

## Audit Committee Charter – Retail Estates NV

### 1. Article 1 – Introduction

The audit committee is an advisory body of the Board of Directors. The audit committee will review the charter at regular intervals and, as needed, recommend to the Board of Directors any changes it deems necessary.

The charter was approved by the Board of Directors on 27 November 2015.

### 2. Article 2 – Constitution and remuneration

The committee consists of at least 3 members appointed by the Board of Directors from the non-executive directors of Retail Estates NV, the majority of whom 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 from among the independents.

In these designations, the Board of Directors shall ensure that the constitution of the committee includes the adequate and necessary competencies to effectively fulfil its role, particularly regarding accounting, audit and finance.

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.

### 3. Article 3 – Role of the chair

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

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 ensure 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 communication 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 quickly and efficiently contribute to the committee's work.

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

#### 4. Article 4 – Tasks

Without prejudice to other legal tasks, the audit committee helps the Board of Directors and the management of Retail Estates ensure the accuracy and sincerity of the Retail Estates statutory and consolidated accounts, the quality of the internal and external controls, and of the information provided to the shareholders of Retail Estates and to the market. The committee provides all the opinions and recommendations in this area to the Board of Directors and management.

The committee in particular has the following tasks:

- 1) In the context of following up the process for preparing the financial information and financial reporting:
  - a. Monitoring the accounting integrity of the financial information provided by Retail Estates; Reviewing the drafts of the statutory annual accounts, the consolidated quarterly accounts, and the quarterly financial information, as well as the drafts of key financial disclosures for publication;
  - b. Reviewing and ratifying any changes in the application of accounting principles, reporting and valuation rules;
  - c. Informing the CEO or CFO of the accounting methods used for significant and unusual transactions when various accounting processes are possible, including those under the IFRS standards;
  - d. Discussing the important issues regarding financial reporting with the CEO or CFO and the statutory auditor.
  
- 2) In the context of following up the efficiency of the internal control systems and the company's risk management:
  - a. Examining the internal control and risk management systems introduced by Retail Estates and its subsidiaries to ensure that the significant risks (including the risks associated with compliance with existing legislation and regulations) were properly identified, managed and communicated to them;
  - b. Examining the report that management is required to submit to the Board of Directors, the FSMA and the statutory auditor on the evaluation of the internal control system, the explanation of the notes on internal control and risk management in the annual financial report;
  - c. Review the description of the key features of the internal control and risk management systems that must be contained in the management report;
  - d. Examine the specific arrangements that might be introduced to allow personnel or other persons in contact with the company to express their concerns in confidence about any irregularities in financial reporting or other matters;
  - e. Periodically study the effectiveness of the internal audit as set out in the internal audit charter as well as examine the scope of the work and the audit plans.
  
- 3) In the context of the follow-up of the annual and half-yearly accounts:
  - a. Ensure follow-up of the questions and recommendations of the statutory auditor;

- b. Review the drafts of the statutory annual accounts and the consolidated quarterly accounts in advance and give an opinion on these before they are submitted to the Board of Directors;
  - c. Whenever it considers it necessary, and at least once a year, consult with the statutory auditor of Retail Estates, the CFO or the CEO.
- 4) In the context of following up the external audit:
- a. Make recommendations to the Board of Directors on the appointment, reappointment or dismissal of the statutory auditor of Retail Estates and the level of remuneration to be determined for the performance of its task;
  - b. Verify the independence of the Retail Estates statutory auditor;
  - c. Give prior approval to each assignment entrusted to the Retail Estates statutory auditor that is outside its legal mandate, review the nature and scope of other audit services provided, and possibly establish and apply a formal policy that defines which types of other audit services are excluded, allowed after examination by the committee or automatically allowed, all this with the "one to one" rule in mind;
  - d. To be informed of the work programme of the Retail Estates statutory auditor;
  - e. Review the efficiency of the external audit process.

Before the performance of its assignments, the committee will discuss the main issues with the CEO, CFO, statutory auditor for Retail Estates and any other person at Retail Estates whom it considers necessary.

The audit committee may ask all manner of advice and assistance from legal, accounting or other advisers 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 real estate expert regarding the methodology used to determine the valuation of the property.

#### 5. Article 5 – Meetings

The committee meets at least twice a year and whenever necessary at the request of its chair, one of its members, the chair of the Board of Directors, the CEO or the CFO. It decides whether or when the CEO, CFO, the statutory auditors or other persons attend its meetings.

It will meet with the Retail Estates statutory auditor at least once a year to exchange views on any matter covered by its assignment and on any matter raised by the audit process.

At least once a year the committee will meet the person or persons responsible for the internal audit of the company.

#### 6. Article 6 – Quorum and majority

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.

#### 7. Article 7 – Minutes

The chair of the audit committee appoints someone (this may be an employee of the company) to be in charge of the audit committee secretariat and draw up the minutes of its meetings. They contain the different positions formulated during the meeting and the final position taken by the committee.

The original is kept by the company.

The minutes will be made available to all members of the Board of Directors and the company's statutory auditor.

#### 8. Article 8 – Reports

The audit committee shall communicate its conclusions, recommendations and/or proposals to the Board of Directors after each meeting.

#### 9. Article 9 – Self-evaluation

At least every three years, the committee will evaluate its own efficiency, functioning and interaction with the Board of Directors, will review its internal rules and then where appropriate recommend the necessary changes to the Board of Directors.