

DELIVEROO PLC

(the Company)

AUDIT AND RISK COMMITTEE TERMS OF REFERENCE

Approved by the board on 19 March 2020 (as amended on 1 December 2023)

1. The Committee's role and responsibilities

Financial reporting

- 1.1 To monitor the integrity of the Company's financial statements, including its annual and half-yearly reports, preliminary announcements and any other formal announcements relating to its financial performance.
- 1.2 To monitor, review and report to the board on significant financial reporting issues and judgements made in connection with the preparation of the Company's financial statements and any other formal announcements relating to its financial performance (having regard to matters communicated to it by the auditor).
- 1.3 To review related information presented with the financial statements, including the strategic report and corporate governance statements relating to the audit and to risk management.
- 1.4 To review and challenge where necessary:
 - (a) significant accounting policies and any changes to them;
 - (b) whether the Company has adopted appropriate accounting policies and where necessary made appropriate estimates and judgements, taking into account the views of the external auditor on the financial statements;
 - (c) the methods used to account for significant or unusual transactions where different approaches are possible;
 - (d) the clarity and completeness of disclosures in the financial statements and whether the disclosures are set properly in context;
 - (e) all material information presented with the financial statements, such as the strategic report, the corporate governance statement (insofar as it relates to the audit and risk management) and statements related to internal control, risk management (including the assessment of principal risk and emerging risks), viability and going concern.
- 1.5 To assess the effectiveness of the Company's financial reporting procedures.
- 1.6 Where the Committee is not satisfied with any aspect of the Company's financial reporting, to report its views to the board.

- 1.7 To advise (where requested by the board) on whether the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the company's position and performance, business model and strategy.
- 1.8 To review if practicable other statements containing financial information that require board approval.
- 1.9 To oversee the development and reporting of the Company's tax strategy and make recommendations to the board.

Internal audit

- 1.10 To review and approve the role and mandate of the Company's internal audit function and monitor and review the effectiveness of its work, including any actions taken by management. In undertaking a review of effectiveness of the internal audit function the Committee should confirm that it is satisfied that the quality, experience and expertise of the function are appropriate for the business.
- 1.11 To review and approve the annual internal audit plan and internal audit charter.
- 1.12 To ensure that there is open communication between functions and that the internal audit function evaluates the effectiveness of the risk and compliance and finance functions as part of its internal audit plan.
- 1.13 To ensure the internal audit function has unrestricted scope and the necessary resources and access to information to enable it to fulfil its mandate.
- 1.14 To approve the appointment and removal of the head of the internal audit function.
- 1.15 To review reports to the Committee from the internal auditor (VP Assurance) and to meet the head of internal audit at least once a year, without management present, to discuss the effectiveness of the internal audit function, its remit and any issues resulting from audits.

External audit

- 1.16 To be responsible for the selection and appointment procedures for an external auditor, to initiate and conduct any competitive tender process undertaken by the company for the provision of external audit services and consider and make recommendations to the board, to be put to shareholders for approval at the AGM, on the appointment, re-appointment, resignation or removal of the external auditor.
- 1.17 To oversee the relationship with the external auditor, including but not limited to:
 - (a) negotiating and approving the terms of engagement of and remuneration to be paid to the external auditor in respect of audit services, ensuring that the fees are appropriate to enable an effective and high quality audit to be conducted;

- (b) reviewing and agreeing the engagement letter issued by the external auditor at the start of each audit and the scope of the external audit, arranging additional work as appropriate;
- (c) influencing the appointment of the individual identified by the external auditor as being primarily responsible for the conduct of the audit;
- (d) developing and implementing policy on the engagement of the external auditor to supply non-audit services, pre-approving any non-audit services provided by the external auditor;
- (e) reviewing and monitoring the external auditor's independence and objectivity, including the impact of the supply of any non-audit services by the auditor, and the effectiveness of the audit process, taking into account relevant legal, ethical, professional and regulatory requirements and all group relationships with the external auditor and its network firms as a whole;
- (f) discussing with the external auditor threats to independence and how those threats are mitigated;
- (g) monitoring the external auditor's compliance with ethical standards, the level of fees the Company pays to the external auditor in proportion to the overall fee income of the external audit firm (or relevant part of it), and related regulatory requirements;
- (h) obtaining and reviewing annually external auditor information about its policies and procedures for maintaining independence and monitoring compliance with relevant requirements, including in relation to rotation of audit partners and staff;
- (i) agreeing with the board a policy on the employment of former employees of the external auditor, taking account of relevant ethical standards and legal requirements, monitoring the application of this policy, including the Committee's own safeguards relating to independence, and considering whether there has been any impairment or appearance of impairment of the external auditor's independence and objectivity;
- (j) annually assessing and reporting to the board on the external auditor's qualifications, expertise, resources, independence and objectivity and the effectiveness of the audit process, with a recommendation on whether to propose to shareholders that the external auditor be reappointed;
- (k) seeking to ensure co-ordination between the external auditor and the internal audit function; and
- (l) evaluating the risks to the quality and effectiveness of the financial reporting process, especially in light of the auditor's communications with the Committee.

- 1.18 To investigate the issues leading to any resignation of an external auditor and decide whether any action is required.
- 1.19 To ensure that appropriate plans are in place for the annual audit at the start of each annual audit cycle, in particular considering whether the auditor's work plan is consistent with the scope of the audit engagement, having regard to materiality, resources and the seniority, expertise and experience of the audit team.
- 1.20 To review audit representation letters before signature, considering in particular any representation on a non-standard matter.
- 1.21 To meet the external auditor at least once a year without management present to discuss the auditor's remit and any issues arising from the audit.
- 1.22 To review the findings of the audit and the auditor's report with the external auditor, including but not limited to:
 - (a) major issues that arose during the audit, both resolved and unresolved;
 - (b) how the external auditor addressed risks to audit quality;
 - (c) key accounting and audit judgements;
 - (d) the level of errors identified during the audit; and
 - (e) interactions between the external audit team and senior management and other members of the finance team.
- 1.23 To review and monitor management's responsiveness to the external auditor's findings and recommendations.
- 1.24 To assess the effectiveness of the external audit process and the quality of the external audit, which shall include a report from the external auditor on their own internal quality procedures, taking into consideration relevant UK professional and regulatory requirements, including but not limited to:
 - (a) understanding how risks to audit quality are identified and addressed;
 - (b) reviewing the external auditor's compliance with the audit plan;
 - (c) taking the views of key officers and employees on the conduct of the audit, including the reliance the external auditor placed on the internal audit; and
 - (d) reviewing and monitoring the external auditor's management letter and its other communications with the Committee.

Internal control and compliance systems

- 1.25 To monitor and review the adequacy and effectiveness of the Company's internal financial controls and internal control and risk management systems.
- 1.26 To promote and review sound risk management and internal control, including operational and compliance controls.

- 1.27 To monitor and keep under review the policies and overall process for identifying and assessing business risks and managing their impact on the Company.
- 1.28 To receive and review regular assurance reports from management, internal audit, external audit and others on matters related to risk and control, in particular as to the effectiveness and testing of risk management and internal control systems (including financial controls).
- 1.29 To advise the board on the Company's overall risk appetite, tolerance and strategy.
- 1.30 To oversee and advise the board on the current risk exposures of the Company and future risk strategy.
- 1.31 To advise the board on proposed strategic transactions including acquisitions or disposals, ensuring that a due diligence appraisal of the proposition is undertaken, focusing in particular on risk aspects and implications for the risk appetite and tolerance of the Company, and taking independent external advice where appropriate and available.
- 1.32 To provide qualitative and quantitative advice to the remuneration committee on risk weightings to be applied to performance objectives incorporated in executive remuneration.
- 1.33 To consider and approve the remit of the relevant risk management/compliance function and ensure it:
 - (a) has adequate resources and appropriate access to information to enable it to perform its function effectively and in accordance with the relevant professional standards; and
 - (b) has adequate independence and is free from management and other restrictions.

Whistleblowing, fraud, bribery and other compliance

- 1.34 To review the Company's arrangements for its workforce and contractors to raise concerns, in confidence, about possible improprieties in financial reporting or other matters, with the aim of ensuring that these arrangements allow proportionate and independent investigation of such matters and appropriate follow-up action.
- 1.35 To review the Company's policies and procedures for preventing and detecting fraud, its systems and controls for preventing bribery, its code of corporate conduct/business ethics and its policies for ensuring that the Company complies with relevant regulatory and legal requirements, receive reports and consider appropriate action.

Shareholder engagement

- 1.36 To seek effective engagement through the Committee chair with shareholders on significant matters related to the areas of the Committee's responsibilities.

2. Composition and quorum

- 2.1 The Committee must have at least three members. Members of the Committee are appointed by the board on the recommendation of the nomination committee in consultation with the chair of the Committee. All members of the Committee must be independent non-executive directors. If the board decides that a member of the Committee is no longer independent, that member will cease to be a member of the Committee. The chair of the board may not be a member of the Committee.
- 2.2 At least one member of the Committee must have been determined by the board to have recent and relevant financial experience. The Committee as a whole shall have competence relevant to the sector in which the Company operates.
- 2.3 The board appoints the chair of the Committee. In the absence of the Committee chair and/or an appointed deputy, the remaining members present may elect one of the independent non-executive directors present to chair the meeting.
- 2.4 Only members of the Committee have the right to attend Committee meetings, but the Committee may invite others to attend all or part of any meeting if it thinks it is appropriate or necessary. The Chief Financial Officer, VP Finance, VP Assurance and external audit lead partner should be invited to attend meetings of the Committee on a regular basis.
- 2.5 Appointments to the Committee are for a period of up to three years, extendable for two further three-year periods, provided the director still meets the criteria for membership of the Committee.
- 2.6 The quorum necessary for the transaction of business is two members.
- 2.7 A duly convened meeting of the Committee at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

3. Meeting administration

- 3.1 The Committee must meet as often as it deems necessary but in any case at least three times a year, at appropriate times in the financial reporting and audit cycle, at such times and places determined by the Committee chair. The Committee must approve the annual calendar of its meetings. Additional meetings may be called by the Committee chair. The Committee may hold meetings at a physical place or by means of any electronic facility (or both in respect of the same meeting). The Committee may take decisions without a meeting by unanimous written consent, when the Committee chair considers this to be necessary or desirable.
- 3.2 Meetings of the Committee are called by the secretary of the Committee at the request of the Committee chair or at the request of the external or internal auditor.
- 3.3 Unless otherwise agreed by all Committee members, notice of each meeting confirming the venue, time and date (and electronic facility if required) of the meeting must be sent, with an agenda of the items to be discussed and any

supporting papers, to each member of the Committee, any other person required to attend the meeting and all other non-executive directors as soon as practicable, and in any event no later than five days before the date of the meeting where practicable.

- 3.4 Outside the formal meeting programme, the Committee chair must maintain a dialogue with key individuals involved in the Company's governance, including the board chair, the chief executive officer, the chief financial officer, the external audit lead partner and the VP Assurance.

4. Secretary

- 4.1 The Company secretary or such person as the Company secretary nominates acts as the secretary of the Committee.
- 4.2 The secretary must ensure that the Committee receives information and materials in a timely manner to enable full and proper consideration to be given to them.
- 4.3 The secretary must minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- 4.4 Draft minutes of Committee meetings must be sent promptly to all members of the Committee. Once approved, minutes must be sent to all members of the board in due course, unless the chair of the Committee thinks it is inappropriate to do so.

5. Self-evaluation

The Committee must review its own performance, composition and terms of reference at least once a year and recommend to the board any changes it considers necessary or desirable.

6. Reporting

- 6.1 After each Committee meeting, the chair must report formally to the board on the Committee's proceedings. This report must include:
- (a) the significant issues that it considered in relation to the financial statements 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 issue on which the board has asked for the Committee's opinion, identifying any matters in respect of which it considers that improvement is needed, whether the subject of a specific request by the board or not, and make recommendations as to the steps to be taken.
- 6.2 The Committee may make such recommendations to the board as it deems appropriate on any area within its remit where action or improvement is desirable.

- 6.3 The Committee chair must attend the Company's annual general meeting and be available to answer questions on matters within the Committee's area of responsibility, and make a statement on the activities and achievements of the Committee over the year, as directed by the chair of the annual general meeting.
- 6.4 The Committee must produce a report to shareholders to be included in the Company's annual report describing the work of the Committee, including:
- (a) the significant issues that the Committee considered relating to the financial statements, and how these issues were addressed;
 - (b) an explanation of how the Committee has assessed the independence and effectiveness of the external audit process and the approach taken to the appointment or reappointment of the external auditor, information on the length of tenure of the current audit firm, when a tender was last conducted and advance notice of any retendering plans;
 - (c) if the board has not accepted the Committee's recommendation on the external auditor appointment, reappointment or removal, a statement from explaining its recommendation and the reasons why the board has taken a different position;
 - (d) where there is no internal audit function, an explanation for the absence, how internal assurance is achieved, and how this affects the work of external audit;
 - (e) an explanation of how auditor independence and objectivity are safeguarded, if the external auditor provides non-audit services; and
 - (f) any statement of compliance required by law or regulations.

7. Other matters

The Committee must:

- (a) have access to sufficient resources to carry out its duties, including access to the company secretary for advice and assistance as required on all Committee matters;
- (b) be given appropriate and timely training in the form of an induction programme for new members and on an ongoing basis for all members;
- (c) give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code, the requirements of the Financial Conduct Authority's Listing, Prospectus and Disclosure Guidance and Transparency Rules and any other applicable rules and guidance, as appropriate;
- (d) oversee any investigation of activities which are within its terms of reference; and
- (e) work and liaise as necessary with all other board committees.

8. Authority

The board authorises the Committee to:

- (a) undertake any activity within its terms of reference;
- (b) seek any information from any employee, contractor, consultant or other provider of services to the Company that the Committee requires to perform its duties, and call any such person to be questioned at a Committee meeting, as and when required;
- (c) obtain external legal or other professional advice on any matter within its terms of reference at the Company's expense, and invite persons giving such advice to attend Committee meetings; and
- (d) delegate any of its powers to one or more of its members or the secretary of the Committee.