

Nasdaq CSD SE

RULES OF PROCEDURE FOR THE AUDIT COMMITTEE

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Document Revisions

Version	Date of review/amendments	Owner of the document	Modifier/ involved stakeholders	Brief description of the main changes and their justification	Approved date
1		CCO		First draft	18.09.2017
2	18.02.2018	CCO	Audit committee, Annual update	Duties of the Committee were adjusted	22.02.2018
3	12.12.2018	CCO	Audit Committee. Annual update	Reference in the first chapter was adjusted	19.12.2018
4	02.03.2020	CCO	Audit Committee, Annual update	Changes in the procedure of signing and approving minutes; Confidentiality clause is added; the obligation to submit Audit Committee minutes to the Supervisory Council is changed to the obligation to upload meeting minutes into Director Desk.	12.03.2020
5	13.12.2021	OGC	Audit Committee, Annual update	The list of financial information that should be reviewed by the Audit Committee was adjusted (Clause 2.1.6.and 4.1); The confidentiality provisions were adjusted (Clause 5.1).	16.12.2021
6	8.12.2022	OGC	OGC Annual Review	No material changes (date of review/approval only)	15.12.2022

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1. Introduction

- 1.1. Section 9 of the Rules of Procedure for the Supervisory Council of Nasdaq CSD SE (hereinafter "the Company") provides that the Supervisory Council shall established an Audit Committee.
- 1.2. The primary function of the Audit Committee is to assist the Supervisory Council of the Company (hereinafter "the Council") in matters concerning internal and external audit. In so doing, it is the responsibility of the Committee to maintain free and open communication with independent auditors, internal auditors and the Management Board of the Company.

2. Duties of the Audit Committee

2. 1. The Audit Committee shall perform the following duties:

- 2.1.1. Maintain regular contacts with both external and internal auditors as well as controllers within the Company and the Nasdaq Group in order to facilitate the audit work;
- 2.1.2. Review the internal auditing principles for adoption by the Council of the Company;
- 2.1.3. Review the Internal Audit Plan for adoption by the Council of the Company;
- 2.1.4. Monitor compliance with the recommendations, conclusions, observations, and proposals of the external and internal auditors and controllers following a completed audit;
- 2.1.5. Review the accounting principles applied within the Company;
- 2.1.6. Review the Company's quarterly financial information and the annual financial statements prior their submission to the Council;
- 2.1.7. Ensure that the independent position of the external auditors is maintained, *inter alia*, by obtaining information regarding pending consultancy engagements performed by the same accounting firm as performed the audit.

- 2.2. Additionally to the duties referred in Clause 2.1. the Audit Committee shall assist the Council in any other matters that the Council may refer to the Audit Committee.
- 2.3. The Audit Committee reports to the Council through submission of the summary of the Audit Committee's decisions and discussion at the Audit Committee meeting.

3. Members and Chairman of the Audit Committee

- 3.1. The Audit Committee consists of at least three members of the Council.

- 3.2. The Council appoints one of the members of the Audit Committee as Chairperson.
- 3.3 All members of the Audit Committee must be able to read and understand fundamental financial statements, including a balance sheet, income statement and cash flow statement. The Chairperson of the Audit Committee must have past employment experience in financing or accounting or any other comparable experience or background that results in the individual's financial sophistication.
- 3.4. The Audit Committee may not be chaired by the Chairperson of the Council, the Chairperson of the Risk Committee or Remuneration Committee.
- 3.5. The Chairperson of the Audit Committee appoints the secretary of the Committee.

4. Meeting and Minutes of the Audit Committee

- 4.1. The Audit Committee meets as often as it deems necessary, but at least four times each year. In addition the Chairperson of the Council, the member of the Audit Committee or the Chairperson of the Management Board may request the Chairperson of the Audit Committee to call unscheduled meeting for matters falling within the Audit Committee's competence which cannot wait until a scheduled meeting.
- 4.2. Each member of the Audit Committee are expected to attend each meeting in person or via tele or video conference. A meeting may be held if at least two members of the Audit Committee are present.
- 4.3. The Audit Committee will invite members of the Management Board, auditors or others to attend meeting for specific issues and/or to give presentation.
- 4.4. Meeting agendas will be prepared and sent to the members of Audit Committee, where possible, at least seven (7) days in advance with appropriate briefing materials.
- 4.5. Minutes of the meeting are taken and as the rule will be sent to the Audit Committee members for review within five (5) business days after the meeting. The secretary of the Committee within five (5) business days incorporates remarks or comments received from the Committee members (if any) and send the minutes to the Committee members for final approval. If no additional remarks within 3 business days are received from the Audit Committee members, the Chairperson and the Secretary of the Audit Committee sign the Minutes.
- 4.6. The approved Minutes are posted onto the Directors Desk as soon as practical.

5. Confidentiality and Amendments of the Audit Committee Charter

- 5.1. The Audit Committee information may only be distributed as authorized in this Charter or by the Chairperson, as part of the implementation of actions authorized by the Committee or as

necessary to comply with internal reporting requirements. In order to maintain confidentiality, persons not employed by the Company or any of Nasdaq group entities are not permitted to participate in the Committee meetings other than to give a presentation as an agenda item as requested by the Chairperson.

- 5.2. This Charter shall be reviewed on an annual basis. The Audit Committee members may suggest amendments to this Charter. Charter may only be amended by the decision of the Supervisory Council of the Company.
