

Appendix B to the Supervisory Board Rules:

Rules of the Audit Committee of the Supervisory Board Koninklijke FrieslandCampina N.V.

Article 1

Composition of Audit Committee, chairman

- 1.1 The Supervisory Board appoints an audit committee ('**Audit Committee**') from among its members. The Audit Committee consists of at least four members: two internal Supervisory Board members, who are all members of the board of the Cooperative, and two 'external' Supervisory Board members (as referred to in article 2.5 of the Profile), of which at least one qualifies as a 'financial expert' as referred to in article 2.5.2 of the Profile.
- 1.2 The chairman of the Audit Committee shall be an external Supervisory Board member who is also a financial expert. The chairman is responsible for the proper operation of the Audit Committee. He ensures adequate reporting by the Audit Committee to the Supervisory Board. He acts as the spokesperson and as the main point of contact for the Supervisory Board, the Executive Board, the internal auditor and the external auditor.

Article 2

Responsibilities of the Audit Committee

- 2.1 The Audit Committee advises the Supervisory Board and prepares the Supervisory Board's decision making.
- 2.2 The Audit Committee focuses on monitoring the Executive Board in matters including:
 - (a) the integrity and quality of the Company's financial reporting and the effectiveness of the Company's internal risk management and control systems;
 - (b) relations with the internal and external auditors, and compliance with and follow-up on their recommendations and comments;
 - (b) the Company's funding;
 - (c) the application of information and communication technology by the Company, including risks relating to cybersecurity; and
 - (d) the Company's tax policy.
- 2.3 In addition, the Audit Committee carries out the following duties:
 - (a) recommending persons for appointment as senior internal auditor;
 - (b) annually evaluating how the internal audit function fulfils its responsibilities;
 - (c) advising the Supervisory Board regarding the external auditor's nomination for (re) appointment or dismissal and preparing the selection of the external auditor. The Audit Committee gives due consideration to the Executive Board's observations during this process. Based on this, among other things, the Supervisory Board determines its nomination for the appointment of the external auditor to the General Meeting;
 - (d) submitting a proposal to the Supervisory Board for the external auditor's engagement to audit the financial statements;

The Audit Committee is facilitated by the Executive Board in this process. In formulating the terms of engagement, attention is paid to the scope of the audit, the materiality to be used and the remuneration for the audit. The Supervisory Board takes the decision on the engagement. If a new external auditor is to be engaged by the Company, the Audit Committee motivates its proposal which contains at least two options for a possible external auditor to be engaged by the Company and explains the Audit Committee's preferred option. The proposal furthermore states that the decision-making of the Audit Committee in this regard is not influenced by any third party or by any agreement.

- (e) annually discussing the draft audit plan with the external auditor, including:
 - (i) 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
 - (ii) based also on the documents used to develop the audit plan, the findings and outcome of the audit work carried out on the financial statements and the management letter; and
 - (f) determining whether and, if so, how the external auditor is involved in the content and publication of financial reports other than the financial statements.
- 2.4 The Audit Committee also carries out the following duties:
- (a) monitoring the financial reporting process and reviewing proposals to safeguard the integrity of this process;
 - (b) monitoring the effectiveness of the internal control systems, the internal audit function and risk management systems with regard to the Company's financial reporting;
 - (c) monitoring the statutory audit of the annual accounts and the consolidated annual accounts;
 - (d) assessing and monitoring the independence of the external auditor or the audit firm, as applicable, specifically taking into account the extension of ancillary services to the Company; and
 - (e) determining the selection process for the external auditor or the audit firm, as applicable for the Company and the nomination to extend the assignment to carry out the statutory audit.

Article 3

Responsibilities regarding the appointment, working method and appraisal of the external and internal auditor

External auditor

- 3.1 The Audit Committee and the external auditor should discuss the audit plan and the findings of the external auditor based on the work the external auditor has undertaken. The Supervisory Board, as well as the Executive Board, should maintain regular contact with the external auditor.
- 3.2 The external auditor should discuss the draft audit plan with the Executive Board before presenting it to the Audit Committee.
- 3.3 The Audit Committee monitors that the Executive Board ensures that the external auditor has all the financial information that forms the basis for adopting the six-monthly figures or year-end figures and any other interim reports, and all other information the external auditor requires to perform his task, and is given the opportunity to respond to this information.

- 3.4 The external auditor should inform the chairman of the Audit Committee without delay if, during the performance of his duties, he discovers or suspect an instance of misconduct or irregularity. If the actual or suspected misconduct or irregularity pertains to the functioning of a member of the Executive Board, the external auditor should report this directly to the Chairman of the Supervisory Board.

Internal audit function

- 3.5 The internal audit function prepares an internal audit plan and involves the Audit Committee in the process. In reviewing the internal audit plan, which also requires Executive Board approval, the Audit Committee reviews the tasks and responsibilities, the budget, whether the internal audit function has sufficient resources and any recommended changes to the scope of the internal audit function and discusses this with the senior internal auditor and the external auditor. The Audit Committee renders its advice to the Supervisory Board regarding the approval of the internal audit plan by the Supervisory Board.
- 3.6 The Audit Committee shall monitor that the internal audit function is able to perform its duties in accordance with the internal audit charter. The internal audit function has direct access to the Audit Committee and the external auditor. The internal audit function reports its audit results to the Executive Board and the essence of its audit results to the Audit Committee and informs the external auditor.
- 3.7 The Executive Board both appoints and dismisses the senior internal auditor, after prior approval of the Supervisory Board along with a recommendation issued by the Audit Committee.
- 3.8 The Audit Committee reviews and discusses the internal audit charter and the independence of the audit process with the Executive Board, the senior internal auditor and the external auditor. The Audit Committee will provide the Executive Board with its opinion on the way in which the internal audit function has fulfilled its responsibilities.

Article 4

Meetings

- 4.1 The Audit Committee prepares an annual schedule for its meetings, the dates and proposed agenda items. The Audit Committee shall meet at least four times a year and in addition, as often as at least two members or the chairman of the Audit Committee deem necessary. Meetings shall in principle be held at the offices of the Company, but may also be held elsewhere. Meetings can also take place by means of telephone, videoconference, or electronic communications, provided all participants can participate in the meeting.
- 4.2 The chief financial officer of the Company, the corporate director Finance & Reporting, the senior internal auditor and the external auditor attend the Audit Committee meetings, unless the Audit Committee determines otherwise. The Audit Committee should decide whether and, if so, when the chief executive officer of the Company should attend its meetings. The Audit Committee may also request other officers of the Company to attend meetings in whole or in part. Furthermore, the

Supervisory Board may determine that one or more designated internal members of the Supervisory Board shall attend meetings as observer.

- 4.3 The Audit Committee shall meet separately with each of the external auditor and the senior internal auditor of the Company as often as it considers necessary, but at least once a year, without Executive Board members being present.
- 4.4 Meetings shall be convened by or on behalf of the chairman of the Audit Committee. Insofar as practicable, the notice and the agenda items shall be provided to the members of the Audit Committee seven days before the start of the meeting.
- 4.5 The meetings shall be minuted. The meeting appoints the minute-taker. The draft minutes shall be approved and signed by the chairman during the next meeting. In order to keep the Supervisory Board up to date during the period between the meetings of the Audit Committee, the draft minutes will also be sent to the other Supervisory Board members.
- 4.6 The Audit Committee only meets when the majority of its members is present. If opinions or points of view of the Audit Committee are not supported unanimously by its members, this is noted in the minutes, including the difference in opinion or point of view. If the Audit Committee cannot arrive at an opinion or point of view, the Supervisory Board decides.

Article 5

Reporting

- 5.1 The Audit Committee reports its deliberations and findings to the Supervisory Board after each meeting.
- 5.2 Annually, the Audit Committee reports to the Supervisory Board on:
 - (a) how the duties of the Audit Committee were carried out in the financial year, the composition of the Audit Committee, the number of meetings of the Audit Committee and the main items discussed at those meetings;
 - (b) the methods used to assess the effectiveness of the design and operation of the internal risk management and control systems;
 - (c) the methods used to assess the effectiveness of the internal and external audit processes;
 - (d) material considerations regarding financial reporting;
 - (e) the way material risks and uncertainties have been analysed and discussed, along with a description of the most important findings of the Audit Committee;
 - (f) the functioning of, and the developments in, the relationship with the external auditor; and
 - (g) the results of the annual statutory audit and how the audit has contributed to the integrity of the financial reporting and on the role of the Audit Committee in this audit.