



# Audit Committee Charter



TECHNIP  
ENERGIES



# CONTENTS

<b>1. Purpose, responsibilities and definitions</b>	<b>1</b>
<b>2. Composition of the committee</b>	<b>1</b>
<b>3. Secretary</b>	<b>1</b>
<b>4. Meetings of the committee and decision making</b>	<b>2</b>
<b>5. Access to company information, advisers</b>	<b>3</b>
<b>6. Reporting</b>	<b>4</b>
<b>7. Miscellaneous</b>	<b>4</b>
<b>Annex 1 Audit Committee – Responsibilities</b>	<b>6</b>
1. Auditor	6
2. Internal audit function	7
3. Chief financial officer	7
4. Board report, financial statements and interim reporting	8
5. Parent company guarantees	9
6. Other	9
<b>Annex 2 Audit Committee – Definitions</b>	<b>10</b>

## 1. Purpose, responsibilities and definitions

- 1.1. The Audit Committee (the “**Committee**”) is appointed by the board of Directors (the “**Board**”) of Technip Energies N.V. (the “**Company**”) and assists the Board in its oversight of the Company’s financial management and financial controls, the Company’s enterprise risk management as well as in its oversight of the Auditor.
- 1.2. This charter sets out the internal organisation of the Committee and its responsibilities, all in accordance with the provisions of the Board Rules and the Articles of Association.
- 1.3. The Board has assigned to the Committee the responsibilities set out in [Annex 1](#).
- 1.4. In this charter capitalised terms have the meaning set out in [Annex 2](#).

## 2. Composition of the committee

### 2.1. Size of the Committee, appointment of Committee members

- 2.1.1. The Board determines the size of the Committee, provided that the Committee consists of at least three members.
- 2.1.2. Members of the Committee are appointed by the Board from among the Non-Executive Directors, upon the recommendation of the Nomination and Governance committee of the Board, and can be removed from the Committee by the Board.

### 2.2. Qualifications

- 2.2.1. More than half of the members of the Committee must be independent within the meaning of provision 2.1.8. of the Code.
- 2.2.2. At least one member of the Committee must have specific expertise in financial reporting and in the reviewing of financial reports in accordance with provision 1.5.1. of the Code, provision 2(3) of the Decree and article 39 of the Audit Directive.
- 2.2.3. The Committee members as a whole must have competence relevant to the sector in which the Company is operating in accordance with article 39 of the Audit Directive.
- 2.2.4. No action of the Committee will be invalid by reason of any Committee membership requirement not being met at the time such action is taken.

### 2.3. Committee Chair

- 2.3.1. The Board appoints one of the members of the Committee as chair of the Committee (the “**Committee Chair**”). The Committee Chair serves as the main contact for the Board in relation to the Committee’s responsibilities.
- 2.3.2. The chair of the Board or a former Executive Director cannot serve as Committee Chair. The Committee Chair must be independent within the meaning of provision 2.1.8 of the Code.
- 2.3.3. The Committee Chair chairs the meetings of the Committee. If the Committee Chair is not present at the meeting, the members of the Committee present at the meeting designate one of them to serve as chair of that meeting.

## 3. Secretary

- 3.1.1. The Committee appoints and dismisses a secretary (the “**Secretary**”).
- 3.1.2. The Secretary:
  - (a) ensures that the proper procedures are followed and that any statutory obligations and any obligations under the Articles of Association, the Board Rules and this charter are complied with;
  - (b) facilitates the provision of information to the Committee; and
  - (c) supports the Committee Chair in the organisation of the Committee’s affairs, including the provision of information, meeting agendas, evaluation and training programmes.

## 4. Meetings of the committee and decision making

### 4.1. Convening meetings and agenda

- 4.1.1. At least four regularly scheduled Committee meetings are to be held each financial year.
- 4.1.2. Additional meetings of the Committee may be convened at the request of the Committee Chair, a majority of the members of the Committee, a majority of the members of the Board, the chair of the Board, or the Executive Director.
- 4.1.3. Meetings are convened in writing at least five days in advance, unless such advance notice is waived by all members of the Committee, by, or on behalf of, the Committee Chair or, if the Committee Chair is absent or unable to act, any member of the Committee.
- 4.1.4. The Committee Chair will establish the agenda for the Committee meeting. In the event the Committee meeting is convened by someone other than the Committee Chair, then the agenda for such Committee meeting will be established in consultation with the chair for such meeting. The materials relating to the Committee meeting will be distributed to the members of the Committee and, at the discretion of the Committee Chair, others invited for such meeting sufficiently in advance of each meeting to allow for meaningful review of such materials. Members of the Committee are expected to have reviewed and be prepared to discuss all materials distributed in advance of any meeting.
- 4.1.5. Unless otherwise decided by the Committee Chair, all meeting materials prepared for the Committee will be available to all members of the Board.
- 4.1.6. Audio and/or video recording of the Committee meetings or proceedings of the Committee are prohibited.

### 4.2. Meeting location

- 4.2.1. Meetings of the Committee are normally held at the Company's offices but may also take place at other locations.
- 4.2.2. Committee meetings may be held in person by telephone, videoconference, or other form of electronic communication, provided that all participants can hear each other simultaneously. Committee members attending the meeting by telephone, videoconference or electronic communication are considered present at the meeting.

### 4.3. Attendance

- 4.3.1. All Committee members are expected to attend all Committee meetings.
- 4.3.2. In the event a Committee member is unable to attend a Committee meeting, such member is to notify the Committee Chair and the Secretary in advance.
- 4.3.3. The Committee Chair may invite others to attend the Committee meetings.
- 4.3.4. Unless the Committee determines otherwise, the Chief Executive Officer, the Chief Financial Officer, the Chief Legal Officer, the Senior Internal Auditor and the Auditor attend the Committee meetings.
- 4.3.5. The chair of the Board is entitled to attend all Committee meetings.

### 4.4. Quorum

- 4.4.1. A member of the Committee is deemed to be in attendance and represented at a Committee meeting by another member of the Committee holding a proxy in writing.
- 4.4.2. The Committee may adopt resolutions at a meeting only if the majority of the members of the Committee entitled to vote is present or represented at the meeting.
- 4.4.3. The chair of the meeting ensures that adopted resolutions are communicated without delay to members of the Committee not present at the meeting.

### 4.5. Adoption of resolutions

- 4.5.1. Each member of the Committee has one vote.
- 4.5.2. Where possible, the Committee adopts its resolutions by unanimous vote. If this is not possible, the resolution is adopted by a simple majority of the votes cast. In the event of a tie vote, the proposed resolution is not adopted.
- 4.5.3. If there is insufficient agreement on a proposed resolution during the meeting, the chair of the meeting may defer the proposal for further deliberation at a later Committee meeting or withdraw the proposal.
- 4.5.4. Where it is the responsibility of the Committee to review a specific matter and make a recommendation to the Board, such recommendation shall be the subject of a vote by the Committee. In the event the proposal to make a recommendation to the Board is not adopted unanimously, the Committee Chair will share the views of the dissenting members of the Committee with the Board.

## 4.6. Meeting minutes

The Secretary, or any other person designated by the Committee as the meeting secretary, prepares the minutes of the Committee meeting. The minutes are approved:

- (a) by a resolution adopted at the next Committee meeting; or
- (b) by the chair and secretary of the particular meeting, after having consulted the members of the Committee present at that meeting.

## 4.7. Adopting resolutions without holding a meeting (written resolutions)

- 4.7.1. The Committee may adopt resolutions without holding a meeting, provided all Committee members entitled to vote consent to adopting such resolutions without holding a meeting and such resolutions are adopted in writing.
- 4.7.2. Article 4.5. equally applies to adopting resolutions without holding a meeting.

## 4.8. Evidence of adopted resolutions

Committee resolutions are evidenced by a statement of the Committee Chair, a certificate of the Chief Executive Officer or the Chief Legal Officer, a written resolution referred to in article 4.7.1. or minutes of the meeting adopted in accordance with article 4.6.

# 5. Access to company information, advisers

- 5.1. Members of the Committee have unfettered access to the Company's senior management and may ask any questions and receive all information necessary to perform their responsibilities. Members of the Committee are to exercise judgment to ensure that their requests to management do not disrupt the business operations of the Company.
- 5.2. During regularly scheduled meetings, the Committee may meet with the Company's senior management, the Auditor and/or the Senior Internal Auditor to discuss any matter that the Committee, senior management, the Auditor or the Senior Internal Auditor believe should be discussed in executive sessions.
- 5.3. The Committee has the authority to retain, at the Company's expense, legal counsel, consultants, as well as other advisers as it deems necessary or appropriate to assist the Committee in fulfilling its responsibilities, and the authority to approve any related fees and expenses.



## 6. Reporting

### 6.1. Regular reporting to the Board

- 6.1.1. The Committee Chair provides the Board with a report of the Committee's business at the next Board meeting immediately following the relevant Committee Meeting.
- 6.1.2. The Committee may at all times make any recommendation to the Board it deems appropriate in relation to the Committee's responsibilities.

### 6.2. Annual report to the Board

- 6.2.1. The Committee reports to the Board on its activities prior to the finalisation of the Company's annual report for the relevant year. This report includes:
  - (a) how the responsibilities of the Committee were carried out in the financial year;
  - (b) the composition of the Committee;
  - (c) the number of meetings of the Committee;
  - (d) the main items discussed at the Committee meetings;
  - (e) the methods used to assess the effectiveness of the design and operation of the internal risk management and control systems referred to in best practice provisions 1.2.1 through 1.2.3 of the Code;
  - (f) the methods used to assess the effectiveness of the internal and external audit processes;
  - (g) material considerations regarding financial reporting; and
  - (h) the manner in which material risks and uncertainties referred to in best practice provisions 1.4.2 and 1.4.3 of the Code have been analysed and discussed, along with a description of the most important findings of the Committee, and the manner in which the statement as referred to in best practice provision 1.4.3 of the Code has been substantiated.
- 6.2.2. The Committee reports to the Board on the results of the annual statutory audit. This report includes information on how the audit has contributed to the integrity of the financial reporting, and also addresses the role of the Committee in the audit.

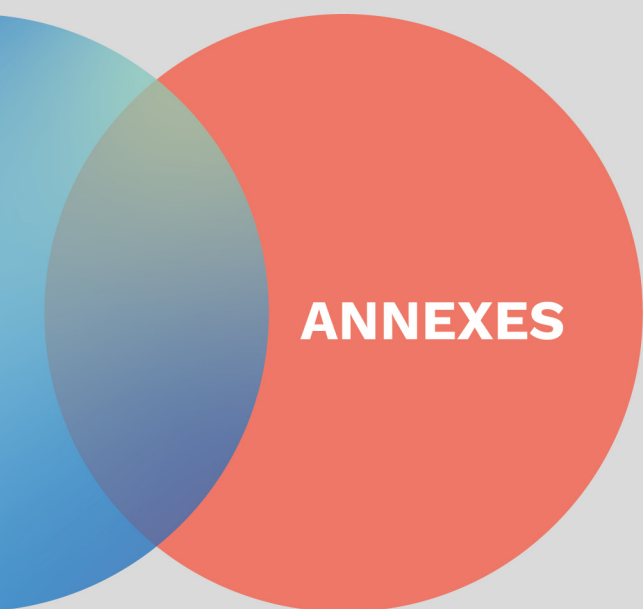
## 7. Miscellaneous

### 7.1. Self-evaluation

As part of the annual evaluation of the members of the Board provided for in article 8. of the Board Rules the Committee evaluates its performance.

### 7.2. Review of this charter

The Committee reviews this charter annually and recommends any proposed changes to the Board.



## **ANNEXES**

## Annex 1

### Audit Committee – Responsibilities

#### 1. Auditor

##### 1.1. Appointment of the Auditor

- 1.1.1. The Committee oversees the selection process for the Auditor and the lead audit partner and recommends for Board approval the nomination of the Auditor to be proposed for appointment at the General Meeting.
- 1.1.2. The Committee approves the terms of the Auditor's engagement letter, including the scope of the annual audit and the associated fees.
- 1.1.3. Neither the initial engagement of the Auditor, nor this initial engagement in combination with any renewed engagements shall exceed a duration of ten years.
- 1.1.4. At the discretion of the Committee, but in all instances in compliance with the mandate terms restrictions prescribed under article 1.1.3. of this Annex, the Committee initiates a competitive selection process for renewal of the Auditor.
- 1.1.5. Upon undertaking a competitive selection process, the Committee's proposal for the nomination of the Auditor must include at least two audit firms and must explain the basis for the Committee's recommendation. The Committee must state that its recommendation is free from influence by a third party and that the Committee is not subject to any restrictions or commitments regarding the nomination of the Auditor for appointment by the General Meeting.

##### 1.2. Independence of the Auditor and non-audit services

- 1.2.1. The Committee assesses and monitors the independence of the Auditor specifically taking into account the provision by the Auditor of non-audit services to the Company.
- 1.2.2. The Committee reviews periodic reports provided by the Auditor regarding the Auditor's compliance with applicable independence standards.
- 1.2.3. The Committee regularly reviews and supervises the implementation of the Company's policy on the Auditor's provision of non-audit services to the Company. If required, the Committee recommends for Board approval relevant changes to the policy.
- 1.2.4. The Committee approves on behalf of Board the scope of any material non-audit services to be provided by the Auditor and the fees to be paid for such services all in accordance with the policy referred to in section 1.2.3. of this Annex.
- 1.2.5. The Committee regularly reviews and supervises the implementation of the Company's hiring policy for employees or former employees of the Auditor. If required, the Committee recommends for Board approval relevant changes to the policy.

##### 1.3. Monitoring of the audit process

- 1.3.1. The Committee reviews the proposed audit plan prepared for an upcoming year by the Auditor and discusses with the Auditor the scope of and materiality applicable to the proposed audit plan and the principal risks identified therein.
- 1.3.2. The Committee monitors the audit conducted by the Auditor of the Company's annual statutory financial statements and of the Company's interim and annual consolidated financial statements.
- 1.3.3. The Committee discusses with the Auditor the audit work referred to in section 1.3.2. of this Annex and the Auditor's findings in respect thereof, including the matters required to be discussed under IFRS. The Committee also reviews the management letter to be delivered by the Company to the Auditor.
- 1.3.4. The Committee resolves any disagreements that may arise between the Company's management and the Auditor.

##### 1.4. Meetings with the Auditor

The Committee meets with the Auditor as often as it considers necessary, and in any event at least annually, without the Executive Director or management present.



## 1.5. Evaluation of the Auditor's qualifications and performance

- 1.5.1. The Committee annually evaluates the qualifications of the Auditor. The Committee also evaluates the performance of the Auditor by reviewing a report from the Auditor describing the Auditor's internal quality control procedures, any material issues raised by the most recent internal quality control review or peer review of the Auditor and all relationships between the Auditor and the Company.
- 1.5.2. The Committee annually reviews with the Auditor any communications between the Company's internal audit team and the Auditor's national office regarding auditing or accounting issues raised during the course of the audit engagement.
- 1.5.3. The Committee monitors 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 income of the Auditor, office and partner and other related requirements.

## 1.6. Reporting

The Committee reports annually to the Board on the performance of the Auditor and on the Company's relationship with the Auditor.

# 2. Internal audit function

## 2.1. General

- 2.1.1. The Committee monitors the effectiveness of the Company's internal audit function and controls.
- 2.1.2. The Committee reviews the budget of the Company's internal audit function and ensures that it has sufficient resources to execute its internal audit plan. The Committee ensures that the Company's internal audit team has access to all information that it requires for the performance of its work and that the Company's internal audit function has direct and unfettered access to the Auditor.

## 2.2. Internal audit plan

- 2.2.1. The Committee reviews the Company's annual internal audit plan. The Committee discusses with the Senior Internal Auditor the Company's internal audit function's priorities, budget and staffing for the upcoming financial year.

## 2.3. Senior Internal Auditor

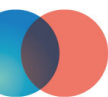
- 2.3.1. The Committee recommends for Board approval the appointment and replacement of the Senior Internal Auditor.
- 2.3.2. The Senior Internal Auditor reports to the Chief Financial Officer and the Committee.
- 2.3.3. The Committee conducts the annual performance appraisal of the Senior Internal Auditor.

## 2.4. Reporting by the Company's internal audit function

- 2.4.1. The Company's internal audit function has access to the Committee through the Senior Internal Auditor.
- 2.4.2. The Committee meets with the Senior Internal Auditor as often as it considers necessary, and in any event at least annually, without the Executive Director or management present.
- 2.4.3. The Company's internal audit function reports the audit results to the Committee. Such reporting includes:
  - (a) any flaws in the effectiveness of the internal risk management and control systems;
  - (b) any findings that may have a material impact on the risk profile of the Company and other observations in this respect; and
  - (c) any failings in the follow-up of recommendations made by the Company's internal audit function.

# 3. Chief financial officer

The Committee oversees the selection process for appointment of the Chief Financial Officer and, after interviewing candidates, recommends the selected candidates for Board approval.



### 4. Board report, financial statements and interim reporting

#### 4.1. General

- 4.1.1. The Committee monitors the financial reporting process of the Company and makes proposals to the Board to safeguard the integrity of the financial reporting process.
- 4.1.2. The Committee reviews and monitors the integrity of the Company's annual statutory financial statements and the Company's half year and annual consolidated financial statements with the Company's management and the Auditor. The Committee also reviews and discusses the quarterly interim financial updates with the Company's management.
- 4.1.3. The Committee recommends for Board approval the Company's annual statutory financial statements and the Company's half year and annual consolidated financial statements.
- 4.1.4. The Committee reviews and recommends for Board approval the content of the Company's annual management report, including the disclosures relating to internal controls, risk management and the risks to which the Company is subject.
- 4.1.5. The Committee reviews the material financial and accounting aspects related to the compensation of members of the Board and of the Company's equity based compensation programs.
- 4.1.6. The Committee recommends for Board approval the declarations to be included in the Company's half yearly and annual financial reports on the basis of sections 5:25c and 5:25d of the Dutch Financial Markets Supervisions Act (*Wet op het financieel toezicht*).
- 4.1.7. The Committee reviews and recommends for Board approval press releases relating to the half yearly and annual financial statements and interim financial reports of the Company.

#### 4.2. Auditing and accounting principles

- 4.2.1. The Committee reviews major changes to the Company's auditing and accounting principles and practices which may be proposed by the Auditor, Senior Internal Auditor, the internal accounting team and/or management.

#### 4.3. Supervision of financial reporting, the audit process and internal control systems

- 4.3.1. The Committee reviews the adequacy and effectiveness of the Company's internal control and risk management process and systems.
- 4.3.2. The Committee reviews reports prepared by the Auditor and/or management of:
  - (a) significant accounting and financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including analysis of any significant changes in the Company's selection or application of accounting principles;
  - (b) all critical accounting and auditing policies and practices, methods used to account for significant or unusual transactions when different approaches are possible, as well as the adequacy of internal controls that could significantly affect the Company's financial statements;
  - (c) off-balance sheet financial structures;
  - (d) the effect of alternative accounting methods on the Company's financial statements when new material procedures, transactions or policies are adopted or approved or changes are made to material procedures; and
  - (e) Non-IFRS financial information, including the use of "pro forma" or "adjusted" financial data included in financial reporting.
- 4.3.3. The Committee reviews with the Auditor any problems or difficulties the Auditor may encounter during the audit process and any management or internal control letter provided to the Auditor and the Company's actions in respect of such letters. Such reviews include:
  - (a) any difficulties encountered in the course of the audit, including any restrictions on the scope of activities or access to required information and any disagreement with management;
  - (b) any accounting adjustments that were noted or proposed by the Auditor; and
  - (c) the effectiveness of the audit process.
- (d) The Committee also reviews with the Auditor any changes required in the scope of the internal audit plan and the internal audit department's responsibilities, budget and staffing.

- 4.3.4. The Committee reviews the adequacy and effectiveness of the Company's internal quality procedures and controls relating to the Company's finance and audit functions and to its risk management systems regarding the Company's financial reporting.
- 4.3.5. The Committee reviews the procedures for the receipt, retention and treatment of complaints received regarding accounting, internal accounting controls and auditing matters and the confidential anonymous submissions by employees of concerns regarding questionable accounting or auditing matters.
- 4.3.6. The Committee reviews the Company's procedures for detecting fraud, and any disclosures provided by the Chief Executive Officer or the Chief Financial Officer to the Committee regarding (a) significant deficiencies in the design or operation of internal controls that could adversely affect the Company's ability to record, process, summarize and report financial data; and (b) any fraud, including that which involves management or other individuals that have a significant role in the Company's internal controls.
- 4.3.7. The Committee reviews and discusses with management, the Senior Internal Auditor and the Auditor any special audit measures adopted in light of material control deficiencies that could significantly affect the Company's financial statements.
- 4.3.8. The Committee reviews matters that have come to its attention through reports of management, legal counsel and others or through the Company's allegation reporting hotline, that relate to the status of compliance with financial reporting laws, regulations, internal policies and controls and that may be expected to be material to the Company's financial statements.
- 4.3.9. The Committee reviews with management and the Auditor any correspondence with regulators or governmental agencies and employee complaints, allegation hotline reports, notifications or published reports that could raise material issues regarding the Company's financial statements, accounting policies or internal controls.
- 4.3.10. The Committee meets periodically with management to review the Company's exposure in respect of material financial, strategic, operational, legal and regulatory as well as taxation risks and the measures management has implemented to monitor and control such exposure.
- 4.3.11. The Committee reviews with the Company's Chief Legal Officer and Chief Compliance Officer all material legal and compliance matters that may have a material impact on the Company's financial statements.
- 4.3.12. The Committee reviews with management, the Senior Internal Auditor and the Auditor any specific audit measures adopted in light of material control deficiencies that that may have a material impact on the Company's financial statements.

#### **4.4. Monitoring of new requirements**

- 4.4.1. The Committee reviews with management, the Auditor and internal counsel and external counsel, as appropriate, the effect of new or updated financial, regulatory and accounting initiatives, and related disclosure requirements, to ensure the accuracy and completeness of the Company's financial reporting.

### **5. Parent company guarantees**

- 5.1. The Committee reviews and recommends for Board approval the issuance of parent company guarantees in an amount exceeding EUR 2 billion per parent company guaranty individually. In addition, the Committee reviews and recommends for Board approval any other parent company guarantee the issuance of which would cause the aggregate amount of parent company guarantees issued pursuant to the delegation to the Chief Executive Officer in article 2.4.2. of the Board Rules to exceed EUR 10 billion during a given calendar year.
- 5.2. The Committee monitors the parent company guarantees issued by the Chief Executive Officer in accordance with article 2.4.2. of the Board Rules.

### **6. Other**

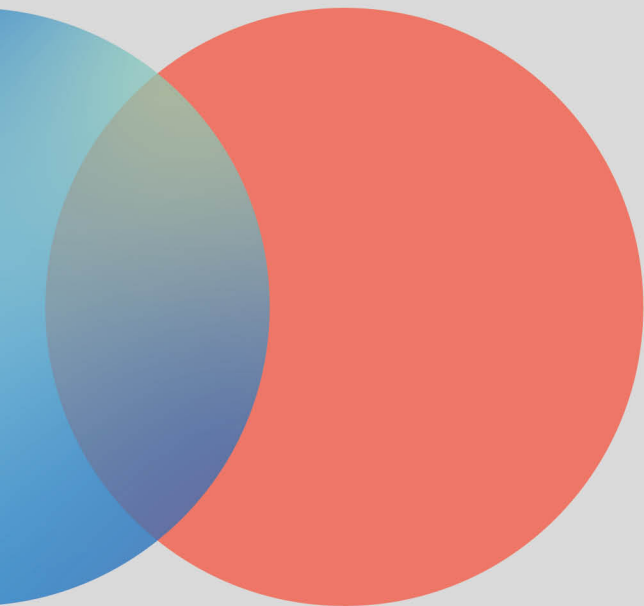
- 6.1. The Committee monitors the application of the Company's policy on tax planning.
- 6.2. The Committee monitors the application of the Company's policy on information and communication technology.
- 6.3. The Committee monitors the Company's strategy and policy on funding and financing transactions.

## Annex 2

### Audit Committee – Definitions

- (a) “**Articles of Association**” means the Company’s articles of association;
- (b) “**Audit Directive**” means Directive 2014/56/EU amending the first Audit Directive (2006/43/EC);
- (c) “**Auditor**” means the Company’s auditor appointed by the Company’s general meeting in accordance with article 9.2.1 of the Articles of Association;
- (d) “**Board**” means the board of Directors of Technip Energies N.V.;
- (e) “**Board Rules**” means the regulations referred to in article 7.1.6. of the Articles of Association;
- (f) “**Chief Compliance Officer**” means the Company’s chief compliance officer;
- (g) “**Chief Executive Officer**” means the Company’s chief executive officer who is also the Executive Director;
- (h) “**Chief Financial Officer**” means the Company’s chief financial officer;
- (i) “**Chief Legal Officer**” means the Company’s chief legal officer;
- (j) “**Code**” means the Dutch Corporate Governance Code;
- (k) “**Committee**” has the meaning ascribed to it in article 1.1. of this charter;
- (l) “**Committee Chair**” has the meaning ascribed to it in article 2.3.1. of this charter;
- (m) “**Company**” has the meaning ascribed to it in article 1.1. of this charter;
- (n) “**Decree**” means the Decree establishing the audit committee (*Besluit instelling auditcommissie*) as included in the decree of 26 July 2008 (implementing article 41 of Directive 2006/43/EC and amended by the decree of 8 December 2016 implementing Directive 2014/56/EU);
- (o) “**Executive Director**” means the member of the Board appointed as executive Director;
- (p) “**IFRS**” means the international financial reporting standards applicable to the Company;
- (q) “**Non-Executive Director**” means a member of the Board appointed as non-executive Director;
- (r) “**Non-IFRS**” means financial information not calculated with reference to IFRS;
- (s) “**Secretary**” has the meaning ascribed to it in article 3.1.1. of this charter; and
- (t) “**Senior Internal Auditor**” means the Company’s senior internal auditor.





**Technip Energies N.V.**

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A company incorporated under the laws  
of The Netherlands, with headquarters  
in Nanterre, and registered with  
the Dutch Chamber of Commerce  
under number 76122654

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