

TERMS OF REFERENCE OF THE AUDIT COMMITTEE OF lastminute.com N.V.

1. Scope

- 1.1. These terms of reference (the "**Terms of Reference**") set forth the role and responsibility of the audit committee (the "**Committee**") of lastminute.com N.V. (the "**Company**") and were adopted by the Company's board of directors (the "**Board**") on 14 April 2014.
- 1.2. The Committee shall oversee the accounting and financial reporting processes of the Company and audits of the financial statements of the Company, including:
 - (a) the integrity of the Company's financial statements;
 - (b) the Company's compliance with legal and regulatory requirements;
 - (c) the independent auditor's qualifications and independence; and
 - (d) the performance of the Company's internal audit function and independent auditor.
- 1.3. The Committee is directly responsible for the appointment, compensation, retention and supervision of the work of the independent, external auditor and any other accounting firm engaged to perform audit, review or attest services (including the resolution of any disagreements between the Board and any auditor regarding financial reporting). The external auditor and any other such accounting firm will report directly to the Committee.
- 1.4. The Committee shall have available appropriate funding from the Company, as determined by the Committee, for compensation to the external auditor, any other accounting firm or other advisors engaged, if any, and for the Committee's ordinary administrative expenses.
- 1.5. The Committee is authorized to perform each of the specific duties set forth herein and any other duties it considers necessary or advisable to carry out its purpose, responsibilities and its specific duties. To the extent relevant to carrying out its purpose, responsibilities and duties, the Committee is empowered to recommend that any activity of the Company be investigated and, in appropriate circumstances, the Committee is empowered to investigate any activity of the Company.
- 1.6. The capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the terms of reference of the Board.

2. Composition

- 2.1. The Committee shall consist of at least two Non-Executive Directors, who shall satisfy the applicable independence and experience and other membership requirements under applicable corporate governance rules and under applicable law.
- 2.2. The members of the Committee shall be appointed annually and may be replaced by the Non-Executive Directors.
- 2.3. At least one member of the Committee shall be a financial expert with relevant knowledge and experience of financial administration and accounting or auditing for companies at least of similar size to the Company.
- 2.4. The Board shall designate one member of the Committee as chairman (the "**Chair**"). The Chair may not also be the chairman of the Board or a former Executive Director.
- 2.5. The Committee, in particular the Chair, shall be primarily responsible for the adequate performance of the Committee. The Chair shall act as the spokesman of the Committee and shall be the main contact for the Board.

3. Responsibilities

- 3.1. The Committee shall make all necessary preparations in order to facilitate the decision-making process by the Board in relation to the matters set forth in these Terms of Reference.
- 3.2. The Committee shall perform the following duties, as well as any other additional duties as may be required by applicable stock exchange regulations or by applicable law:
 - (a) annually review the qualifications, performance and independence of the external auditor and the operation of the Company's internal risk management and control systems, including supervision of the enforcement of the relevant legislation and regulations, and supervising the operation of codes of conduct;
 - (b) supervise the provision of financial information by the Company (choice of accounting policies, application and assessment of the effects of new rules, information about the handling of estimated items in the annual accounts, forecasts, work of internal and external auditors, etc.);
 - (c) supervise the non audit services rendered by the firm of the external auditor and, if deemed necessary, adopt a policy for the use of external auditors for non-audit services, in consultation with the Company's Chief Financial Officer;

- (d) make recommendations to the Non-Executive Directors, upon and after consultation with the Executive Directors, to pre-approve audit engagement fees, terms and non-audit engagements with the external auditor;
 - (e) supervise the role and performance of the internal audit function;
 - (f) review the policy of the Company on tax planning;
 - (g) maintain relations with the external auditor, including, in particular, independence, remuneration and any non-audit services for the Company (the remuneration of the external auditor, and instructions to the external auditor to provide non-audit services, shall be approved by the Non-Executive Directors on the recommendation of the Committee and after consultation with the Board);
 - (h) review the financing of the Company;
 - (i) review the recommendation for the appointment of an external auditor by the General Meeting;
 - (j) prepare the review by the Board of the annual accounts and the review by the Board of the annual budget and major capital expenditures of the Company; and
 - (k) each year evaluating its own performance and the adequacy of these Terms of Reference.
- 3.3. The Committee is entitled to investigate any matters, belonging to the domain entrusted to the Committee. The Committee is authorized to request all necessary information from the chairman of the Board and to seek external advice.
- 3.4. In view of the current size and complexity of the Company's business, a formal internal audit function is not considered a requirement. Before the implementation of such internal audit function, the Committee shall:
- (a) annually perform a number of specific process reviews based on a risk assessment analysis performed by the Committee itself;
 - (b) execute such reviews using internal or external specialists or even outsource them to the external auditor; and
 - (c) assign the coordination role for independent internal audit reviews to an existing manager.
- 3.5. Once the size and complexity of the Company's business will require an internal audit function, the Committee shall:

- (a) review the budget, plan, changes in plan, activities, responsibilities, staffing, organizational structure, and qualifications of the internal auditor, as needed;
- (b) review the appointment, performance, and replacement of the internal audit executive, manager or firm;
- (c) review significant reports prepared by the internal auditor together with senior management's response and follow-up to these reports; and
- (d) on at least an annual basis, review with the Company's counsel any legal matters that could have a significant impact on the Company's financial statements, the Company's compliance with applicable laws and regulations, and any inquiries received from regulators or governmental agencies.

4. Meetings

- 4.1. The Committee shall meet as often as necessary to carry out its responsibilities under these Terms of Reference, but at least four times annually.
- 4.2. To the extent reasonably possible, the Chair will procure that seven calendar days before such meeting is held, all members of the Committee will receive (i) a written notice of the meeting, (ii) the agenda, and (iii) any accompanying documentation. There should be at least one (partial) meeting a year where the Committee meets the external auditor without Executive Directors present.
- 4.3. The quorum for a meeting of the Committee is two members, amongst whom one should be the Chair. Members of the Committee and other invited persons may participate in meetings via teleconference or videoconference. A member participating in such meeting through such means shall be deemed to be present at the meeting and as such shall be counted in a quorum accordingly.
- 4.4. The Committee will decide by a simple majority vote.
- 4.5. The Chair, assisted by a secretary, will procure that proper minutes and accounts are kept of all meetings and decisions respectively. The minutes will be adopted by the Committee in the first following meeting. In the event all members of the Committee agree to the content of the minutes in writing, the minutes can be adopted outside a meeting. The minutes shall be signed by the Chair to reflect the adoption of such minutes. The adopted minutes will be circulated promptly to all Non-Executive Directors.
- 4.6. The Chair sets the meeting agendas in consultation with members of the Board and other Committee members. Among other things, an assessment of potential risks of the Company conducted by the Board is taken into account in setting the Committee's agendas, in consultation with the external auditor. The

Committee shall make regular reports to the Board and shall at least annually send to the Board a report of its deliberations and findings. The Committee shall also provide the Board with the information required for it to prepare its report, including general information on how the Committee has carried out its duties, the number of meetings and the main items discussed.

- 4.7. No one other than the Committee members shall be entitled to attend Committee meetings. Other persons may only attend the meetings at the invitation of the Committee.
- 4.8. The Committee is empowered, to the extent it deems necessary or appropriate, to retain outside legal, accounting or other advisers having special competence as necessary to assist it in fulfilling its responsibilities and duties.
- 4.9. In addition, the Committee, or its Chair, shall communicate with senior management and the independent auditors to review the Company's financial statements and significant findings prior to the filing of such statements with the SIX.

5. External Auditor

- 5.1. The external auditor is appointed by the General Meeting. The Board and the Committee shall report their dealings with the external auditor to the Non-Executive Directors on an annual basis, including his independence in particular (for example, the desirability of rotating the responsible partners of an external audit firm that provides audit services, and the desirability of the same audit firm providing non-audit services to the company). The Non-Executive Directors shall take this into account when deciding its nomination for the appointment of an external auditor, which nomination shall be submitted to the General Meeting.
- 5.2. The Committee shall act as the principal contact for the external auditor if he discovers irregularities in the content of the financial reports. The external auditor may be questioned by the General Meeting in relation to his report on the fairness of the financial statements. The external auditor shall for this purpose be invited to attend and be entitled to address this General Meeting.
- 5.3. The annual review with the external auditor, as referred to in 3.2(a), shall include:
 - (a) results of the audit, including the independent auditor's opinion on the financial statements;
 - (b) the external auditor's consideration of the internal control structure and their evaluation regarding the adequacy of those controls over the financial reporting process, including computer controls and security, as well as special audit steps, if any, adopted in light of material control issues;

- (c) alternative IFRS methods discussed with the Board, ramifications of alternative disclosures and treatment preferred by the external auditor;
 - (d) critical accounting policies and practices;
 - (e) any audit problems or difficulties and the Board's response, including accounting adjustments noted or proposed by the external auditor but not recorded;
 - (f) issues discussed with the external auditor's national office;
 - (g) any management or internal control letter issued or proposed by the external auditor to the Company;
 - (h) significant disagreements, if any, with the Board;
 - (i) cooperation received from the Board in the conduct of the audit;
 - (j) time constraints on the external auditor;
 - (k) any restrictions on the scope of activities or on access to requested information;
 - (l) any recommendation, observation or other material written communication made by the external auditor to the Board, as well as compliance therewith;
 - (m) other matters related to the conduct of the annual audit or the review of interim financial results required to be communicated to the Committee under applicable law, auditing standards or other professional accounting standards; and
 - (n) where the external auditor discover any irregularity in the content of the Company's financial reporting, the Committee shall act as the principal contact for the external auditor.
- 5.4. The external auditor of the Company may ask the Chair to be invited to be present at Committee meetings.
- 5.5. The Committee shall determine how the external auditor should be involved in the content and publication of financial reports other than the annual accounts of the Company.
- 5.6. The Committee shall, together with the external auditor, be involved in drawing up the work schedule of the internal auditor. They shall also take cognizance of the findings of the internal auditor.

6. Final Provisions

- 6.1. The Committee reviews the adequacy of the provisions of these Terms of Reference on a regular basis and, to the extent applicable, makes recommendations to the Non-Executive Directors in this respect.
- 6.2. These Terms of Reference shall be published on the Company's website.
