

## **Constellation Oil Services Holding S.A**

### **AUDIT AND RISKS COMMITTEE CHARTER**

#### **I - PURPOSE and OBJECTIVES**

1) The AUDIT AND RISKS COMMITTEE ("Committee") shall review the financial statements and audit reports and interact with the independent auditors of Constellation Oil Services Holding S.A. ("Constellation") and its subsidiaries ("Company") and perform the other duties set forth herein this Charter.

1.1) For this purpose, the Committee shall be instrumental to the Board of Directors in overseeing and acting as an independent and objective party to monitor: (i) quality, integrity and effectiveness of the Company's financial statements; (ii) the Independent Auditors performance, independence and qualification; and (iii) the performance of the internal audit function, as well as any Company's systems of internal controls regarding finance, accounting, legal, compliance and ethics that Management and/or the Board of Directors have established ("Key Risk Management Framework"). The Committee shall fulfill its mandate by providing an open avenue of communication among the Independent Auditors, Key Risk Management Framework and Management.

1.2) The Committee acts primarily as an advisory body to the Board. In making recommendations to the Board, the Committee does not, of itself, have the power or authority of the Board in dealing with the matter on which it advises except where certain powers are specifically set out in these Charter or are otherwise delegated by the Board.

#### **II - DUTIES AND RESPONSIBILITIES**

2) The duties and responsibilities of the Committee include the following:

##### **Financial Reporting Process**

- i. Recommending issuance of annual financial statements of Constellation before Board of Directors approval.
- ii. Meeting to review and discuss the annual audited financial statements, as well as any interim financial statements issued by Constellation with Management and the External Auditor, as the case may be.
- iii. Evaluating, reviewing and discussing key accounting policies, practices (especially any changes) and principles with Independent Auditors and Management to ensure compliance with local and any applicable standards/regulations brought up to the Committee by means of any oral information or any material written communications

between the auditors and management, including, but not limited to, any management letter or schedule of unadjusted differences.

- iv. Evaluating and monitoring, in conjunction with the Management the adequacy and disclosure of related party transactions that could have material impact on Constellation's financial statements.
- v. Generally keeping abreast of auditing/accounting trends in the industry and geographic market.

## Financial

- vi. Reviewing with management and providing recommendation to the Board of Directors on Company's Cash Needs and financing opportunities.
- vii. Discussing with Management any relevant waiver request or support required from creditors in the ordinary course of business.
- viii. Discussing annually with Management reports on the exposure to exchange and interest rate, including any financial instruments to reduce such exposure are applicable or recommended.
- ix. Reviewing with Management and providing recommendation to the Board of Directors on short term investments.
- x. Reviewing financial investments and policies for operations with derivatives and operations with liabilities.
- xi. Proposing changes to exposure limits, in cases of excess liquidity.
- xii. Advising on the degree of appetite for risk and the limits to currency exposure for Constellation.
- xiii. Suggesting changes to limits on financial investments, operations with derivatives and operations with liabilities at authorized banks when necessary.
- xiv. Suggesting guidelines for the use of financial derivatives, when applicable.
- xv. Reviewing with management and providing recommendation to the Board of Directors on the financial operations with material liabilities such as loans and financings.

## Independent Auditors

- xvi. Providing recommendation to the Board of Directors regarding the terms of engagement of the Independent Auditors of the Company, including their remuneration, scope of work and any other related terms.
- xvii. Overseeing external audit firms independence including obtaining a written statement from the Independent Auditors detailing all relationships with the Company, including non-audit services, regardless if it could or not potentially compromise their independence.
- xviii. Monitoring the independent auditors' and their lead audit partner's qualifications, performance and independence, including considering whether the independent auditors' quality controls are adequate. In making this evaluation, the Committee shall take into account the opinions of Management and Internal Auditors.

- xix. At least annually, engaging in active dialogue with the Independent Auditors on all matters that could affect its independence, including those relationships described in the Independent Auditors' annual written statement. The substance of such discussions shall be documented in writing.
- xx. Reviewing with the Independent Auditors the cooperation received from Management during the course of the audit and the extent that any restrictions may have affected their examination.

### **Internal Audit Department**

- xxi. Reviewing the charter of the Internal Audit Department, its activities and organizational structure of the internal audit function, and discussing it with CEO solely in relation to matters of staffing, budgeting and structural resources, to further provide recommendation to the Board of Directors on approval and/or improvements of the charter, activities and organizational structure of the internal audit function.
- xxii. Reviewing, approving and overseeing the Annual Audit Plan, and all major changes to it.
- xxiii. Reviewing the report of findings of the internal audits resulting from the Annual Audit Plan and any other examination carried out by the Internal Audit Department.
- xxiv. Reviewing with the Internal Audit Department the cooperation received from Management during the course of its audits and the extent of any restrictions that may have affected the development of its work, including the cooperation and budgeting received from Management during the course of any audit.
- xxv. Discussing with the Management difficulties reported by the Internal Auditor throughout its processes and provide recommendations on improvement or changes to Management and/or to the Board as the case may be.
- xxvi. Assessing, at least annually, the effectiveness of Internal Audit Department in carrying out the responsibilities.
- xxvii. Providing advice to the Board of Directors on the appointment and dismissal of the Internal Auditor.

### **Compliance**

- xxviii. Reviewing the charters of the Compliance Department and the Conduct Committee and discussing them with CEO solely in relation to matters of staffing, budgeting and structural resources, to further provide recommendation to the Board of Directors on approval and/or improvements of the charter, activities and organizational structure of the Department.
- xxix. Meeting separately periodically, with the Head of Compliance to review reports he/she may present with respect to the functioning, results and adequacy in the implementation of Company's Compliance Program (i.e. Compliance Department Figures) for further report to the Board of Directors.
- xxx. Discussing with the Head of Compliance any report of compliance activities and findings related to conduct violations or possible violations of Company's policies that

could lead to material Compliance issues on accounting and financial reporting, financial controls, and/or accounting practices.

- xxxi. If appropriate, closely monitoring and discussing with the Head of Compliance the conduct of investigations of the violations mentioned in the item above or any other complaints relating to financial statements or internal controls and report the foregoing to the Board of Directors with such recommendations as the Committee may deem appropriate.
- xxxii. Acting as central coordination point for investigation of complaints relating to the Compliance Department.
- xxxiii. Discussing separately with the Head of Compliance to discuss matters affecting its independence in the performance of its duties, including the cooperation and budgeting received from Management, and the extent that any restrictions may have affected its duties.
- xxxiv. Discussing with the Management difficulties reported by the Head of Compliance throughout its processes and provide recommendations on improvement or changes to Management and/or to the Board as the case may be.

### **Risk Management and Others**

- xxxv. Meeting at least annually with the head of any department of the Key Risk Management Framework to discuss continuous improvement of Company's policies, procedures and practices. Such meetings can occur in separate executive sessions to discuss any matters that the Committee believes should be discussed privately.
- xxxvi. Discussing the implementation of policies with respect to risk assessment and risk management exposure, when applicable.
- xxxvii. Providing recommendation to the Board of Directors related to Constellation's risk appetite statement and risk assessment strategy, risk management policies and other related policies, when applicable.
- xxxviii. Requiring and monitoring visibility into the effectiveness of ESG related internal controls.

### **Cyber Security and Data Protection**

- xxxix. Monitoring the Constellation's information Cyber security projects and continuous improvement to match the changing cyber threat.
- xl. Reviewing Cyber Security incident that may result in risk or cause significant damage to the holders.
- xli. Reporting the contingency plans in case of a cybersecurity attack and vulnerability analysis (critical/medium/high).
- xlii. Monitor the adequacy and effectiveness of the Company's internal controls, including computerized information system controls and security, and consider any recommendations for improvement of such controls.

### **III - POWER AND AUTHORITIES**

3) The Committee shall have free and unfettered access to all personnel and other parties (internal and external), including the Independent Auditor, as required by the Committee to carry out its duties.

3.1) By fulfilling its responsibilities, Committee is not responsible for planning or conducting audits or for any statement that Companies' financial statements are complete and accurate or in accordance with generally accepted accounting principles. This is the responsibility of the Management and the Independent Auditors of the Company. By fulfilling their responsibilities described in this Charter, Committee Members are not performing the functions of auditors or accountants.

3.1.1) The Committee does not have the power nor the authority to approve any changes on Company's internal policies and procedures. The fundamental responsibility for the Company's financial statements and disclosures rests with Management.

3.2) Nothing in this charter shall modify any duty expressly reserved for the Board of Directors, the Management or the Shareholders of the Company under the applicable Law, the Articles of Association of Constellation and/or the Shareholders Agreement.

### **IV - ENGAGEMENT OF OUTSIDE ADVISORS**

4) The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities and may retain such independent counsel or other advisors as it deems necessary, at Company's expenses.

4.1) The engagement of any independent counsel or other advisor should be previously discussed with the Board of Directors and/or the CEO (whenever possible), as the case may be.

4.2) When applicable, the procurement of any independent counsel or other advisor by the Committee can occur as a single source basis, but nevertheless shall always be subject to Company's integrity assessment under the Anti-Corruption Policy and the Code of Ethics and Conduct.

### **V - COMPOSITION**

5.1) The Committee is composed of at least three (3) members. The majority of the Committee Members must be Directors.

5.1.1) Members of the Executive Board cannot be members of the Committee and the Chair of the Board of Directors shall not chair the Committee.

5.1.2) Committee Members shall be financially literate, and at least one member of the Committee shall have relevant accounting or related financial management experience.

5.2) The members are appointed by the Board of Directors for a period of up to two (2) years, which may be renewable.

5.2.1) In the event of a vacancy, the Board of Directors will appoint a replacement who will complete the term of his predecessor.

5.3) The members of the Committee who are also Board members will not be compensated by its duties as members.

5.3.1) The Chair will be compensated by its duties as member. The criteria and values of the global and individual remuneration of the Committee Chair will be established by Constellation's General Meeting.

#### **Attendance by non- members**

5.4) Members of Management, key employees and/or parties external to the Company, such as advisors and counsels may also be invited to attend certain meetings of the Committee. Non-members may be asked to withdraw from all or any part of a meeting.

5.4.1) The External Auditors will be invited to attend meetings of the Committee on a regular basis.

5.4.2) CEO and CFO will be invited to attend meeting of the Committee unless Chair or any other member anticipates that a conflict may arise.

#### **Chair**

5.5) The Board of Directors shall appoint the Chair amongst its members.

5.5.1) If the Chair of the Committee is not present at a meeting, the Committee Members present may elect another Voting Member to act as Chair for that meeting.

5.6) The role of the Chair of the Committee is to:

- oversee the proper functioning of the Committee, including the proper conduct of meetings; and
- assign tasks among Committee members, as necessary.

## **Secretary**

5.7) The Corporate Secretary will act as Secretary of the Committee and is responsible for propose meetings, preparing the agenda (supported by explanatory documentation and papers) and circulating the Committee papers to the Members prior to each meeting.

## **VI - MEETING PROTOCOLS**

### **Frequency of Meetings**

6.1) The Committee will meet at least six (6) times per year and hold ad-hoc meetings to discuss specific issues as necessary, upon notice at reasonable time.

6.2) The frequency of the meeting may be altered by suggestion of the Chair, as it deems appropriate.

### **Venue and Minutes**

6.3) Meetings may occur in person, via a conference call or other valid electronic means.

6.3.1) The Minutes may be circulated to all members by email. The Minutes shall be prepared by the Corporate Secretary and circulated to the members after each meeting and inserted in the Governance Portal.

6.3.2) The Minutes must be circulated for review and sign off by all members. Signoff shall occur by email or on the subsequent meeting, at the latest. Only Chair and the Corporate Secretary will execute the Minutes.

6.3.3) Electronic Signatures are permitted.

### **Quorum and use of Casting Vote**

6.4) At the beginning of each Meeting, the members and any other participants shall disclose and declare any conflict of interest to each meeting of the Committee.

6.5) A majority of the voting members of the Committee constitute a quorum. Voting on Committee matters shall be on a one vote per member basis. When a quorum is present, the vote of a majority of the voting Committee members present shall constitute the action or decision for recommendation.

6.5.1) Chair should aim for consensus on all decisions for recommendations and neither Member shall exercise its right to finally resolve a dispute in a manner that excuses such member from any of its obligations to vote. Nonetheless, in case of an equality of votes, the Chair shall have a casting vote.

6.5.2) In the case that a consensus cannot be reached, majority and minority positions can be reported in the Discussion Minutes, if required by the Members.

### **Filing of Minutes**

6.6) The Corporate Secretary is responsible for maintaining the Committee's files.

## VII - OTHERS

### **Confidentiality**

7.1) The Minutes of Meeting are confidential and can only be disclosed to any non-member of the Committee by the Corporate Secretary after a formal approval by the Chair.

7.1.1) The Corporate Secretary are authorized to share the minutes with any member of the Board of Director and External Auditor.

### **Evaluation of the Committee**

7.2) The Committee shall annually assess its own effectiveness and the adequacy of its charter, work plans, forums of discussion and communication, the result of which will be sent to attention the Board of Directors and the Nomination and Remuneration Committee.

### **Amendment of the Charter**

7.3) Pursuant to the Articles of Association, the rules relating to the functioning of the Committees will be defined by the Board of Directors, and any proposed amendment to these Charter must be forwarded to consideration by the Board of Directors, with a view to its approval.

7.3.1) Any member of the Committee may suggest the discussion and amendment of these Charter, at any time, after verifying the need for its adequacy, and the procedure mentioned in item 7.3.

7.3.2) In the event of any conflict between these Charter and Constellation's Articles of Association, the latter will prevail and these Charter must be amended as necessary.

*[This Charter was approved by the Board at the meeting held on March 27th, 2023.]*