



AUDIT COMMITTEE RULES

Adopted by the Board of Vivoryon Therapeutics N.V. on April 29, 2021



1 INTRODUCTION

- 1.1 These are the audit committee rules (the **Audit Committee Rules**) of the Company as adopted by the Board on April 29, 2021 pursuant to article 17.3 of the Articles and in accordance with best practice provision 2.3.3 of the Code.
- 1.2 The Board is authorized to adopt and amend these Audit Committee Rules and retains the right to deviate from these Audit Committee Rules.
- 1.3 These Audit Committee Rules are posted on the Company's website.
- 1.4 The meaning of certain capitalized terms used in these Audit Committee Rules is set forth in the List of Definitions attached as **Annex**.

2 COMPOSITION

- 2.1 The Audit Committee will consist of a minimum of two and a maximum of three members. The Board shall appoint the members of the Audit Committee. The Board may replace the members of the Audit Committee at any time.
- 2.2 All members of the Audit Committee must be Non-Executive Directors.
- 2.3 More than half of the members of the Audit Committee, including its chairman, should be independent within the meaning of best practice provision 2.1.8 of the Code.
- 2.4 The Audit Committee as a whole shall have competence relevant to the sector in which the Company is operating. At least one member of the Audit Committee shall have specific expertise in financial reporting and auditing.
- 2.5 The Audit Committee shall designate the chairman of the Audit Committee from among its members. The Audit Committee may not be chaired by the Chairman or by a former Executive Director.
- 2.6 The composition of the Audit Committee shall be stated in the Non-Executive Report and on the Company's website.
- 2.7 The term of office of a member of the Audit Committee will generally be equivalent to his term of office as a Non-Executive Director, unless a shorter term of office is set at the time of appointment.

3 ROLE AND RESPONSIBILITIES

- 3.1 Without prejudice to the collegiate responsibility of the Board, the duty of the Audit Committee is to prepare the decision-making of the Board regarding the integrity and quality of the Company's financial reporting and the effectiveness of the Company's internal risk management and control systems.
- 3.2 The Audit Committee focuses on monitoring the Board with regard to:

- (i) relations with, and compliance with recommendations and following up of comments by the External Auditor;
- (ii) the funding of the Company;
- (iii) the application of information and communication technology by the Company, including risks relating to cybersecurity; and
- (iv) the Company's tax policy.

3.3 In addition, the Audit Committee shall, *inter alia*:

- (i) inform the Board of the outcome of the statutory audit and explain how the statutory audit contributed to the integrity of financial reporting and what the role of the Audit Committee was in that process;
- (ii) monitor the financial reporting process and submit recommendations or proposals to ensure its integrity;
- (iii) monitor the effectiveness of the Company's internal risk management and control systems in relation to the financial reporting of the Company;
- (iv) monitor the statutory audit of the annual accounts, in particular the performance thereof, taking into account any findings and conclusions by the Dutch Authority for the Financial Markets (AFM, *Autoriteit Financiële Markten*) pursuant to Article 26(6) of Regulation (EU) No 537/2014;
- (v) review and monitor the independence of the External Auditor, and in particular the appropriateness of the provision of non-audit services to the Company;
- (vi) be responsible for the procedure for the selection of an external auditor and recommend an external auditor to be appointed in accordance with Article 16 of Regulation (EU) No 537/2014, as well as submit a proposal to the Board for the relevant external auditor's engagement to audit the annual accounts.

4 REPORTS

4.1 Annually, at such time after the end of the financial year that the relevant information can be accounted for in the Non-Executive Report, the Audit Committee shall prepare a report of its deliberations and findings and submit this to the Board.

4.2 The report of the Audit Committee shall include information on how the duties of the Audit Committee were carried out in the financial year, and shall also report on the composition of the Audit Committee, the number of meetings of the Audit Committee during the last financial year and the main items discussed at these meetings.

4.3 In particular, the report of the Audit Committee shall include information on:

- (i) the functioning of and the developments in the relationship with the External Auditor; and
- (ii) the outcome of the statutory audit and an explanation as to how the statutory audit contributed to the integrity of financial reporting and what the role of the Audit Committee was in that process.

4.4 In addition the report of the Audit Committee must, at least, include the following information:

- (i) the methods used to assess the effectiveness of the design and operation of the Company's internal risk management and control systems;
- (ii) the methods used to assess the effectiveness of the external audit processes;
- (iii) material considerations regarding financial reporting;
- (iv) the way material risks and uncertainties that are relevant to the expectation of the Company's continuity for the period of twelve months after the preparation of the Management Report have been analyzed and discussed, along with a description of the most important findings of the Audit Committee.

5 RELATION WITH THE EXTERNAL AUDITOR

5.1 The Audit Committee shall annually discuss with the External Auditor:

- (i) the scope and materiality of the audit plan and the principal risks of the annual reporting identified by the External Auditor in the audit plan; and
- (ii) based also on the documents from which the audit plan was developed, the findings and outcomes of the audit work on the annual accounts and the management letter.

5.2 The Audit Committee shall determine if and how the External Auditor should be involved in the content and publication of financial reports other than the annual accounts.

5.3 The Audit Committee shall meet with the External Auditor as often as it considers necessary, but at least once per year, outside the presence of the Board.

6 INTERNAL AUDIT FUNCTION

6.1 The Company has not established an internal audit department as its size is not suited to this. The internal audit function will therefore be performed as part of the tasks of the Audit Committee.

6.2 As long as there is no separate department for the internal audit function, the Non-Executive Directors will assess annually whether adequate alternative measures have been taken, partly on the basis of a recommendation issued by the Audit Committee, and will consider whether it is necessary to establish an internal audit department. The conclusions, along with any resulting



recommendations and alternative measures shall be included in the Non-Executive Report.

7 MEETINGS AND DECISION-MAKING PROCESS

- 7.1 Meetings of the Audit Committee shall be held at least four times each calendar year or as often as any member of the Audit Committee deems necessary.
- 7.2 The meetings of the Audit Committee shall be presided over by its chairman or his deputy. The chairman of the meeting shall appoint a secretary for the meeting.
- 7.3 The secretary of a meeting of the Audit Committee shall keep minutes of the proceedings at the meeting. The minutes shall be adopted by the Audit Committee, in the same meeting or the next. Evidencing their adoption, the minutes shall be signed by the chairman and the secretary of the meeting in which the minutes are adopted.
- 7.4 Meetings of the Audit Committee can be held in person or by conference call, video conference or by any other means of communication, provided that all members of the Audit Committee participating in such meeting are able to communicate with each other simultaneously. Participation in a meeting held in any ways shall constitute presence at such meeting.
- 7.5 The convocation notices of an Audit Committee meeting shall be given by the chairman of the Audit Committee by e-mail or mail, at such time that all the members of the Audit Committee are given opportunity to participate in and prepare themselves for the meeting ultimately. In urgent cases, the chairman of the Audit Committee may determine that the meeting shall be convened upon short notice. Any notice of the Audit Committee meeting shall contain the agenda for the meeting. The agenda stating the matters for decision shall be drawn up by the chairman of the Audit Committee. Other information and decision material for the meeting shall be circulated together with the agenda or as soon as possible thereafter.
- 7.6 In the Audit Committee, each member of the Audit Committee may cast one vote. If there is a tie in voting, then the vote of the Audit Committee Chairman decides.
- 7.7 All resolutions of the Audit Committee shall be adopted by a simple majority of the votes cast.
- 7.8 The Audit Committee can only adopt valid resolutions in a meeting where at least two members of the Audit Committee represented.
- 7.9 As a rule, resolutions of the Audit Committee are adopted in meetings. However, resolutions of the Audit Committee may also at all times be adopted in writing, provided the proposal concerned is submitted to all members of the Audit Committee and none of them objects to this manner of adopting resolutions, evidenced by written statements from all members of the Audit Committee.
- 7.10 The CFO and the External Auditor should attend the Audit Committee meetings, unless the Audit Committee determines otherwise. The Audit Committee shall decide if and when the CEO should attend its meetings.

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Annex

List of definitions

1. In these Audit Committee Rules, the following terms shall have the following meaning:
 - Articles** means the articles of association of the Company effective as per November 28, 2020, as amended from time to time.
 - Audit Committee** means the audit committee established by the Board.
 - Board** means the board of directors of the Company.
 - CEO** means the Executive Director who has been granted the title of Chief Executive Officer.
 - CFO** means the Executive Director who has been granted the title of Chief Financial Officer.
 - Chairman** means the chairman of the Board.
 - Code** means the Dutch corporate governance code.
 - Company** means Vivoryon Therapeutics N.V., a public company incorporated under the laws of the Netherlands (*naamloze vennootschap*), having its official seat in Amsterdam, the Netherlands.
 - Director** means a member of the Board. Unless the contrary is apparent, this shall include each Executive Director and each Non-Executive Director.
 - Executive Director** means an executive member of the Board.
 - External Auditor** means the Company's auditor as referred to in Section 2:393 of the Dutch Civil Code (*Burgerlijk Wetboek*).
 - Management Report** means the management report of the Company drawn up by the Board annually, no later than four months after the end of the financial year.
 - Non-Executive Director** means a non-executive member of the Board.
 - Non-Executive Report** means the report drawn up by the Non-Executive Directors annually, after the end of each financial year, as will be included in the Management Report.
2. Save where the context dictates otherwise, in these Audit Committee Rules:
 - (a) words and expressions expressed in the singular form also include the plural form, and vice versa;



- (b) words and expressions expressed in the masculine form also include the feminine form; and
- (c) a reference to a statutory provision counts as a reference to this statutory provision including all amendments, additions and replacing legislation that may apply from time to time.

Headings of clauses and other headings in the Audit Committee Rules are inserted for ease of reference and do not form part of the Audit Committee Rules for the purpose of interpretation.