

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

OF

PHOTON ENERGY N.V.

I. INTRODUCTION

1.1 The Audit Committee is a standing committee appointed by the Supervisory Board. These Terms of Reference were adopted by the Supervisory Board on December 4, 2020 in accordance with the Article 7.5 of the Rules. These Terms shall be published on the Company's website.

1.2 In these Terms, the following expressions will have the following meaning:

Annual Accounts means the annual accounts of the Company prepared pursuant to Article 30.2 of the Articles.

Articles mean the articles of association of the Company as adopted by the General Meeting from time to time.

Audit Committee means the committee appointed pursuant to Article 2 of these Terms.

Chairman means the chairman of the Audit Committee.

Company means Photon Energy N.V., a public limited liability company (naamloze vennootschap), incorporated under the laws of The Netherlands under KvK number 51447126 and having its corporate seat in Amsterdam.

Directors' Report means the report prepared by the Management Board as referred to in Article 30.2 of the Articles.

External Auditor means the accounting and auditing firm that is charged with the statutory audit of the Annual Accounts in accordance with Article 31 of the Articles.

General Meeting means the Company's general meeting of shareholders.

Management Board means the management board of the Company.

Rules mean the rules of procedure of the Supervisory Board.

Supervisory Board means the supervisory board of the Company.

Terms mean these terms of reference governing the Audit Committee's internal affairs.

II.
COMPOSITION AND APPOINTMENT

- 2.1 The Audit Committee shall consist of at least two (2) members. All members of the Audit Committee must be members of the Supervisory Board. At least the majority of the members of the Audit Committee shall be independent in the sense of Article III of the Rules.
- 2.2 In the event that the Supervisory Board consists of less than 3 members, the Supervisory Board as a whole shall perform the function of the Audit Committee.
- 2.3 At least one member of the Audit Committee shall be a financial expert and will have relevant knowledge and experience in the field of financial reporting or auditing annual accounts.
- 2.4 The members of the Audit Committee shall be appointed and may be replaced at any time by the Supervisory Board. The term of office of a member of the Audit Committee will generally not be set beforehand.
- 2.5 The Supervisory Board shall appoint one of the members of the Audit Committee as Chairman of the Audit Committee. The Audit Committee shall not be chaired by the chairman of the Supervisory Board or by a former member of the Management Board.

III.
MEETINGS

- 3.1 The Audit Committee shall meet as often as required for a proper functioning of the Audit Committee. The Audit Committee shall meet at least once a year with the External Auditor without the Management Board being present.
- 3.2 The CFO, the External Auditor and the internal auditor (if any) may attend the Audit Committee meetings, unless the audit committee determines otherwise. The Audit Committee may request a member of the Management Board to attend its meetings.

IV.
RESPONSIBILITIES AND RIGHTS

- 4.1 The Audit Committee shall have the following responsibilities:
 - (a) The Audit Committee undertakes preparatory work for the Supervisory Board's decision-making regarding the supervision of

the integrity and quality of the Company's financial reporting and the effectiveness of the Company's internal risk management and control systems. It monitors the Management Board with regards to:

- relations with, and compliance with the recommendations and comments by, the internal (if any) and external auditors;
 - tax policy of the Company;
 - financing of the Company;
 - application of communication technology, including the risk related to cybersecurity.
- (b) It monitors the External audit of the annual and consolidated accounts.
- (c) It reviews and monitors the independence of the External auditor, and in particular the provision of additional services to the audited entity.
- (d) It gives advice regarding the nomination or dismissal, and recommends the External Auditor to the Supervisory Board.
- (e) It gives advice regarding the appointment and the dismissal of the senior internal auditor to the Supervisory Board
- (f) It prepares meetings of the Supervisory Board with the Management Board to discuss the Directors' Report and the Annual Accounts.
- 4.2 Each member of the Audit Committee shall have access to all relevant books, records and offices of the Company.
- 4.3 The internal auditor shall have direct access to the Audit Committee and the External Auditor. Records should be kept of how the Audit Committee is informed by the internal auditor.
- 4.4 The Audit Committee may, with the prior approval of the Management Board, seek assistance of one or more experts at the expenses of the Company when it is desirable for the correct performance of its duties.
- 4.5. The Audit Committee may only exercise such powers as are explicitly attributed or delegated to it by the Supervisory Board and may never exercise powers beyond those exerciseable by the Supervisory Board as a whole.

V.

RESPONSIBILITIES WITH RESPECT TO THE EXTERNAL AUDITOR

- 5.1 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 Management Board.
- 5.2 The Audit Committee shall act as the principal contact for the External Auditor if he discovers irregularities in the content of financial reports. If the actual or suspected misconduct or irregularity pertains to the functioning of a Management Board member, the External Auditor shall report this directly to the Chairman of the Supervisory Board. The Audit Committee annually discusses with the External Auditor the scope and materiality of the audit plan and the principal risks identified by the External Auditor; and it also discusses the findings and outcomes of the audit work on the Annual Accounts and the Directors' Report.
- 5.3 The External Auditor shall be nominated by the Supervisory Board on the recommendation of the Audit Committee and after consultation with the Management Board. The Supervisory Board shall resolve on the terms of the engagement with the External Auditor.
- 5.4 The Audit Committee shall approve all non-audit services that are to be provided by the External Auditor to ensure that non-audit services provided by the External Auditor do not impair, or appear to impair, the auditor's independence or objectivity.

VI. REPORTING BY THE AUDIT COMMITTEE

- 6.1 The Audit Committee shall annually provide the Supervisory Board with a report of deliberations and findings in such a manner that this can form part of the Supervisory Board's report on its functioning and activities which is included in the Annual Accounts. The report should include the following information:
 - (a) the methods used to assess the effectiveness of the design and operation of the internal risk management and control systems as well as the effectiveness of internal and external audit processes;
 - (b) material considerations regarding financial reporting;
 - (c) the way material risks and uncertainties have been analyzed and discussed, along with a description of the most important findings of the Audit Committee;
 - (d) in case no separate internal audit function is established, an assessment whether alternative adequate measures have been taken.

- 6.2 The Audit Committee shall report the Supervisory Board on its dealings with the External Auditor, in particular on the Audit Committee's views of the External Auditor's independence.
- 6.3 The Audit Committee shall determine whether and, if so, how the External Auditor should be involved in the content and publication of financial reports other than the financial statements.