

**Royal Unibrew Group**

**AUDIT COMMITTEE**



*2022-2023*

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The board has decided these terms of reference for the committee.

## **1 Constitution**

- 1.1 The members of the Committee are appointed at the first ordinary meeting of the Board each year following the annual general meeting of the Company.

## **2 Members**

- 2.1 The Board shall appoint the chairman of the Committee. The chairman of the Board shall not be the chairman of the Committee.
- 2.2 The Committee shall consist of two members and both members shall meet the independency requirement set out in the recommendation of the Danish Corporate Governance Committee. At least one member of the Committee shall have qualifications within accounting or audit experience.

## **3 Meetings**

- 3.1 The Committee shall meet no less than three (3) times a year.
- 3.2 The Committee agrees annually a schedule of meetings and expected topics.
- 3.3 Only members of the Committee shall attend the meetings, however, the CFO has a standing invitation. The Committee may, however, invite specific directors, employees, auditors or other external consultants to attend all or part of any meetings at the invitation of the Committee. The auditor of the company is expected to be represented at scheduled meetings.
- 3.4 There should be at least one private meeting a year, where the Committee meets the external auditors.

## **4 Tasks of the Committee**

- 4.1 The principal duties and responsibilities of the Committee are:
    - a) Review the Trading Statements and Interim Reports including ESG reporting.
    - b) The Committee shall monitor the Company's reporting processes and its compliance with relevant accounting legislation, ESG standards, stock exchange and other legal requirements, and other topics, as defined by the Board.
    - c) It is the responsibility of the Audit Committee to monitor the whistleblower reporting system and processes.
    - d) At least once a year, the Committee shall discuss the accounting policies and guidelines for the most important areas as well as key accounting estimates.
    - e) Review the external auditors reports to the Board, including management letters and long-form reports, and discuss such reports with the Executive Board and the Board of Directors.
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- f) Monitoring the financial reporting process and review the adequacy and effectiveness of Company's internal control over financial and non-financial reporting, including information technology, security and control (with reference to the management letter from the auditors).
- g) Monitoring the effectiveness of the Company's risk management systems in relation to financial and non-financial reporting and reviewing and discussing policies with respect to risk assessment and risk management.
- h) Review of Financial Compliance Plan for the next year and review the internal "audit" progress, including assessing the need for internal audit. Audit committee shall ensure that the internal audit function has sufficient resources.
- i) Monitor and check the independence of the auditors.
- j) Ensure the terms of engagement and the remuneration to be paid to the external auditor in respect of audit services provided, and that the services reflect all requirements - including scope and quality, and to monitor that the remuneration is appropriate to ensure a robust and effective audit.

## **5 Reporting**

- 5.1 Adequate minutes shall be kept of all the Committee's meetings, with a view to documenting the fulfilment of the Committee's responsibilities.
- 5.2 The Committee shall report on its actions and activities at the next board meeting.

## **6 Evaluation**

- 6.1 The Committee shall on an annual basis evaluate its performance.
- 6.2 Based on the report, the Committee shall present any suggestion to the Board regarding improvements of the work of the Committee.