



## Audit Committee Regulations

The Audit Committee of Beter Bed Holding N.V. ("**Company**") is comprised of Maaïke Schipperheijn (Chair), Alain Beyens and Pieter Boone.

### Introduction

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1.1 These regulations have been drawn up and adopted by the Supervisory Board on 3 November 2020 pursuant to clause 5.5 of the Regulations of the Supervisory Board.

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1.2 The Audit Committee is a standing committee of the Supervisory Board.

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1.3 Unless the context clearly indicates otherwise, references to words importing one gender shall include both genders.

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### Specific responsibilities and obligations

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2.1 The Audit Committee undertakes preparatory work for 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.

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2.2 Among other things, the Audit Committee focuses on:

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2.2.1 **Monitoring the Management Board** with regard to:

- i. relations with, and compliance with recommendations and following up of comments by, the internal and external auditors;
- ii. the funding of the Company;
- iii. the application of information and communication technology by the Company, including risks relating to cyber security; and
- iv. the Company's tax policy.

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2.2.2 informing the Management Board and the Supervisory 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;

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2.2.3 monitoring the financial reporting process and making proposals to ensure the integrity of the process;

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2.2.4 monitoring the effectiveness of the internal control system, the internal audit department (if any) and the risk management system in relation to the financial reporting of the Company;

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2.2.5 monitoring the statutory audit of the annual accounts and the consolidated accounts, in particular the performance of the audit taking into account the assessment of the Netherlands Authority for the Financial Markets (Stichting Autoriteit Financiële Markten) in accordance with article 26, paragraph 6 of 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;

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2.2.6 reviewing and monitoring the independence of the external auditors or the audit firm, in particular the provision of additional services to the Company; and

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2.2.7 determining the procedure for the selection of the external auditor or the audit firm and the nomination of the performed statutory audits.

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2.3 With regard to the **internal audit**, the Audit Committee shall:

- i. advise the Management Board on both the appointment and dismissal of the senior internal auditor;
  - ii. provide the Management Board with its opinion as to the way in which the internal audit function fulfils its responsibility annually;
  - iii. provide the internal audit department with input when drawing up the Company's audit plan;
  - iv. be directly accessible for the internal audit function and the external auditor. Records shall be kept of how the Audit Committee is informed by the internal audit function;
  - v. receive a report of the essence of the audit results of the internal audit function; and
  - vi. discuss the effectiveness of the design and operation of the internal risk management and control systems referred to in best practice provisions 1.2.1 to 1.2.3 of the Corporate Governance Code inclusive with the Management Board.
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2.4 With regard to the **External Audit**, the Audit Committee shall:

- i. report annually to the Supervisory Board on the functioning of, and the developments in, the relationship with the external auditor;
- ii. advise the Supervisory Board regarding the external auditor's nomination for appointment/reappointment or dismissal and shall prepare the selection of the external auditor. The Audit Committee shall give due consideration to the Management Board's observations during the aforementioned work. Also on this basis, the Supervisory Board shall determine its nomination for the appointment of the external auditor to the general meeting;
- iii. submit a proposal to the Supervisory Board for the external auditor's engagement to audit the financial statements, after consultation of the Management Board. In formulating the terms of engagement, attention shall be paid to the scope of the audit, the materiality to be used remuneration for the audit;
- iv. discuss with the external auditor the audit plan and the findings of the external auditor based on the work the external auditor has undertaken;

- v. discuss, after the external auditor has discussed the draft audit plan with the Management Board, 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 financial statements and the management letter;
  - vi. determine whether and, if so, how the external auditor will be involved in the content and publication of financial reports other than the Annual Report.
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2.5 The Audit Committee must approve in advance all non-audit activities that the external auditor wishes to conduct that would incur a charge of more than € 5,000.00.

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### Authorisation

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3.1 The Audit Committee is authorised to conduct or commission any investigation that is required to exercise its function. In addition, the Audit Committee has direct access to the external auditor and to all employees of the Company. The Committee may inform the Management Board of these contacts.

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### Work and review procedures

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4.1 Review of the annual certified accounts, quarterly figures (including the half-year review by the external auditor), draft management letters and other reports for publication.

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4.2 The audit plan must be discussed and approved in advance in close consultation with the Management Board. The anticipated audit fee must be discussed and approved in close consultation with the CEO.

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4.3 At least once a year the Company's legal situation must be reviewed and all legal matters that could have a significant influence on the results of the Company must be discussed, if necessary in the presence of a legal advisor.

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### Limitation of the role of the Audit Committee

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5.1 The authorities set forth in these regulations do not mean that the Audit Committee is responsible for the correctness and comprehensiveness of the financial reporting. This remains the responsibility of the Management Board and the external auditor.

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## Composition and meetings

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- 6.1 The Audit Committee will, in view of the size of the Company and the Supervisory Board, consist of three members. All members also serve on the Supervisory Board. One of these members will be appointed Chair of the Committee. The Chair of the Audit Committee will not be the Chair of the Supervisory Board or a former member of the Management Board of the Company.
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- 6.2 The Chair shall act as the spokesperson of the Audit Committee and shall be the main contact for the Supervisory Board.
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- 6.3 The members of the Audit Committee must fulfil the criteria for independence and expertise as set forth in the adopted corporate governance guidelines. At least one member will have extensive knowledge in the field of accounting and financial management.
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- 6.4 The members of the Audit Committee shall be appointed by the Supervisory Board and will remain members either until their membership of the Supervisory Board ends or the Supervisory Board or the member himself requests that the member step down.
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- 6.5 The secretary of the Supervisory Board will also serve as secretary of the Audit Committee. The minutes of the meetings will be made available to the other members of the Board simultaneously. The minutes of the meeting will be adopted at the next meeting of the Audit Committee.
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- 6.6. The meetings of the Audit Committee will be called by the Chair of the Audit Committee, or by two other members of the committee. Insofar as practicable, the announcement and the agenda of matters for discussion will be sent to the members of the Audit Committee at the latest seven days before the start of the meeting. To the extent possible, written explanations and/or other related documents will be enclosed for each item on the agenda.
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- 6.7 If a member of the Audit Committee is or becomes aware of any circumstance 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 Supervisory Board to determine whether there is sufficient cause for that member to resign from, or terminate his or her membership of the Audit Committee.
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- 6.8 The Audit Committee will meet at least twice a year. The meetings will be held prior to the publication of the annual report and the half year results. Members of the Audit Committee may participate in the meetings, by telephone, videoconference or other electronic form of direct communication.
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- 6.9 The CFO, the internal auditor and the external auditor will normally participate in all meetings, unless the Audit Committee deems their presence undesirable. The Audit Committee shall decide whether and, if so, when the CEO shall attend its meetings. The Audit Committee will meet at least once a year with the external auditor without the Management Board being in attendance.
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6.10 The Audit Committee will meet at least once a year with the Management Board and the external auditor to discuss the policy and the results of risk management and risk analysis.

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### Report to the Supervisory Board / AGM

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7.1 The Audit Committee shall report to the Supervisory Board on its deliberations and findings. This report must, at least, include the following information:

- i. the methods used to assess the effectiveness of the design and operation of the internal risk management and control systems referred to in best practice provisions 1.2.1 to 1.2.3 of the Corporate Governance Code, inclusive;
- ii. the methods used to assess the effectiveness of the internal and external audit processes;
- iii. material considerations regarding financial reporting; and
- iv. the way material risks and uncertainties referred to in best practice provision 1.4.3 of the Corporate Governance Code have been analysed and discussed, along with a description of the most important findings of the Audit Committee.

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7.2 The Chair of the Audit Committee (or one of the other Audit Committee members) shall be available to answer questions regarding the Audit Committee's activities at the Annual General Meeting.

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### Other matters

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8.1 The Audit Committee can only exercise powers that have been delegated to it by the Supervisory Board, and can therefore never exercise powers extending beyond those of the Supervisory Board.

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8.2 The Supervisory Board can at any time decide to withdraw and/or change the powers of the Audit Committee.

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8.3 The Audit Committee can depart from what is stipulated in these regulations to comply with statutory or regulatory requirements or if in its judgement specific circumstances provide a reason for doing so.

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8.4 These Audit Committee Regulations are complementary to the rules and regulations applicable to the members of the Supervisory Board under Dutch law, the articles of association and the Supervisory Board Regulations. If and to the extent these Audit Committee Regulations are inconsistent with Dutch law, the articles of association of the Supervisory Board Regulations, these Audit Committee Regulations shall not apply.

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8.5 Disclosure will be made in the Company's annual report of the composition of the Audit Committee, the number of its meetings and, in outline, of the matters addressed in those meetings.

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8.6 The regulations and the composition of the Audit Committee will be published on the Company's website.

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8.7 The Audit Committee shall review and reassess the adequacy of this charter annually, report its assessment to the Supervisory Board and recommend, where appropriate, any proposed changes to the Supervisory Board.

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8.9 The articles 1.6, 4.2 and 4.5 of the Regulations of the Supervisory Board apply mutatis mutandis to these regulations.

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### Governing law

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9.1 These Audit Committee Regulations are governed by Dutch Law.

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