

AUDIT COMMITTEE CHARTER

1. General

The board of directors has set up an audit committee within the meaning of article 7:99 of the CCA. The audit committee is an advisory body of the board of directors.

This charter replaces the previous charter, approved by the board of directors on 27 November 2015, as from 18 November 2022.

2. Responsibilities

The audit committee assists the board of directors in fulfilling its responsibilities with respect to the monitoring in view of an audit in the largest sense as well as to supervise the quality of the information provided to the shareholders of Retail Estates and to the market.

In general, the audit committee informs the board of directors of the result of the audit of the statutory and consolidated financial statements and illustrates the board of directors in what manner the audit of the statutory and consolidated financial statements has contributed to the integrity of the financial reporting and which role the audit committee has played in that process and reports on a regular basis to the board of directors on the performance of his duties, mentioning all matters of which the audit committee is of the opinion that something should be undertaken or improvement is required. Additionally, the audit committee makes recommendations regarding the actions to be taken.

The audit committee assures - in general and notwithstanding the organisation of the internal audit function referred to in Article 17, §3 of the Act on the regulated real estate companies - the internal audit of the company. The specific tasks of the audit committee can evolve depending on circumstances.

The audit committee will discuss the most important issues to carry out its tasks with the management committee, the statutory auditor and any other person at the company that it deems necessary to consult.

The audit committee may ask all advice and assistance from legal, accounting or other advisors that it deems necessary for the performance of its duties, after notifying the chair of the board of directors. On first demand, the audit committee may consult the valuation expert regarding the methodology used to determine the valuation of the property.

Without prejudice to other legal tasks of the board of directors, the audit committee in particular has the following tasks:

a) Monitoring of the process of financial reporting:

- i) The audit committee evaluates the relevance and consistency of the accounting standards for annual accounts applied by the company. This evaluation includes the criteria for the consolidation of the financial statements of the group companies. This evaluation also includes that the accuracy, completeness and the consistent character of the financial information is assessed. The assessment covers the periodic information before its publication. The assessment is made on the basis of an audit program applied by the audit committee.

- ii) The audit committee discusses the important issues regarding financial reporting with the management committee and the statutory auditor;
- iii) The audit committee reviews the quality and the reliability of the drafts of the statutory annual accounts and of the financial statements of the company before they are submitted to the board of directors;
- iv) The audit committee ensures that the documents presents a fair view and that they are created in compliance with legal requirements and comply with the requirements of the FSMA.

b) Monitoring the effectiveness of the internal control systems and the company's risk management:

- i) At least once a year, the audit committee executes the monitoring of the effectiveness of the internal control and risk management systems set up by the management committee (including the internal control and risk management systems regarding the process of financial reporting, including the annual report of the company and the consolidated financial statements) with the purpose to ensure the effective identification, control and publication of the most important risks (including risks related to fraud and the respect of existing legislation and regulations), according to the approved framework by the board of directors.
- ii) The audit committee evaluates the declarations on internal control and risk management included in the Corporate Governance Statement;
- iii) The audit committee examines the specific arrangements which employees of the company may use, in good faith, to express their concern on possible irregularities regarding financial reporting or other matters. If considered necessary, arrangements are made for an independent investigation and an appropriate follow-up of these matters, and this in proportion to the claimed severity. Additionally, arrangements are made according to which employees can inform the chair of the audit committee directly.
- iv) In the event of conflicts of interest, the audit committee watches within the board of directors and/or within the committees over the implementation of the applicable legal and regulatory requirements and of the corporate governance rules;
- v) The audit committee examines the domains in which risks might affect the financial situation of the company and its reputation in a meaningful way.
- vi) The audit committee verifies whether the applied procedures allow to identify these risks, to evaluate the possible impact and to monitor whether the measures to prevent or cover these risks mitigate the effects in an appropriate manner. The audit committee evaluates the specific arrangements to express concerns, in confidence, about possible irregularities on financial reporting or other issues, that come to its knowledge. The audit committee takes measures according to which employees can inform the chair of the audit committee directly. If deemed necessary, arrangements are made for a proportional and independent investigation into such matters and appropriate next steps;

- vii) When new regulations, legislation or guidelines are provided for, which may have an important influence on the accounts of the company, on its financial situation or its results on short or long term, the committee shall ascertain the adoption and the impact thereof, as well as of the implementing measures approved by the management committee. When appropriate, the committee will formulate recommendations on the subject matter to the board of directors, respectively the management committee.

c) Monitoring the efficiency of the internal control systems:

- i) Every year, the audit committee ascertains whether the independent internal audit function has the necessary means and know-how, fit for the nature, extent and characteristics of the company;
- ii) The audit committee evaluates the working program of the internal auditor, considering the complementary role of the internal and external audit functions. The audit committee receives the internal audit reports or a periodic summary thereof;
- iii) In particular, the audit committee makes recommendations on the selection, appointment, reappointment or dismissal of the internal auditor and the remuneration to be granted for the performance of its task, and verifies to what extent the management responds to his findings and recommendations.

d) Monitoring of the half-year accounts, the annual accounts, and the consolidated accounts, including the follow-up of the questions and recommendations of the statutory auditor

e) External audit, including the assessment and monitoring of the independence of the statutory auditor

- i) The audit committee evaluates the extent and scope of the performed external audit, as well as the working methodology to perform it;
- ii) The audit committee evaluates the results of this external audit, as well as the reports of the statutory auditor to the shareholders;
- iii) The audit committee evaluates the effectiveness of the external audit process and verifies to what extent the management responds to the recommendations of the statutory auditor in its management letter;
- iv) The audit committee ensures that the statutory auditor exercises his mandate independently;

In this context, the statutory auditor will:

- Confirm annually his independence of the company in writing to the audit committee;
- Report annually on all additional services he has provided to the company;
- Consult with the audit committee on the threats for his independence and on the measures taken to limit these threats; and
- Provide a report to the audit committee containing a description of all his relations with the company and its group.

More in particular, the audit committee analyses with the statutory auditor the threats in relation to his independency and the security measures taken to limit such

threats, when the global compensation at the company exceeds the criteria set out in article 4, §3 of the Regulation (EU) n° 537/2014 (i.e., when the compensation received from the company in any of the last three subsequent financial years equals more than 15% of the total compensation of the statutory auditor vis-à-vis the company).

The audit committee also monitors the nature and extent of the additional services provided by the statutory auditor. In that respect, the audit committee presents to the board of directors an official policy plan to be applied, mentioning the additional services that:

- are prohibited;
- are permitted after assessment by the audit committee; and
- are permitted without reference to the audit committee, when taking into account the specific requirements of the CCA.

- v) The audit committee takes note of the report of the statutory auditor who reports on the important issues that have come to his attention while exercising his statutory audit of the accounts, more in particular on the serious deficiencies in the internal audit with regard to the financial reporting;
- vi) On the proposal of the management committee, the audit committee makes a proposal to the board of directors on the selection, appointment, re-appointment and remuneration of the statutory auditor, to be presented to the general meeting. The proposal of the audit committee for the appointment and re-appointment of the statutory auditor will be put on the agenda of the general meeting, following its approval by the board of directors;
- vii) The audit committee investigates matters that give rise to the resignation of the statutory auditor and makes recommendations with respect to all actions that are required in such event.

3. Composition

The audit committee consists of at least three members and will be composed in a balanced way.

The board of directors will ensure that the audit committee possesses the necessary independence, competencies, knowledge, experience and capacity to perform his duties effectively. At least the majority of the members of the audit committee must be independent.

The board of directors designates the chair of the committee, who may not be the chair of the board of directors. The chair is chosen among the independent members.

The board of directors shall ensure that the composition of the audit committee includes the adequate and necessary competencies to effectively fulfil its role, particularly regarding accounting, audit and finance.

At least one member of the audit committee has the necessary expertise on accounting and audit.

The term of the committee members' mandate may not exceed the term of their directors' mandate. The terms of office of the members of the committee may be extended simultaneously with their directors' mandate.

The members of the committee receive attendance fees, whose amount per meeting shall be determined by the shareholders' meeting, on a proposal by the board of directors.

4. Role of the chair

The chair of the committee convenes the meetings of the committee and determines their agenda, after consulting the management committee.

The chair leads the committee's activities and ensures that the members of the committee reach a consensus after critical and constructive discussion of the agenda items.

The chair shall take the measures necessary to create a climate of trust within the committee and ensures that the committee functions efficiently.

In this context, the chair will ensure that each new member of the committee is quickly integrated, by personal contacts and through the communications of useful information on the functioning of this committee (the committee's internal rules, minutes of previous meetings, etc.) so that this new member is able to contribute the committee's work quickly and efficiently.

And finally, the chair is the privileged discussion partner of the board of directors for any matter for which the committee is authorised.

5. Operation

The audit committee meets at least four times a year. Regularly (and at least every two to three years) the committee will review its internal rules and will evaluate its own efficiency and functioning and makes recommendations on the necessary changes to the board of directors.

To validly deliberate, two members of the committee must be present. A member of the committee may not be represented by someone else. The opinions and recommendations are taken by majority vote. The chair of the committee does not have a decisive vote.

The audit committee meets at least twice a year the statutory auditor and the internal auditor to exchange on any matter by its assignment and on any matter raised by the audit process and in particular the important weaker points of the internal control.

The audit committee decides whether and when the CEO, CFO, the internal auditor and the external auditor attend its meetings. The audit committee has the ability to speak with each relevant person, without a member of the management committee being present.

Besides maintaining an effective working relation with the management committee, the internal auditor and the external auditor should have a guaranteed free access to the board of directors. The audit committee serves as the main point of contact for the internal auditor and the external auditor. The external auditor and the head of internal audit should have direct and unlimited access to the chair of the audit committee and to the chair of the board of directors.

The chair of the audit committee appoints someone to be in charge of the audit committee secretariat and to draw up the minutes of its meetings. This may be an employee of the company. The minutes contain the different positions formulated during the meeting and the final position taken by the committee. The original minutes are kept by the company. The minutes will be available to all members of the board of directors and the company's statutory auditor.

The audit committee shall communicate its conclusions, recommendations and/or proposals (minutes) to the board of directors after each meeting. The audit committee will provide oral feedback in the next meeting of the board of directors.