in relation to accounting, compliance, reporting process and enterprise risk management, including in relation to the announced expectations.
- 7.4. To discuss the internal control systems with the Company's auditor annually and submit any amendments to the Board of Directors.
- 7.5. To review procedures and guidelines for the prevention and identification of fraud. This also includes evaluating the opportunities of the Company management to deviate from internal control procedures and influence the financial statements.
- 7.6. Review any significant and relevant incidents through the Company's whistleblower function.
- 7.7. To annually assess the need for an internal audit function.

Risk management

- 7.8. To monitor the process established for enterprise risk management and related reporting.
- 7.9. To review the Insurance Policy, monitor the insurance strategy applied as well as insurance coverage.

IT security and risks

- 7.10. To review and identify significant risks to the Company including the status of current cyber risks, review of the Company's technical safeguards and the Company's work with cyber security to mitigate cyber risks, reporting on penetration tests performed and data protection in relation to the GDPR.
- 7.11. To review the Company's Policy on Data Ethics and ensure that the is explained in the management's report in the annual report.

Group auditor

- 7.12. To monitor the statutory audit of the annual accounts, etc. considering the result of the most recent quality control of the audit firm.
- 7.13. To review the Group auditor's reports to the Executive Committee and the Board of Directors.
- 7.14. To monitor and control the Group auditor's independence and to approve the Group auditor's provision of services other than auditing, including:
- Carry out a concrete and critical assessment of the Group auditor's independence, objectivity and competence, including ensuring that the Group auditor's operating period does not exceed what is permitted by law.
 - Prepare proposals for the Board of Directors regarding the overall general framework for the Group auditor's provision of non-audit services.
 - Monitor the nature and extent of the Group auditor's non-audit services for the purpose of ensuring the auditor's independence and objectivity, including
 - to ensure that the amount of non-audit services provided by the Group auditor's parent company does not exceed 70% of the average sum of three previous financial years' audit fees for Matas Group.
 - to pre-approve the Group auditor's provision of non-audit services to the Group's companies and to ensure that the provisions on independence in the Auditors Act and Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 for auditors in listed companies are complied with. A list of permitted and non-permitted non-audit services is set out in Annex 1 to this Charter. The Board of Directors has authorised the Executive Committee to enter into agreements on the provision of permitted non-audit services to the Group, subject to Appendix 1 up to an estimated fee of DKK 500,000. Approval of permitted non-audit services to Group companies exceeding an estimated fee of DKK 500,000 may be granted by the Chair of the Committee in accordance with a general authorisation hereto from the Board of Directors.
 - in connection with the approval of the coming year's audit fee, to review an overview prepared by the Executive Committee of the Group auditor's provision of non-audit services approved by the Executive Committee in the current financial year, including calculation of the share of the average audit fee.
 - to request an annual statement from the auditor elected by the general meeting, in which the auditor confirms (1) compliance with the provisions on independence in the Auditors Act and Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 for auditors in listed companies; , and (2) that the fee for non-audit services has not exceeded 70% of the audit fee.
- 7.15. To review and advise the Board of Directors on any significant points raised by the audit.

- 7.16. To review the Executive Committee's Representation Letters for the Group audit before the Executive Committee's signature is affixed;
- 7.17. To evaluate the overall cooperation with the Group audit;
- 7.18. To ensure that there are appropriate policies regarding the possibility of hiring staff from the Group auditor;
- 7.19. To be responsible for the process of selecting and nominating auditors for election and to evaluate audit fees;
- 7.20. To evaluate the budget process and review the budget together with the Company's management.

Tax and treasury

- 7.21. To review the Tax Policy, governance and compliance, and monitor tax risk if any.
- 7.22. To review the Treasury Policy
- 7.23. To review the Company's capital and share structure, including liquidity resources.

Statutory report on corporate governance

- 7.24. Based on the Executive Committee's information on relevant matters, the Committee shall prepare the Board of Directors' consideration of the regulatory requirements in connection with the financial reporting process (Section 107 B, item 6 of the Danish Financial Statements Act) that Matas Group must account for its corporate governance and the main elements of the Group's internal control and risk management systems.

Environmental, Social and Governance (ESG)

- 7.25. To monitor the processes and reporting related to ESG, including ESG reporting in the annual report in accordance with prevailing legislation and requirements.
- 7.26. To monitor the progress under the SBTi commitment.

Annual Wheel

- 7.27. In order to further specify and exemplify the tasks of the Committee, an Annual Wheel is prepared, which is approved annually by the Company's Board of Directors.

Evaluation

- 7.28. The Committee shall conduct an annual self-evaluation of the Committee's work and members. The self-evaluation is sent to the Chair of the Board of Directors via the Chair of the Committee and is part of the Board of Directors' own self-evaluation.

Approved by the Board of Directors of Matas A/S on 27 May 2024.

Appendix 1: Overview of permitted and non-permitted non-audit services

Below is an overview of permitted and non-permitted non-audit services for Matas A/S Group companies (hereinafter Matas Group companies):

1. General regarding non-audit services to Matas Group companies:

- Non-audit services not mentioned below under clause 2-3, are generally allowed.

2. The non-permitted non-audit services for Matas Group companies include the following services, in accordance with Article 5 (1) of Regulation (EU) No 537 of the European Parliament and of the Council of 16 April 2014 on laying down specific requirements for the statutory audit of public-interest entities:

- Tax services related to:
 - o Preparation of tax forms.
 - o Payroll tax.
 - o VAT/customs duty.
 - o Appointment of public subsidies and tax incentives, unless the assistance of the auditor or audit firm in connection with such services is legally required.
 - o Assistance in connection with tax audits by the tax authorities, unless the assistance of the auditor or audit firm in connection with such audits is legally required.
 - o Calculation of direct and indirect tax and deferred tax.
 - o Providing tax advice.
- Services that influence the management or decision-making of the audited entity.
- Bookkeeping and preparation of bookkeeping and accounts.
- Services in connection with salaries.
- Design and implementation of procedures for internal control or risk management related to the preparation of and/or control of financial information or the design and implementation of financial information technology systems.
- Assessment services, including assessments related to actuarial services and support for litigation.
- Legal services in connection with:
 - o general advice,
 - o negotiation on behalf of the audited entity and
 - o dispute resolution when in a defensive role.
- Services related to the audited entity's internal audit function.
- Services related to financing, capital structure and capital allocation and the audited entity's investment strategy, other than the provision of assurance statements in connection with financial statements, such as the issuance of comfort letters in connection with prospects issued by the audited entity.
- Promoting trading of or guaranteeing the subscription of shares in the audited company.
- Services related to HR (human resources) with respect to:

- o Management that can significantly affect the preparation of the accounting material or the accounts that are subject to the statutory audit, provided that such services include:
 - Search for or selection of candidates for such positions.
 - Checking the references of candidates for such positions.
- o Structuring of the organisational design and
- o Expenditure control.

3. However, as an exception to the prohibition in clause 2, the parent company of the Group auditor elected by the general meeting and members of its network may provide non-audit services to Matas' Group companies located in Denmark in accordance with section 24 a, of the Auditors Act, cf. article 5, sub section 3 of Regulation (EU) No 537 of the European Parliament and of the Council of 16 April 2014 laying down specific requirements for the statutory audit of public-interest entities, provided that:

- The tasks individually or collectively have no or only an insignificant impact on the audited accounts.
- The estimate of the impact on the audited accounts is well documented and explained in the audit report to the Committee and the Board of Directors.
- The auditor and the auditing firm comply with the general rules of independence in section 24 of the Auditors Act.

The permitted services mentioned include:

- o Preparation of tax forms.
- o Designation of public subsidies and tax incentives.
- o Assistance in connection with tax inspections by the tax authorities.
- o Providing tax advice.
- o Assessment services, including assessments related to actuarial services and support for litigation.

M A T A S

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