



## NYKODE THERAPEUTICS ASA

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Instructions for the Audit Committee  
as adopted by the Board of Directors on 7 June 2022

## **INSTRUCTIONS FOR THE AUDIT COMMITTEE**

### **1. PURPOSE**

- 1.1 The audit committee is a preparatory and advisory select committee for the board of directors (the “Board”) of Nykode Therapeutics ASA (the “Company”).
- 1.2 The purpose of these instructions is to provide rules for the work and administrative procedures of the audit committee.
- 1.3 The Board shall review and evaluate the content of these instructions at least annually.

### **2. DUTIES OF THE AUDIT COMMITTEE**

- 2.1 The audit committee shall:
  - a) prepare the Board's supervision of the Company's financial reporting process;
  - b) monitor the systems for internal control and risk management;
  - c) have continuous contact with the Company's auditor regarding the audit of the annual accounts;
  - d) review and monitor the independence of the Company's auditor, including in particular the extent to which services other than auditing provided by the auditor or the audit firm represent a threat to the independence of the auditor; and
  - e) pre-approve all audit-related and significant other services provided by the Company's auditor, however so that the chairperson of the audit committee is authorised to approve such services, provided that (i) any services approved in this manner are presented to the audit committee at its next meeting, and (ii) that such services, based on a concrete assessment, is deemed not represent a threat to the independence of the auditor.

### **3. COMPOSITION OF THE AUDIT COMMITTEE**

- 3.1 The audit committee shall consist of minimum two members appointed by and among the members of the Board. Board members who are senior employees in the Company may not be elected as members of the audit committee. The members of the audit committee are appointed for a period of two years, or until (i) they resign as board member, or (ii) they step down for other reasons.
- 3.2 At least one of the members of the audit committee shall be independent of the Company's operations, and at least one of the members shall have qualifications within accounting or auditing. Any board members who are also members of the executive management cannot be members of the audit committee.
- 3.3 The Chair of the audit committee should be independent of the Company's main shareholders (more than 10%) and important business connections.
- 3.4 Combined, the audit committee shall possess the expertise that it needs to carry out its duties, based on the Company's organisation and business.

3.5 The Company's Chief Financial Officer shall be secretary of the audit committee.

#### **4. RULES OF PROCEDURE FOR THE AUDIT COMMITTEE**

4.1 The audit committee may only discuss issues and produce recommendations to the Board if at least two thirds of the members of the audit committee are taking part in the committee's proceedings.

4.2 Proceedings of the audit committee shall be held upon request from one of the members of the audit committee. Proceedings shall in any event be held prior to public disclosure of quarterly and annual financial reports by the Company.

4.3 The audit committee may request any information from the executive management and the external auditor which is deemed relevant in order for the audit committee to carry out its tasks. The audit committee may seek advice and recommendations from sources outside the Company, subject to appropriate confidentiality. The Company shall cover the costs of the audit committee.

4.4 The audit committee shall hold at least one meeting with the Company's external auditor each year. The external auditor shall annually present to the audit committee a review of the Company's internal control procedures, including identified weaknesses and proposals for improvement, as well as the main features of the plan for the audit of the Company.

4.5 Minutes from proceedings of the audit committee shall be kept and signed by the members of the audit committee. The members of the Board may request that the minutes are submitted to them for review. The Board may at any time require more detailed oral or written reports from the audit committee.