

Auditor Independence Policy

Approved and adopted by the Board of Flow Traders Ltd. on 24 July 2024



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1. Introduction, purpose and scope

1.1 Introduction

This auditor independence policy (the “Policy”) is voluntarily established by Flow Traders Ltd. (the “Company”) on the basis of Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC. This Policy serves as a guide for decision-making on the acceptance of services provided by the external auditor and on auditor appointment and rotation.

This Policy was initially approved on 24 July 2024 by the Board of the Company on the recommendation of the Audit Committee of the Company, and may be amended only with the prior approval of the Board. **Definitions**

1.2 Purpose

The purpose of this Policy is to ensure the independence and objectivity of the external auditor of the Company by establishing guidelines and procedures for the provision of services by the external auditor and for the appointment and rotation of the external auditor. This Policy aims to prevent conflicts of interest and ensure compliance with best practices.

1.3 Scope

The scope of the Policy encompasses all activities related to the engagement, evaluation, and oversight of services provided by external auditor to the Company and any entities in which the Company holds a direct or indirect controlling interest (any such entities referred to as a “Subsidiary”). It includes the criteria for approving services to be provided by the external auditor, the process for managing potential conflicts of interest, and the responsibilities of key stakeholders such as the Audit Committee, CFO, and Global Head of Finance. Additionally, the Policy outlines the permissible and prohibited external auditor services and establishes guidelines for maintaining the independence and objectivity of the external auditors.

2. Appointment, dismissal and remuneration of the external

The external auditor shall be appointed, dismissed and its remuneration shall be determined in accordance with applicable laws and regulations and in accordance with the Company’s Bye-Laws and the Audit Committee Charter.

3. External auditor services

3.1 Policy principles

The external auditor must remain independent of the Company, both in fact as well as in appearance. External auditor independence is impaired when the external audit firm accepts engagements to provide services which:

- create a substantial mutual or conflicting interest between the external audit firm and the Company;
- result in the external audit firm functioning in the role of management;
- place the external audit firm in the position of auditing its own work; and
- place the external audit firm in the position of being an advocate for the Company.

3.2 Permitted services

Consistent with the Policy and subject to the pre-approval requirements of the Audit Committee, the external auditor of the Company may provide the audit services, assurance services and permitted agreed upon procedures included in this section. Performance of any other non-audit services by the external audit firm are fully prohibited by Dutch law.

Audit services

When the occasion arises that audit services are to be provided by the external auditor, pre-approval should be obtained from the Company in line with section 5. The external auditor normally provides audit services in connection with statutory or regulatory filings or engagements.

Audit services include services that provide assurance on the fair presentation of financial statements and encompass the following specific services:

- Performing an audit of the Company's consolidated annual financial statements.
- Performing statutory audits of the financial statements of the Company and/or its Subsidiaries.
- Issuing a required audit opinion on some elements of the annual report and regulatory reporting.
- Reviewing the Company's interim financial statements and/or quarterly figures.
- Accounting and tax consultations in connection with the audit and review of Company's (interim) financial statements.
- Attest services required by statute or regulation, including issuing attestations to management's report on Company's internal controls for financial reporting.
- Auditing electronic data processing, IT systems and IT security as part of financial statement audits.

Assurance services and permitted agreed upon procedures

When the occasion arises that assurance services or permitted agreed upon procedures are to be provided by the external audit firm, pre-approval should be obtained from the Company in line with section 5, similar to the procedure for audit services. Assurance services and permitted agreed upon procedures are defined as certifications and attestations, being assurance and related services that are reasonably related to the performance of audit services and assurance services or other work traditionally provided to the Company by the external audit firm in its role as external auditor. These types of services can be characterized as non-recurring and result in a certification or a specific report of factual findings relating to financial information. Agreed upon procedures not reasonably related to financial information are not permitted.

Assurance services and permitted agreed upon procedures might include:

- Assurance services as defined by the Dutch professional auditors organisation “Nederlandse Beroepsorganisatie Accountants” NBA in the NV COS standards, which are aligned with international rules.

Standards mentioned above do include:

- Comfort letters and other agreed upon procedures for offering circulars, prospectuses and registration statements in connections with securities offerings.
- Third party assurance, internal control assurance (e.g. International Standard on Assurance Engagements (ISAE) 3402 reviews).
- Tax compliance certifications/attestations.
- Agreed upon procedures relating to financial information.

4. Rotation

4.1 External audit partner rotation

The Company requires the external audit firm to adhere to a rotation policy that is widely accepted and provides an appropriate balance between continuity (e.g. effectiveness and efficiency, skills and experience ensuring audit quality and acceptable level of audit costs), risk management, independence and credibility. This implies a rotation of audit partners in accordance with applicable domestic and international rules. The Company expects the external auditor to apply the rotation rules per audit partner and key audit staff member, which is appropriately managed via a gradual rotation mechanism.

4.2 External audit firm rotation

The process concerning external audit firm rotation is described in the Company's Board Rules.

5. Reporting to the Board

5.1 Introducing requests for external auditor services

The Chief Financial Officer (CFO) and/or Global Head of Finance shall be responsible for monitoring and taking into consideration any requests for services from the external auditors.

5.2 Requirements for submitting requests for external auditor services

The external auditor shall submit a formal written request for services to the CFO and/or the Global Head of Finance of the Company. The CFO and/or the Global Head of Finance shall subsequently bring the request to the attention of the chairperson of the Audit Committee. The CFO and the Global Head of Finance shall determine in consultation with the chairperson of the Audit Committee whether the request will be presented to the Audit Committee.

The request from the external auditor to the CFO and/or Global Head of Finance should encompass the following items captured in the form of e.g. a draft engagement letter (the “**Engagement Letter**”):

- (i) a description of the services being sought, including the objectives, deliverables, and the intended benefit to the Company or the Group.

- (ii) any relevant supporting documentation, such as details on the nature and scope of the requested services, a breakdown of estimated costs and expenses, and an assessment of the potential impact on the audit process and auditor's independence.

5.3 Approval process for external auditor services

The Audit Committee is the approval authority for external auditor services. The Audit Committee shall evaluate the proposal from the external auditors based on the alignment of the services with the Company's needs, the reasonableness of the fees, and any other relevant factors, such as impact on independence and potential conflicts of interest.

The proposal, along with the CFO's and Global Head of Finance's evaluation and recommendations, shall be presented to the Audit Committee before the services are engaged.

Upon approval by the Audit Committee, the Company and the External Auditor shall be allowed to agree upon the services by signing the Engagement Letter.

5.4 Validity term

The period of validity of any approval of external auditor services in accordance with this Policy is 12 months (maximum) from the date of approval, unless the Board and/or the Audit Committee decides upon a different period.

6. Disclosure and transparency

The Company shall maintain records of all requests for services and related decisions made by the Audit Committee. The Company shall disclose in its annual reports the fees paid to the external auditor for audit services, other assurance services, tax advice and other non-audit services in accordance with applicable regulations.

7. Monitoring and review

The Audit Committee shall monitor the provision of external auditor services to ensure ongoing compliance with this Policy. The external auditor shall report at least on a quarterly basis to the Audit Committee on all services requested, as well as the services actually provided and their associated fees.

8. Policy review

This Policy shall be reviewed annually by the Audit Committee and updated as necessary to ensure continued compliance with any applicable regulatory requirements and best practices.

9. Status of this Policy

The Board and/or the Audit Committee may decide in their sole discretion not to comply with this Policy. If any provision of this Policy is held to be or becomes invalid (in each case, either

in its entirety or in part) that provision will, to the extent of its invalidity, be deemed not to form part of this Policy, and the validity of the remainder of this Policy will not be affected.

