

BOKU, INC. (the "Company")

AUDIT COMMITTEE

Terms of reference

(Adopted by the board of directors of the Company on 24th November 2021)

1. The Audit Committee

The Audit Committee:

- (a) is a sub-committee of the board of directors and shall make recommendations to the board which retains the right of final decision;
- (b) is made up of non-executive directors with a quorum of a majority of the directors serving on the Audit Committee which, in any case, shall never be less than two;
- (c) has the primary responsibility of reviewing the financial statements and the accounting principles and practice underlying them, liaising with the external and internal auditors and reviewing the effectiveness of internal controls; and
- (d) will meet at least three times a year and in any event sufficiently frequently and for long enough to perform its duties effectively.

2. Main role and responsibilities

The main role and responsibilities of the Audit Committee are to:

- (a) provide formal and transparent arrangements for considering how to apply the financial reporting and internal control principles set out in the QCA Corporate Governance code, and to maintain an appropriate relationship with the Company's auditors;
- (b) monitor the integrity of the financial statements of the Company and any formal announcements relating to the Company's financial performance, reviewing significant financial reporting judgments contained in them;
- (c) review the Company's internal financial controls and the Company's internal control and risk management systems;
- (d) review arrangements by which staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensure that arrangements are in place for the proportionate and independent investigation of such matters and for appropriate follow-up action;
- (e) consider the need for an internal audit function and, if considered necessary, monitor and review the effectiveness of the Company's internal audit function;
- (f) make recommendations to the board, for it to put to the stockholders for their approval in a general meeting of the stockholders, in relation to the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor;

- (g) review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements;
- (h) develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm; and
- (i) report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and make recommendations as to the steps to be taken.

3. Membership

- 3.1 There should be a minimum of two members of the Audit Committee.
- 3.2 The members of the Audit Committee shall be appointed by the board in consultation with the chairman of the Audit Committee.
- 3.3 Membership should be confined to non-executive directors at least one of whom should have recent and relevant financial experience.
- 3.4 The majority of members, apart from directors' fees and shareholding, should be independent of management and free from any involvement which might significantly interfere with their ability to judge matters independently.
- 3.5 Appointments to the Audit Committee shall be made by the board and shall be for a period of up to three years, extendable by no more than two additional three-year periods.
- 3.6 The Company Secretary shall be the committee secretary and proper minutes shall be kept of its proceedings which shall be circulated to all directors of the Company, and, if necessary, to the Company's external auditor.

4. Meetings

- 4.1 Audit Committee meetings shall be held not less than three times a year, to discuss general audit matters, the interim and annual report and financial statements and otherwise as required, having regard to the Company's financial reporting and audit cycle, and at such other items as the chairman of the Audit Committee shall think fit. The external auditor may request a meeting if it considers that one is necessary and other non-members may be invited to attend all or part of the meeting as and when appropriate and necessary.
- 4.2 The external auditor, head of internal audit (if applicable) and the finance director/controller of the Company should attend meetings of the Audit Committee on a regular basis without being members.
- 4.3 The quorum necessary for the transaction of business shall be two members, at least one of whom has recent and relevant financial experience.
- 4.4 The Audit Committee shall meet the head of internal audit (if appointed) at least once a year without management being present. In addition, the head of the internal audit function shall have the right of direct access to the chairman of the Audit Committee.
- 4.5 Meetings of the Audit Committee will be arranged to tie in with the publication of the Company's financial statements. Meetings should be held prior to any board meeting at

which accounts or financial statements are to be approved, unless all the members of the Audit Committee agree otherwise.

- 4.6 Unless otherwise agreed by all members of the Audit Committee, notice of each meeting, confirming the venue, time and date together with an agenda and all relevant papers should normally be circulated to each member of the Audit Committee, to any other person required to attend, and to all other non-executive directors prior to the date of the meeting.

5. Chairman

The board shall elect one of the members of the Audit Committee (but not the Company chairman) to act as chairman of the Audit Committee who shall be an independent director and he will be responsible for:

- (a) preparing the agenda;
- (b) the timely distribution of the agenda and any supporting papers;
- (c) reporting to the board on issues and decisions made; and
- (d) attending and answering questions about the Audit Committee's work at the annual meeting of the stockholders.

In the absence of the chairman of the Audit Committee, the members present shall select one of their number to chair the meeting (other than the chairman of the Company, if he is a member of the Audit Committee) who would qualify under these terms of reference to be appointed to that position by the board.

6. Authorisation

- 6.1 The Audit Committee is authorised by the board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee in order to perform its duties and all employees will be directed by the board to co-operate with any request made by the Audit Committee.
- 6.2 The Audit Committee is authorised by the board to obtain, at the Company's expense, outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. This authority is subject only to the requirement that independent advice is sought at a reasonable cost commensurate with the matter under review.

7. Duties

The duties of the Audit Committee shall be as follows.

7.1 *External reporting*

- (a) Review the interim and annual report and final financial statements before recommendation to the board, focusing particularly on:

- (i) any significant adjustments resulting from the audit;
 - (ii) the going concern assumption;
 - (iii) compliance with accounting standards, taking into account the views of the external auditor;
 - (i) compliance with applicable regulatory and legal requirements;
 - (ii) the clarity and completeness of disclosure in the Company's financial reports and the context in which statements are made;
 - (iii) all material information presented with the financial statements, such as the business review and the corporate governance statements relating to the audit and to risk management; and
 - (vii) compliance with best practice in the area of corporate governance.
- (b) Review the annual report in its entirety.
- (c) Review the summary financial reports.
- (d) Review and approve the annual audit plan and ensure that it is consistent with the scope of the audit engagement, having regard to the seniority, expertise and experience of the audit team.
- (e) Review the findings of the audit with the external auditor. This shall include but not be limited to, the following:
 - (i) a discussion of any major issues which arose during the audit;
 - (ii) key accounting and audit judgements;
 - (iii) levels of errors identified during the audit; and
 - (iv) the effectiveness of the audit process.
- (f) Review circulars issued in respect of takeovers, defences against takeovers and other major non-routine transactions.
- (g) Review press statements and advertisements relating to financial matters prior to their issue.

7.2 *External auditor*

- (a) Consider and make recommendations to the board, to be put to stockholders for approval at the annual meeting of the stockholders, in relation to the appointment and re-appointment of the external auditor and any questions of resignation or dismissal.
- (b) If an auditor resigns, investigate the issues leading to this and decide whether any action is required.
- (c) Oversee the relationship with the external auditor including, but not limited to, assessing annually their independence and objectivity taking into account relevant professional and regulatory requirements and the overall relationship with the auditor, including the provision of any non-audit services.

- (d) Review the proposed audit fee and keep under review the scope and results of the audit and its cost effectiveness.
- (e) Prior to the audit commencing, discuss the nature, scope and timing with the external auditor and ensure co-ordination where more than one audit firm is involved.
- (f) Discuss any problems and reservations arising with the interim and final accounts audits and any matters the external auditor may wish to raise.
- (g) Discuss the meaning and significance of audited figures and any notes thereto.
- (h) Review the external auditors' evaluation of the Company's internal controls, the management letter and the management's response.
- (i) Review any factors that might impair, or be perceived to impair, the external auditor's independence and objectivity. Where the external auditor also supplies a substantial volume of non-audit services to the Company, keep the nature and extent of such services under review, seeking to balance the maintenance of objectivity and value for money.
- (j) Meet regularly with the external auditor (including once at the planning stage before the audit and once after the audit at the reporting stage) and at least once a year, without management being present, to discuss the external auditor's remit and any issues arising from the audit and the effectiveness of the audit process.
- (k) Arbitrate in any disputes between the external auditor and management.
- (l) Consider periodically an assessment by the external auditor of the quality of accounting and finance personnel in the group.
- (m) Agree with the board a policy on the employment of former employees of the Company's auditor, and monitor the implementation of this policy.
- (n) Monitor the auditor's compliance with relevant ethical and professional guidance on the rotation of the audit partner, the level of fees paid by the Company compared to the overall fee income of the firm, office and partner and other related requirements.
- (o) Assess annually the qualifications, expertise and resources of the auditor and the effectiveness of the audit process, which shall include a report from the external auditor on their own internal quality procedures.
- (p) Seek to ensure co-ordination with the activities of the internal audit function.

- (q) Evaluate the risks to the quality and effectiveness of the financial reporting process and consider the need to include the risk of the withdrawal of their auditor from the market in that evaluation.
- (r) Comply with relevant ethical standards when dealing with the external auditor.

7.3 *Internal auditors (if applicable), risk management and internal control*

Review the organisation, lines of reporting and keep under review the adequacy and effectiveness of the group's internal control systems at least once a year.

7.4 *Other matters*

- (a) Have access to sufficient resources in order to carry out its duties, including access to the Company secretariat for assistance as required.
- (b) Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
- (c) Enquire into illegal, questionable or unethical activities.
- (d) Monitor adherence of officials to the corporate code of conduct.
- (e) Review any significant transactions outside the Company's normal business.
- (f) Initiate special projects or investigations on any matter within its term of reference.
- (g) Review the efforts of the Company to comply with social and environmental obligations.
- (h) Ensure that the board, and especially the non-executive directors, receive timely relevant and reliable information, tailored to assist them with monitoring the business and taking important decisions.
- (i) Consider other topics as defined by the board from time to time.
- (j) Work and liaise as necessary with all other board committees.
- (k) Oversee any investigation of activities which are within its terms of reference.
- (l) Give due consideration to laws and regulations, the provisions of the QCA Corporate Governance Code, the provisions of the UK Listing Authority's Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules and any other applicable rules, as appropriate.
- (m) Where requested by the board, the Audit Committee should review the content of the annual report and accounts and advise the board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for stockholders to assess the Company's position and performance, business model and strategy.

- (n) Arrange for periodic reviews of its own performance and, at least annually, review its terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the board.

8. Reporting responsibilities

- 8.1 The chairman of the Audit Committee shall report formally to the board on its proceedings after each meeting on all matters within its duties and responsibilities and shall also formally report to the board on how it has discharged its responsibilities. This report shall include:
 - (a) the significant issues that it considered in relation to the financial statements (required under paragraph 7.1(a)) and how these were addressed;
 - (b) its assessment of the effectiveness of the external audit process and its recommendation on the appointment or reappointment of the external auditor; and
 - (c) any other issues on which the board has requested the Audit Committee's opinion.
- 8.2 The Audit Committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed. Where the Audit Committee is not satisfied with any aspect of the proposed financial reporting by the Company, it shall report its views to the board.
- 8.3 The Audit Committee shall compile a report on its activities to be included in the Company's annual report. The report should include an explanation of how the Audit Committee has addressed the effectiveness of the external audit process; the significant issues that the Audit Committee considered in relation to the financial statements and how these issues were addressed, having regard to matters communicated to it by the auditor.
- 8.4 In compiling the reports referred to in paragraphs 8.1 and 8.3, the Audit Committee should exercise judgment in deciding which of the issues it considers in relation to the financial statements are significant, but should include at least those matters that have informed the board's assessment of whether the Company is a going concern. The report to stockholders need not repeat information disclosed elsewhere in the annual report and accounts, but could provide cross-references to that information.

The Audit Committee is authorised to have the right to publish in the Company's annual report details of any issues that cannot be resolved between the Audit Committee and the board.