



C O D E O F P R O C E D U R E

of the

A U D I T C O M M I T T E E

of the

S U P E R V I S O R Y B O A R D

of

M E T R O A G

**(entered into the trade register of the Local Court of Duesseldorf
with the trade register number HRB 79055)**

(in its version dated 1 October 2020)

Pursuant to § 7 of the Code of Procedure of the Supervisory Board of the Company the Supervisory Board gives the Audit Committee the following Code of Procedure:

§ 1

Composition, Chairmanship and Vice Chairmanship

- (1) The Audit Committee is a committee formed according to § 5 Section 2 of the Code of Procedure of the Supervisory Board of the Company and shall consist of six members.
- (2) The Chairman of the Supervisory Board and his Vice Chairman are ex officio members of the Audit Committee. They may decline the membership. If the Chairman and/or the Vice Chairman do not accept the membership in the Audit Committee, they will be replaced by a member elected by the Supervisory Board.
- (3) From among its members the Audit Committee shall elect a Chairman and a Vice Chairman with simple majority of votes cast. The Chairman must be a representative of the shareholders. The Chairman of the Supervisory Board shall not be elected Chairman or Vice Chairman.
- (4) The Chairman of the Audit Committee should be independent in the meaning of the German Corporate Governance Code, i.e. independent from the company and its Management Board and independent from a controlling shareholder. He or she must possess special expertise and experience in the use of accounting principles and internal control procedures as well as be familiar with year-end audits. The other members should be sufficiently knowledgeable and experienced in these matters with if possible one additional member having special know-how in the area of Compliance. The members of the Audit Committee must as a whole be familiar with the business sector of the Company.

§ 2

Tasks of the Audit Committee

- (1) The Audit Committee shall perform the following tasks on behalf of the Supervisory Board:
 - a) Dealing with questions of reporting as well as supervising the reporting process; in this context the Committee is regularly informed by the Management Board about the effects of innovations in reporting and accounting standards, especially IFRS, relevant to the Group or the Company; it can make recommendations or proposals for the safeguarding of the integrity of the reporting process;
 - b) Review of financial information in the course of the financial year as well as discussing the partial result of the audit;
 - c) Supervising the year-end auditing, the determination of the audit priorities as well as assessment of the quality of the audit;
 - d) Supervising and safeguarding the independency of the auditor during the audit process as well as occupation with the additional services rendered by the auditor; the rendering of not prohibited non-audit services by the auditor and his network to the Company or a group company require the prior approval of the Audit Committee; the Audit Committee

- may issue guidelines for the rendering of such services;
- e) Conduction of tender and selection process for auditor assignments in accordance with the legal provisions for the external rotation of the auditor, in particular article 16 seq. of the EU regulation on auditors¹;
 - f) Dealing with questions of group tax planning;
 - g) Dealing with the report by the Management Board on donations.
- (2) In addition, the Audit Committee is charged with doing preparatory work for the Supervisory Board and recommending resolutions. The preparatory work of the Audit Committee refers to the following tasks:
- a) Dealing with questions of risk management and supervising the efficiency of the risk management system;
 - b) Supervising the effectiveness of the internal audit system, the internal control systems as well as the so-called anti-fraud measures;
 - c) Dealing with questions of Compliance and supervising the Compliance Management System within the Group;
 - d) Examining the annual and consolidated financial statements as well as the respective management reports (including Corporate Social Responsibility (CSR)-reporting) on the basis of the results of the audit and the supplementary comments by the auditors and evaluating the audit reports as well as examining the proposal of the Management Board with regard to the appropriation of the balance sheet profit and
 - e) if necessary, examining the dependency report;
 - f) Proposal of the Supervisory Board to the Annual General Meeting for the election of the auditor as well as the placement of the audit assignment with the auditors and concluding the audit fee agreement; with regard to the recommendation of the Audit Committee for the election of the auditor the provisions of art. 16 sec. 2 of the EU regulation on auditors must be observed;
 - g) Medium-term plan and annual budget for the Group.

¹ Regulation (EU) no. 537/2014 of the European Parliament and of the Council dated 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and on annulment of the resolution 2005/909/EG of the Commission.

§ 3

Performance of the Tasks

- (1) The Audit Committee has the Management Board report to it regularly. If so ordered by the Chairman of the Audit Committee, these reports have to be given in writing. The Audit Committee also conducts information talks with the Management Board and – after coordination with the Management Board – also with the divisional managers responsible for the various subject areas at the Company.
- (2) The Management Board shall report to the Audit Committee either on an ad hoc basis or at the next possible meeting on the emergence of new and considerable risks and on special events in the areas Internal Auditing and Compliance.
- (3) Furthermore, the Audit Committee conducts talks with the auditors on the topics listed in § 2. The auditors are to take part in the meetings of the Audit Committee in which the annual financial statements or financial information in the course of the financial year are discussed; the Chairman will decide on whether the auditors will also attend other meetings of the Audit Committee.
- (4) The Audit Committee can consult external advisors and service providers to support in performing its tasks. The assignment will be initiated by the Chairman of the Supervisory Board on the basis of an appropriate recommendation by the Audit Committee and in case of support in performing its tasks pursuant to § 2 Section 1 lit. e) by the Chairman of the Audit Committee on the basis of a respective resolution of the Audit Committee.
- (5) In the meetings of the Supervisory Board the Chairman of the Audit Committee shall report at regular intervals about the work of the Audit Committee.

§ 4

Meetings

- (1) As a rule, the meetings of the Audit Committee shall take place five times a year, at least one each quarter. Details are laid down in the enclosed Schedule of Meetings and Topics.
- (2) Written resolutions instead of meetings are permissible according to the Code of Procedure of the Supervisory Board.
- (3) The Chairman of the Audit Committee shall decide on the participation of members of the Management Board as well as of other persons who are not members of the Supervisory Board in the meetings of the Audit Committee.

§ 5

Decisions

- (1) The Audit Committee takes its decisions by way of resolutions.
- (2) The Chairman of the Audit Committee shall have the casting vote as contemplated by § 4 Section 4 Sentence 3 of the Code of Procedure of the Supervisory Board. The Supervisory Board will be informed about the exercise of the casting vote in the next meeting.

§ 6

Internal Order for Other Matters

§ 5 Section 4 of the Code of Procedure of the Supervisory Board shall apply subject to the proviso that the Chairman of the Supervisory Board is replaced by the Chairman of the Audit Committee.

§ 7

Coming into Force

This Code of Procedure shall come into force with effect from 1 October 2020 replacing the version of the Code of Procedure of the Audit Committee of the Supervisory Board of the Company of 2 March 2017.

Annex to the Code of Procedure of the Audit Committee of the Supervisory Board of METRO AG

Schedule of Meetings and Subjects of the Audit Committee

(at the same time annex to the Code of Procedure of the Supervisory Board)

Meeting	Field	Topic
November	Governance / Risk & Compliance	<ul style="list-style-type: none"> Governance functions: Internal control system, risk management system, internal audit and compliance (incl. GRC yearly report)
December Balance sheet meeting (with participation of auditor)	Financial reporting / accounting / audit	<ul style="list-style-type: none"> Annual and consolidated financial statements (incl. press release) Profit appropriation Proposal election of auditor (incl. review of the independence of the auditors / non-audit services of the auditor / volume of consultancy services)
February (with participation of the auditor)	Financial reporting / accounting / audit	<ul style="list-style-type: none"> Quarterly statement 1st quarter Audit assignment (financial statements and non-financial statement) for current FY Where applicable non-audit services of auditor
	Other	<ul style="list-style-type: none"> Use of financing framework Capital market view on Group or changing key topic
	Financial reporting / accounting / audit	<ul style="list-style-type: none"> Half year financial report (incl. press release) Quality of audit Key topics for audits Where applicable non-audit services of auditor
May (with participation of auditor)	Strategy / Budget	<ul style="list-style-type: none"> Key points strategy / budget for following FY Corporate tax planning
	Governance / Risk & Compliance	<ul style="list-style-type: none"> Risk & Compliance Update (incl. GRC half-year report)
	Financial reporting / accounting / audit	<ul style="list-style-type: none"> Quarterly statement 3rd quarter (incl. press release) Update on reporting standards
July/August (with participation of the auditor)	Strategy / Budget	Pre-Budget for the following FY
	Financial reporting / accounting / audit	<ul style="list-style-type: none"> Where applicable non-audit services of auditor
	Strategy / Budget	Budget incl. medium-term planning
September (with participation of the auditor)	Governance / Risk & Compliance	<ul style="list-style-type: none"> Report of Group Internal Audit incl. audit planning

According to the legal provisions for the external rotation of auditors, the Audit Committee deals with the tender and selection process for audit assignments and submits proposals on the selection of auditors to the Supervisory Board.

In addition to the aforementioned subjects, the agendas of the Audit Committee meetings take into account significant current key topics. In the event of current demand, extraordinary meetings can be convened by the Chairman.

If required, the Audit Committee supports the Presidential Committee in calculation and evaluation of remuneration relevant key figures.