



Audit Committee Charter

December 2020





1. Establishment and purpose

- 1.1 The Board of Directors of GreenMobility A/S, CVR no. 35 52 15 85 (the “Company”), has established an audit committee (the “Audit Committee”) in accordance with applicable laws and regulations, the Danish Recommendations on Corporate Governance and the Rules of Procedure of the Board of Directors.
- 1.2 The Audit Committee is a preparatory body of the Board in respect of financial reporting and the effectiveness of the Company’s internal controls and risk management systems as well as other tasks assigned to the Committee in accordance with this charter.
- 1.3 The Audit Committee shall review accounting and audit matters that require, by decision of the Board of Directors or the Audit Committee, a more thorough evaluation, and shall assess the internal controls and risk management systems of the Company.

2. Members

- 2.1 The Audit Committee shall consist of no less than two members. The members of the Audit Committee shall be appointed by and among the Board of Directors.
- 2.2 The members of the Audit Committee shall be appointed for a one-year term. Re-appointment may take place. Any member of the Committee may be removed by the Board at any time.
- 2.3 The Board of Directors can at any time and without notice decide to change the composition of the Audit Committee.
- 2.4 A member of the Audit Committee shall be designated by the Board of Directors as Chairman of the Audit Committee. The Chairman of the Board of Directors cannot be the Chairman of the Audit Committee.
- 2.5 A majority of the members of the Audit Committee, including the Chairman, shall be independent, and at least one member shall have accounting and/or audit qualifications. As a whole, the members shall have competences relevant to the sector in which the Company is operating.
- 2.6 If a member of the Audit Committee resigns or is removed from the Board of Directors during a term, such member shall also be removed from the Audit Committee. If a member is removed from the Audit Committee, the Board of Directors shall appoint a new member at the next board meeting.

3. Assignments

- 3.1 Supervision of the Company’s financial reporting and reporting process
- 3.2 The overall assignments of the Audit Committee in respect of the supervision of the Company’s financial reporting and reporting process are to:
 - a. Evaluate the information contained in the external financial reporting and trading statements;
 - b. Inform the Board of Directors of the result of the statutory audit, including the financial reporting process;
 - c. Monitor the financial reporting process and submit recommendations or proposals to ensure its integrity;
 - d. Evaluate the “going-concern” principle, including any special assumptions, qualifications and/or uncertainties related thereto;
 - e. Evaluate the Company’s compliance with relevant audit and accounting related policies, laws and regulations;



- f. Evaluate the main accounting policies and principles applied including to make recommendations to the Board of Directors regarding whether these should be amended;
- g. Evaluate significant accounting estimates and judgments made and changes hereto;
- h. Review and evaluate unusual transactions and all transactions with related parties;
- i. Evaluate relevant financial and business risks and uncertainties for the relevant year, e.g. in relation to the outlook in the financial reporting;
- j. Evaluate material litigation risks related to the Company's business; and
- k. Evaluate the overall presentation of the financial reporting in order to ensure that it provides a true and fair view of the financial position as well as the development and performance of the Company.

3.3 Related party transactions

3.3.1 The Audit Committee shall review and approve related party transactions as required by applicable law.

3.3.2 Furthermore, the Audit Committee shall submit related party transactions to the Board of Directors for approval prior to the Company or a subsidiary entering into the transaction, if such transaction is deemed material and out of the ordinary course of business of the Company, including, but not limited to, a transaction which is subject to mandatory public disclosure.

3.3.3 Transactions that are subject to mandatory public disclosure include, but are not limited to, transactions entered into outside the ordinary course of business, if

- i. the transaction has a fair value of 10% or more of the total assets of the Group,
- ii. the transaction has a fair value of 25% or more of the Group's operation profit as disclosed in the most recent annual report, or
- iii. several transactions within a financial year entered into with the same related party in total exceeds the thresholds in (i) and (ii).

3.3.4 Related Party shall be understood as the definition in IAS 24, however excluding subsidiaries of the Company

3.4 Supervision of the Company's external auditors

3.4.1 The overall assignments of the Audit Committee in respect of the supervision of the Company's external audit, including the independence of the external audit and provision on non-audit services, are to:

- a. Be responsible for the procedure for the recommendation and appointment of the Company's statutory external auditor and submitting a proposal to the Board of Directors, which shall be approved by the general meeting.

If an external audit engagement is not renewed, the Audit Committee shall recommend at least two choices for the audit engagement and express a duly justified preference for one of them. The recommendation shall state, that the recommendation has not been influenced by third parties nor has it been subject to any contractual obligation restricting the general meeting's choice of the external auditor;

- b. Oversee statutory external auditor rotation and establish appropriate policies to ensure



compliance with applicable rotation period requirements, including for audit firms and individual auditors, and carry out tender processes in accordance with applicable legislation;

- c. Provide the Board of Directors with advice regarding the proposed external auditors from time to time as well as evaluate the quality of work being performed by the external auditors;
- d. Review and discuss the strategy, plan, scope, materiality thresholds and approach of the external auditors' annual audit;
- e. Review and make recommendations to the Board of Directors regarding (i) the terms of engagement and (ii) the fees of the external auditors;
- f. Review the external auditors' reports to the Executive Management and the Board of Directors, including management letters and long-form reports and discuss any reports with the Executive Management and the external auditors;
- g. Review and inform the Board of Directors about any material issues which the audit may give rise to including gathering answers/explanations to any significant uncorrected and/or corrected adjustments in the accounts;
- h. Consider and resolve any disagreement between the Executive Management and the external auditors regarding financial reporting, accounting policies and estimates;
- i. Review the Executive Management's representation letters to the external auditors prior to the Executive Management's signing thereof;
- j. Evaluate the overall cooperation with the external auditors;
- k. Ensure that appropriate policies with regard to hiring employees from the external auditors are in place;
- l. Review and monitor the independence and quality work being performed by the external auditors;
- m. Review and approve the external auditor's provision of non-audit services, including the fees of the external auditor for such services, and oversee that applicable limits for non-audit services are complied with; and
- n. Discuss any threats and applicable safeguards to the independence of the external auditor with the appointed external auditor.

In monitoring the external audit of the financial statements, the Audit Committee shall consider the outcome of the most recent quality review of the external auditor.

3.5 Supervision of the Company's internal control and risk procedures:

3.5.1 The overall assignments of the Audit Committee in respect of the supervision of the Company's internal control and risk procedures are to:

- a. At least once a year, discuss the internal control procedures with the CFO and the external auditor as well as present the Board of Directors with potential areas of improvement;
- b. Monitor insurance coverage and quality;
- c. Ensure that internal control and risk procedures are effective as regards to the financial



reporting process of the Company;

- d. Annually assess the need for an internal audit function;
- e. Assess and make recommendations to the Board of Directors regarding the Company's finance (including accounting, controlling, tax, budgeting and risk functions) and IT organisation;
- f. Review and recommend approval of risk reports, internal risk management plans and guidelines for internal and external risk reporting submitted to the Board of Directors;
- g. Review the procedures and guidelines for prevention and detection of fraud as well as evaluate the Executive Management possibilities of deviating from the internal control procedures and influencing the accounting;
- h. Evaluate the procedures for risk management including any violations hereof;
- i. Review and evaluate credit risk limits and recommend approval by the Board of Directors of credit risks above a certain pre-defined limit;
- j. Oversee that the Executive Management has identified and assessed all the significant risks that the organisation faces and has established a risk management infrastructure capable of addressing those risks and oversee, in conjunction with the full Board of Directors, risks, such as business, reputational, strategic, financial, operational, IT and other risks;
- k. Ensure that the Executive Management has adequate resources in place to identify and asses specific risks related to the Company; and
- l. Oversee and maintain the Company's whistleblower system.

3.6 Whistleblowing procedures

- 3.6.1 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 and its business which may be in violation of applicable laws and regulations or the Company's internal policies.
- 3.6.2 Secure a confidential and anonymous procedure.
- 3.6.3 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.

3.7 Other assignment of the Audit Committee

- 3.7.1 In additions to the assignments described in section 3.1-3.5 the Audit Committee's assignments are to:
 - a. Review the Company's tax policy, if any;
 - b. Oversee tax risk management framework; and
 - c. Oversee effects of expected changes to legislation.
- 3.7.2 In order to further specify the duties of the Audit Committee, an annual wheel and work schedule shall be prepared by the Chairman of the Audit Committee and approved by the Board of Directors.



4. Meetings

- 4.1 The Audit Committee shall meet at least quarterly or as often as it determines appropriate. Further, the Audit Committee shall meet upon request of a member of the Audit Committee, the Executive Management or the external auditor.
- 4.2 As a minimum the meetings shall be held prior to the publication of the Company's interim reports and annual reports.
- 4.3 The Chairman of the Audit Committee shall convene the meetings with not less than five calendar days' notice and determine the agenda which shall be sent to the members in advance of each meeting.
- 4.4 The Audit Committee forms a quorum when at least two members are present.
- 4.5 Minutes of the meetings of the Audit Committee shall be prepared for each meeting, and section 3.8 of the Rules of Procedure of the Board of Directors shall apply equally to such minutes. When the minutes have been approved, copies of the minutes shall be forwarded to the members of the Board of Directors for review at the following board meeting in the Company.
- 4.6 The work of the Audit Committee is subject to the same confidentiality as the work of the Board of Directors.
- 4.7 The CFO shall attend the meetings of the Audit Committee, unless otherwise requested by the Audit Committee. Members of the Board of Directors, other members of the Executive Management, relevant employees and external parties (e.g. advisers) may participate in the meetings of the Audit Committee upon invitation.
- 4.8 The Executive Management, relevant employees of the Company's central accounting function and the Company's external auditors shall attend the meetings of the Audit Committee if requested.
- 4.9 The Company's external auditors shall attend at least one meeting of the Audit Committee per year at which meeting (or relevant part thereof) the Executive Management shall not be present.

5. Resolutions at the Audit Committee

- 5.1 Resolutions are passed by simple majority. In the event of equal votes, the Chairman of the Audit Committee shall have a casting vote.
- 5.2 Resolutions may be passed over the phone or in writing. In such case, the proposed resolution shall be forwarded to the members and the Chairman of the Audit Committee shall seek to obtain written consent from all members.
- 5.3 Minutes shall be prepared as soon as possible after the Audit Committee's meetings and after approval by its members be shared with the Board of Directors.
- 5.4 The Audit Committee must on a regular basis keep the Board of Directors informed of matters which the Committee deems relevant for the Board of Directors.

6. Authorisation

- 6.1 The Audit Committee shall report and make recommendations to the Board of Directors.
- 6.2 The Audit Committee is authorised to examine all matters within the scope of its charter and has unlimited access to obtain:
 - (i) the necessary information and assistance from employees and officers of the Company, who are obliged to cooperate with the Audit Committee and provide any information and answer all questions from the Audit Committee, and
 - (ii) independent advice and assistance from external advisers when deemed necessary



for performing the duties of the Audit Committee. The fees of advisers shall be paid by the Company.

7. Review of Charter

- 7.1 The Audit Committee shall review this Audit Committee Charter once every year. Amendments shall be approved by the Board of Directors.

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This Audit Committee Charter has been adopted by the Board of Directors of the Company in December 2020.