



**AUDIT COMMITTEE CHARTER**  
GUBRA A/S



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## AUDIT COMMITTEE CHARTER

GUBRA A/S

### 1 ESTABLISHMENT AND PURPOSE

- 1.1 The audit committee (the "**Committee**") is a committee of the Board of Directors (the "**Board of Directors**") of Gubra A/S. CVR-no. 30514041 (the "**Company**") established in accordance with applicable rules and regulations, including the EU Directive on Statutory Audits of Annual Accounts and Consolidated Accounts (8<sup>th</sup> Directive), the Danish Act on Approved Auditors and Audit Firms (in Danish: *revisorloven*), the Danish Corporate Governance Recommendations (in Danish: *Anbefalingerne for god selskabsledelse*) and the Rules of Procedure for the Board of Directors.
- 1.2 The Committee is under the supervision of the Board of Directors and is tasked with preparing decisions to be taken by the Board of Directors.
- 1.3 The purpose of the Committee is to assist the Board of Directors with the oversight of the financial reporting process, the statutory audit of the Company's financial report, internal control and risk management systems, social and environmental reporting (ESG), the Company's whistleblowing procedures and complaints, the supervision of the external auditor's independence and the procedure for the election of the external auditor.

### 2 MEMBERS

- 2.1 The Committee shall consist of minimum two (2) members appointed by and among the Board of Directors. Any member of the Committee may be removed by the Board of Directors at any time.
- 2.2 The chair of the Committee will be appointed by the Board of Directors. The chair of the Board of Directors may not be appointed as chair of the Committee.
- 2.3 Members of the Committee are appointed for a one-year term. Re-appointment may take place.
- 2.4 The majority of the members of the Committee must be independent, unless the Board of Directors decides otherwise. The Company's Board of Directors will decide whether a member of the Committee is independent or not in accordance with the principles from the Danish Corporate Governance Recommendations.
- 2.5 At least one (1) member of the Committee must have relevant qualifications within accounting or auditing. Collectively, the members of the Committee must have competence of relevance to the Company's industry and relevant financial experience and expertise to gain sufficient insight into and oversee the Company's financial affairs and assess the independence of the external auditor.
- 2.6 Any member of the Committee who resigns or is removed from the Board of Directors shall be removed from the Committee. If a member is removed from the Committee during a term of office, a new member will be appointed at the next meeting of the Board of Directors.
- 2.7 The members of the Company's executive management (the "**Executive Management**") and the board members who are not also a member of the Committee have an obligation to participate in the Committee's meetings if so requested by the Committee.

### 3 TASKS AND DUTIES

- 3.1 The tasks and duties of the Committee are to assist the Board of Directors by reviewing information within the areas of oversight specified below and present recommendations to the Board of Directors. All decisions will be made by the Board of Directors unless expressly stated in this charter.
- 3.2 The Committee shall have the following tasks and duties:
  - 3.2.1 Financial reporting



- (i) Continuously monitor the financial reporting process and submit recommendations or proposals to ensure its integrity and ensure that the quarterly financial reporting provides a true, fair and balanced view of the Company's financial position.
- (ii) Annually review the Company's compliance with applicable legislation, standards and other regulations for listed companies in respect of financial reporting, accounting, auditing and the publication of financial reporting.
- (iii) Half-year financial reports (internal quarterly financial reports will also be produced by the Company) and before the board's approval of the Company's financial reports evaluate and report to the Board of Directors about significant accounting policies, significant accounting estimates and judgments, CSR reporting, related party transactions and uncertainties and risks contained in the Company's financial reports, including in relation to the outlook of the ongoing financial year.
- (iv) Annually report and present the conclusions to the Board of Directors from the Committee's meeting where the annual report has been reviewed and discussed.
- (v) At least annually evaluate the Company's accounting policies and principles, including significant accounting estimates and judgments included in such policies and principles, and submit proposals to the Board of Directors if amendments are deemed necessary or appropriate.
- (vi) Annually inform the Board of Directors of the result of the statutory audit and explain how the statutory audit and the Committee contributed to the integrity of the financial reporting.

#### 3.2.2 Internal control and risk management

- (i) Annually review and evaluate the effectiveness of the Company's internal controls, risk management systems and policies in relation to financial reporting without violating its independence.
- (ii) Annually discuss the adequacy of the Company's internal controls and risk management procedures with the Company's external auditor.
- (iii) Annually assess the Company's need for an internal audit, and if such is needed make mandates and recommendations concerning the appointment, hiring and discharge of an internal auditor and the budget of such a process.
- (iv) Ensure that if an internal audit has been established that a description of its functions is available and approved by the Board of Directors, and that adequate resources and expertise are allocated to carry out the work.
- (v) Monitor the Executive Management's follow-up and implementation of the conclusions and recommendations of a completed internal audit, if any.

#### 3.2.3 Whistleblowing procedures

- (i) Continuously review and update procedures for the receipt, retention and treatment of complaints received regarding accounting, internal controls, auditing, financial reporting matters, business ethics and other matters concerning the Company or the Company's business which may be in violation of applicable laws and regulations or the internal policies of the Company (whistleblowing procedures).
- (ii) Secure a confidential and anonymous procedure.
- (iii) Subject to the applicable whistleblowing procedure, inspect and investigate any received complaint and ensure that appropriate action is taken and ensure that confidentiality and anonymity for submissions is preserved throughout the entire process.

#### 3.2.4 External auditor



- (i) Monitor the annual statutory audit of the annual accounts, taking into account any findings from the latest quality assurance inspections of the external auditor, and review the external auditor's long-form audit reports.
- (ii) Annually submit a proposal to the Board of Directors of an external auditor (in the means of an audit firm) to be elected at the general meeting. In the proposal, the Committee shall state that it is not influenced by any third party or otherwise subject to restrictions concerning the proposal. Unless it concerns the renewal of an audit engagement, the proposal must contain at least two (2) external auditors, including a description of which of the proposed external auditors the Committee prefers. The external auditor shall be elected for a period of one (1) year. Proposals for external auditors shall be made in accordance with a mandatory selection procedure, which the Committee will oversee and be responsible for. In the audit selection and tender procedure, the Committee shall consider the benefits of long-term engagements with the external auditor and may tender the services of the external auditor for a period of more than one (1) year, subject to the ordinary annual election by the general meeting.
- (iii) Annually evaluate the Company's engagement and overall relationship with the external auditor, including, together with the external auditor, review any significant difficulties and disagreements with the Executive Management, and present recommendations to the Board of Directors concerning the fees for the external auditor.
- (iv) Annually review and evaluate the independence of the Company's external auditor (including any threats to independence, the external auditor's dependence on the Company and the structure and size of the fee for the external auditor), and annually review and discuss a report from the external auditor demonstrating its independence.
- (v) Monitor and review the provision of non-audit services to the Company by its external auditor, when applicable, and annually review the Company's Guidelines and Control Procedures for the use of such non-audit services as attached hereto as [Appendix 3.2.4\(vii\)](#). The Committee must approve non-audit services delivered by the external auditor and the fee for such services following an assessment of the threats to the auditor's independence.
- (vi) Monitor and secure that the fees for non-audit services, other than those referred to in article 5(1) of Regulation 537/2014, to the Company shall not exceed 70% of the average of the fees paid in the last three (3) consecutive financial years for statutory audits. This cap may at the earliest apply from the financial year 2023 (with a consecutive period of the financial years 2020-2022) and shall only apply in situations where the external auditor has provided non-audit services to the Company for a period of the last three (3) or more consecutive years.

### 3.2.5 Miscellaneous

- (i) The Committee shall review any other significant financial earnings announcements not referenced above.
- (ii) The Committee shall annually conduct an evaluation of its performance including its independence and financial expertise.
- (iii) Perform any other activities consistent with this charter, the Company's articles of association and applicable law that the Board of Directors determines are necessary or appropriate.

### 3.2.6 Gubra Green ApS

3.2.6.1 The Audit Committee members shall be elected as board members in Gubra Green ApS with responsibility to oversee the activities of Gubra Green ApS

## 4 MEETINGS

4.1 The Committee shall meet as often as it determines appropriate, but shall not have less than four (4) meetings per financial year, which should be held prior to any external financial reporting, in accordance with the audit committee wheel (the "**Audit Committee Wheel**").



- 4.2 The Committee shall meet with the Company's external auditor at least twice every year at which meetings (or the relevant part of the meetings) the Executive Management must not be present.
- 4.3 The chair of the Committee shall convene a meeting, when it is necessary in the opinion of the chair, or upon request from a member of the Committee or a member of the Executive Management or the compliance officer or the external auditor.
- 4.4 The chair of the Committee shall convene meetings with not less than five (5) days' written notice to all members of the Committee, and such notice shall include an agenda for the meeting in question. If required by special circumstances, notice may be given orally and with less than five (5) days' notice. Any written material relating to the individual agenda items shall, to the extent possible, be forwarded to the members together with the notice convening the meeting.
- 4.5 The Committee forms a quorum when at least two (2) of its members are present.
- 4.6 Resolutions are passed with simple majority. If equality of votes occurs, the chair of the Committee shall have a casting vote.
- 4.7 The chair of the Committee shall arrange that resolutions passed are recorded in the meeting minutes by a person appointed by the Committee. The minutes must contain information on attendees of the meetings, minutes of the proceedings and resolutions passed. Minutes from the meeting shall be taken by a representative from Finance who functions as secretary for the Committee.
- 4.8 The Committee must have access to the Company's organisation, including its secretarial functions, and the Company must provide such assistance to the extent requested by a member of the Committee.
- 4.9 Members of the Board of Directors and the Executive Management, relevant employees, the compliance officer and external parties (e.g. advisers) may participate in the meetings of the Committee upon invitation. Members of the Executive Management, the Company's external auditor and any employee of the Company shall attend the meeting if so requested.
- 4.10 The work of the Committee is subject to the same confidentiality as the work of the Board of Directors.

## **5 RESOLUTIONS**

- 5.1 A committee resolution may be passed over the phone, video conference or in writing. In such cases, the proposed resolution shall be forwarded to the members and the chair shall subsequently seek to obtain a written, oral or electronically transferred statement from all members of the Committee and arrange for the recording of the resolution in the minute book.

## **6 AUTHORISATION**

- 6.1 The Committee shall be fully authorised to investigate any matter that falls within the scope of this charter and have access to review any of the Company's records, files or documents and to interview any employee of the Company, including the Executive Management.
- 6.2 The Committee is authorised to engage external consultants to advise and assist the Committee in performing its tasks and duties.

## **7 REMUNERATION AND EXPENSES**

- 7.1 The Committee may be provided with remuneration to be determined by the general meeting, if applicable.
- 7.2 The Committee shall have available appropriate funding as determined necessary by the Committee for the fulfilment of its tasks and duties.

## **8 REPORTING TO THE BOARD OF DIRECTORS**

- 8.1 The recommendations to the Board of Directors shall be reflected in the minutes of the Committee's meetings, which shall clearly identify the Committee's resolutions. The minutes shall be prepared within 10 working days after the Committee's meetings, and shall after approval by its members be circulated to the Board of Directors.

- 8.2 The Committee must on a regular basis keep the Board of Directors informed of matters which the Committee deems relevant for the Board of Directors.
- 8.3 The chair of the Board of Directors shall serve as the main contact for all inquiries from the Committee.
- 8.4 The Committee shall prepare the committee report required by applicable law or deemed appropriate to be included in the Company's financial reporting.

## **9 REVIEW AND AMENDMENT**

- 9.1 The Committee must at least annually review the adequacy of this charter and, if applicable, prepare and recommend amendments to be approved by the Board of Directors.
- 9.2 The Committee shall annually review and, if required, prepare amendments to the Audit Committee Wheel.

## **10 PUBLICATION**

- 10.1 This charter will be published on the Company's website along with:
- (i) The names of the members of the Committee;
  - (ii) the name of the chair of the Committee;
  - (iii) a specification of which members of the Committee are independent and have special competencies; and
  - (iv) the Committee's most important activities during the year and the number of meetings held.



## APPENDIX 3.2.4(vii) - GUIDELINES AND CONTROL PROCEDURES

### 1 INTRODUCTION

- 1.1 These guidelines and control procedures for the use of non-audit services (the "**Guidelines**") are issued to ensure the Company's compliance with applicable rules and regulations concerning the external auditor's provision of non-audit services.
- 1.2 The purpose of the Guidelines is to avoid compromising the external auditor's independence. Notwithstanding, it is always the duty of the external auditor to assess whether a service can be rendered without compromising the external auditor's independence.
- 1.3 The Guidelines apply to the Company and all the companies in the group.

### 2 THE INDEPENDENCE OF THE EXTERNAL AUDITOR

- 2.1 The independence of the external auditor is ensured by, among other things, the following measures:
- (i) Prohibition of certain services by the external auditor or any member of the network to which the external auditor belongs.
  - (ii) The total fees for permitted non-audit services may not exceed 70% of the average of the fees paid in the last three (3) consecutive financial years for statutory audits.
  - (iii) An obligation for the external auditor to notify the Committee if the total fees received from the Company and the companies in the group in each of the last three (3) consecutive financial years amounts to more than 15% of the external auditor's (i.e. audit firm) total fees.
- 2.2 The Company must not take any action, which will impair the independence and objectivity of the Company's or the group company's external auditor(s).

### 3 PROHIBITED NON-AUDIT SERVICES

- 3.1 The external auditor or any member of its network must not directly or indirectly be engaged to perform any of the following services for the Company or any company in the group:
- (i) Provision of tax services relating to:
    - (a) Payroll tax;
    - (b) Customs duties; and
    - (c) Computation of direct and indirect tax and deferred tax.
  - (ii) Services that involve playing any part in the management or decision-making of the audited entity.
  - (iii) Bookkeeping and preparing accounting records and financial statements.
  - (iv) Payroll services.
  - (v) Designing and implementing internal control or risk management procedures related to the preparation and/or control of financial information or financial information technology systems.
  - (vi) Legal services with respect to:
    - (a) Providing general counsel;
    - (b) Negotiating on behalf of the audit client; and
    - (c) Acting in an advocacy role in the resolution of litigation.
  - (vii) Services related to an internal audit function.

- (viii) Services linked to the financing, capital structure and allocation, and investment strategy of the audit client, except providing assurance services in relation to the financial statements, such as the issuance of comfort letters in connection with prospectuses issued by the Company.
- (ix) Promoting, dealing in, or underwriting shares in the audited entity.
- (x) Human resources services, with respect to:
  - (a) Management in a position to exert significant influence over the preparation of the accounting records or financial statements which are the subject of the statutory audit, where such services involve:
    - Searching for or seeking out candidates for such positions; or
    - Undertaking reference checks of candidates for such positions.
  - (b) Structuring the organisation design.
  - (c) Cost control.

## **4 PERMITTED SERVICES**

### **4.1 Services related to the Statutory Audit**

4.1.1 It is the opinion of the Committee that the external auditor may provide non-audit services such as investigations and other services related to the statutory audit which are usually rendered by the external auditor, including, but not limited to:

- (i) IPO audit tasks, statements, comfort letters, advice, etc.
- (ii) General advice related to the treatment of particular issues identified in the audit, change in audit rules or practices, manuals, etc.
- (iii) Other agreed audit and attestation work.

### **4.2 Services related to Tax**

4.2.1 It is the opinion of the Committee that the external auditor may provide tax advisory services concerning compliance with applicable rules and regulations, tax planning and general tax advice without jeopardizing the external auditor's independence. Such advisory services may include, but are not limited to:

- (i) Granting unbiased advice and preparation of memorandums concerning specific issues as well as interpretation of rules and regulations regarding tax, VAT and government charges.
- (ii) Tax due diligence services.
- (iii) Review of correspondence with tax authorities.
- (iv) Assistance with the process of obtaining prior approval from the tax authorities.
- (v) Services listed in the Danish Auditor Act section 24a(1).

### **4.3 Other Services that do not affect the Independence of the External Auditor**

It is the opinion of the Committee that the external auditor may provide the following services without jeopardizing the external auditor's independence:

- (i) General advice on the optimisation of the Company's financial department and IT.
- (ii) IT-security.
- (iii) Advice regarding corporate and financial due diligence.

#### **4.4 Services Permitted if Specific Conditions are met**

4.4.1 The external auditor may only be engaged to provide the services listed in Section 4.4.2 if the following conditions are complied with:

- (i) The services have no direct or immaterial effect, separately or in the aggregate on the audited financial statements;
- (ii) the estimation of the effect on the audited financial statements is comprehensively documented and explained in the long-form audit report; and
- (iii) the general principles of independence pursuant to applicable law are complied with by the external auditor.

4.4.2 The restrictions laid down in Section 4.4.1 apply to the following services:

- (i) Preparation of tax forms;
- (ii) identification of public subsidies and tax incentives unless support from the statutory auditor or the audit firm in respect of such services is required by law;
- (iii) support regarding tax inspections by tax authorities unless support from the statutory auditor or the audit firm in respect of such inspections is required by law;
- (iv) provision of tax advice; and
- (v) valuation services, including valuations performed in connection with actuarial services or litigation support services.

#### **5 OTHER MEASURES TO ENSURE THE EXTERNAL AUDITOR'S INDEPENDENCE**

5.1 For measures taken to ensure the external auditor's independence, see appendix 3.2.4(vii), clause 2.1. The cap mentioned in clause appendix 3.2.4(vii), clause 2.1(ii) shall only apply in situations where the external auditor has provided non-audit services to the Company for a period of the last three (3) or more consecutive years.

5.2 The external auditor's must not be engaged to provide any non-audit services where the individual fees are expected to exceed DKK 100,000 without the prior approval of the Committee.

5.3 For all engagements with the external auditor where the individual fees are expected to be less than DKK 100,000, the Committee shall receive and approve an overview of the rendered non-audit services semi-annually.

#### **6 REVIEW AND AMENDMENT**

6.1 The Committee must at least annually review, and if applicable update, these Guidelines.

#### **7 PUBLICATION**

7.1 These guidelines will not be published.