



Audit Committee Terms of Reference

October 21, 2020



Audit Committee Terms of Reference BE Semiconductor Industries N.V.

General

These terms of reference have been drawn up by the Supervisory Board in accordance with the Dutch Corporate Governance Code, Besi's articles of association and Dutch law. These terms of reference indicate the Audit Committee's role and responsibilities, its composition and the manner in which the Audit Committee discharges its duties.

Definitions

The words and expressions used in these terms of reference have the following meaning:

"Audit Committee"	the audit committee of the Supervisory Board;
"Besi"	BE Semiconductor Industries N.V.;
"Board of Management"	Besi's board of management;
"External Auditor"	Besi's external auditor;
"General Meeting"	Besi's general meeting of shareholders;
"Regulations Supervisory Board"	the regulations for the Supervisory Board; and
"Supervisory Board"	Besi's supervisory board.

1. Duties and responsibilities

- 1.1. The Audit Committee undertakes preparatory work for the Supervisory Board's decision-making regarding the supervision of the integrity and quality of Besi's financial reporting and the effectiveness of Besi's internal risk management and control systems.
- 1.2. The Audit Committee focuses on monitoring the Board of Management with regard to, among other things:
 - a) relations with, and compliance with recommendations and following up of comments by, the internal auditor and the External Auditor;
 - b) the funding of Besi;
 - c) the application of information and communication technology by Besi, including risks relating to cybersecurity; and
 - d) Besi's tax policy.



- 1.3. The Audit Committee shall, among other things:
- a) inform the Supervisory 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;
 - b) monitor the financial reporting process and submit proposals to ensure its integrity;
 - c) monitor the effectiveness of Besī's internal risk management and control systems and, where applicable, its internal audit, regarding the financial reporting of Besī;
 - d) monitor the statutory audit of the annual financial statements and the consolidated annual financial statements;
 - e) review and monitor the independence of the External Auditor and in particular the appropriateness of the provision of non-audit services; and
 - f) determine the procedure for the selection of the External Auditor, which procedure shall be in the form of a tender process if it concerns the selection of a new External Auditor, such in accordance with Regulation (EU) No 537/2014, and submit a proposal to the Supervisory Board for the External Auditor's engagement to audit the annual financial statements. In formulating the terms of engagement, attention shall be paid to the scope of the audit, the materiality to be used and the remuneration for the audit.

2. External Auditor

- 2.1. The Audit Committee and the External Auditor shall discuss the audit plan and the findings of the External Auditor based on the work the External Auditor has undertaken.
- 2.2. The Audit Committee shall annually discuss with the External Auditor:
- a) 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
 - b) based also on the documents from which the audit plan was developed, the findings and outcomes of the audit work on the annual financial statements and the management letter.
- 2.3. The Audit Committee shall determine whether and, if so, how the External Auditor shall be involved in the content and publication of financial reports other than the annual financial statements.
- 2.4. 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 of Management.



- 2.5. The External Auditor shall inform the chairman of the Audit Committee without delay if, during the performance of its duties, it discovers or suspects an instance of misconduct or irregularity. If the actual or suspected misconduct or irregularity pertains to the functioning of a Board of Management member, the External Auditor shall report this directly to the chairman of the Supervisory Board.
- 2.6. The Audit Committee shall report annually to the Supervisory Board on the functioning of, and the developments in, the relationship with the External Auditor. The Audit Committee shall advise the Supervisory Board regarding the External Auditor's nomination for appointment, reappointment or dismissal and shall prepare the selection of the External Auditor, such in accordance with Regulation (EU) No 537/2014. The Audit Committee shall give due consideration to the Board of Management's observations during the aforementioned work. Also on this basis, the Supervisory Board shall determine its nomination for the appointment of the External Auditor to the General Meeting.

3. Authority

- 3.1. The Audit Committee is authorised by the Board of Management to investigate any activity within its terms of reference.
- 3.2. The Audit Committee is authorised to seek any information that is required from any employee of Besi and all such employees are directed to cooperate with any request made by the Audit Committee.
- 3.3. The Audit Committee is authorised to obtain outside legal or independent professional advice, at Besi's expense, and secure the attendance at its meetings of outsiders with relevant experience and expertise if it considers this necessary.

4. Composition and membership

- 4.1. The Audit Committee shall be composed of Supervisory Board members. The Audit Committee (a) must have at least three members, and (b) shall not be chaired by the chairman of the Supervisory Board or by a former Board of Management member. More than half of the Audit Committee members (including the chairman of the Audit Committee) shall be considered independent within the meaning of provision 2.2 of the Regulations Supervisory Board.
- 4.2. The Audit Committee members as a whole shall have competence relevant to the sector in which Besi operates. Each Audit Committee member must be able to read and understand Besi's financial statements, including Besi's balance sheet, income statement, and cash flow statement, at the time of his/her appointment to the Audit Committee. At least one Audit Committee member shall be a financial expert with competence in accounting and/or auditing relevant to listed companies or other large legal entities.
- 4.3. The Audit Committee members shall be appointed by the Supervisory Board at its annual organizational meeting and shall serve until their successors have been duly



appointed or until their earlier resignation or removal. The Supervisory Board may remove Audit Committee members from the Audit Committee with or without cause.

- 4.4. Unless the Supervisory Board appoints a chairman of the Audit Committee by majority vote of the full Supervisory Board, the Audit Committee members shall appoint a chairman of the Audit Committee by majority vote of the full Audit Committee.

5. Meetings

- 5.1. The Audit Committee shall meet at least four times per year. The Audit Committee shall determine the annual schedule for its meetings, depending upon the schedule for the meetings of the Supervisory Board and the dates of the General Meeting(s).
- 5.2. The chairman of the Board of Management (or chief executive officer), the chief financial officer (or senior vice president finance), the internal auditor and the External Auditor shall attend the Audit Committee meetings, unless the Audit Committee determines otherwise.
- 5.3. After consultation with the Board of Management, the External Auditor and the internal auditor may request a meeting with the Audit Committee if considered necessary.
- 5.4. An Audit Committee meeting is convened by the chairman of the Audit Committee. The notice therefor shall contain the meeting's agenda and shall be issued by letter, telex, telegram, fax or e-mail or verbally.
- 5.5. The chairman of the Audit Committee shall make every effort to ensure that there is sufficient time between the notice and the date of the Audit Committee meeting.

6. Reporting

- 6.1. The secretary shall circulate the minutes of the Audit Committee meetings to all Supervisory Board members, and the chairman of the Audit Committee shall, as a minimum, attend the Supervisory Board meeting at which the annual and semi-annual financial statements are approved.
- 6.2. The Audit Committee shall annually review these terms of reference and its own effectiveness and shall recommend any necessary changes to the Supervisory Board.
- 6.3. The Audit Committee shall prepare a report for the Supervisory Board of its deliberations and findings and how its duties were carried out in the financial year. The report shall in any event include the composition of the Audit Committee, the number of Audit Committee meetings and the main items discussed at such meetings.
- 6.4. In addition, the report of the Audit Committee for the Supervisory Board must at least include the following information:
 - a) the methods used to assess the effectiveness of the design and operation of Besi's internal risk management and control systems;



- b) the methods used to assess the effectiveness of the internal and external audit processes;
- c) material considerations regarding financial reporting; and
- d) the way that material risks and uncertainties which are relevant to the expectation of Besi's continuity have been analyzed and discussed, along with a description of the most important findings of the Audit Committee.

7. Internal audit function

- 7.1. The Audit Committee shall make a recommendation to the Supervisory Board about both the appointment and dismissal of the senior internal auditor by the Board of Management.
- 7.2. The Board of Management shall annually inform the Audit Committee about how the internal audit function fulfils its responsibilities, which responsibilities include the assessment of the design and operation of the internal risk management and control systems.
- 7.3. The audit plan shall be prepared by the internal audit function in consultation with the Board of Management, the Audit Committee and the External Auditor. In the audit plan attention shall be paid to the interaction with the External Auditor.
- 7.4. The internal audit function shall have direct access to the Audit Committee and records shall be kept of how the Audit Committee is informed by the internal audit function.
- 7.5. After consultation with the Board of Management, the internal audit function shall report the essence of its audit results to the Audit Committee. Such results shall at least include the following:
 - a) any flaws in the effectiveness of the internal risk management and control systems;
 - b) any findings and observations with a material impact on the risk profile of Besi and its affiliated enterprise; and
 - c) any failings in the follow-up of recommendations made by the internal audit function.

8. Conflicts of interest

- 8.1. The Audit Committee shall advise the Supervisory Board on how to address internal disputes and conflicts of interest in accordance with the provisions set out in provision 6 of the Regulations Supervisory Board.



9. Miscellaneous

- 9.1. Provisions 13 and 14 of the Regulations Supervisory Board shall apply mutatis mutandis to these terms of reference and are incorporated herein by reference.