



## Gram Car Carriers ASA

### Charter of the Audit Committee of the Board of Directors

(adopted by the board of directors on 3 November 2022, updated as of 7 February 2024)

#### 1 PURPOSE

The audit committee (the "**Committee**") is appointed by the board of directors (the "**Board**") of Gram Car Carriers ASA (the "**Company**") as a preparatory body in connection with the Board's supervisory role, to assist the Board in overseeing:

- (i) the integrity of the Company's financial statements;
- (ii) the independent auditor's qualifications, independence and performance; and
- (iii) the Company's compliance with legal and regulatory requirements.

In performing its duties, the Committee shall seek to maintain an open avenue of communication among the Board, the independent auditor and the executive management of the Company (the "**Management**").

While the Committee has the responsibilities and authority set forth in this charter, the Management and the independent auditor are responsible for planning or conducting audits and determining that the Company's financial statements are complete and accurate and are in accordance with the International Reporting Standards and the interpretations provided by IFRS Interpretations Committee, as approved by the EU ("**IFRS**"). Nothing contained in this charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee.

#### 2 COMPOSITION

The Committee shall consist of at least two Board members (including a chair). The Committee members shall collectively have such competences as are considered adequate in view of the Company's organization and operations. No member of the Committee may participate in the preparation of the financial statements of the Company or any current subsidiary of the Company. A majority of the Committee's members shall be independent of the Company's operations. At least one of the members of the Committee shall have qualifications within accounting or auditing.

The members of the Committee and the chair shall be appointed annually by the Board, and serve at the convenience of the Board. A Committee member (including the chair) may be removed at any time, with or without cause, by the Board.

#### 3 MEETINGS

The Committee shall meet in connection with the quarterly and annual financial reporting, and otherwise as often as deemed necessary to enable the Committee to fulfil its responsibilities. The Committee shall meet at the call of its chair. The Committee may meet by telephone conference call or by any other means deemed appropriate by the chair, depending on the issue to be considered. A majority of the members of the Committee shall constitute a quorum. The Committee shall act on the affirmative vote by a majority of the members present, at a meeting at which a quorum is present. The Committee may act by unanimous written consent of all members in lieu of a meeting.

within the framework of this charter and other applicable laws and regulations, the Committee shall determine its own rules and procedures, including designation of a chair pro tempore in the absence of the chair, and designation of a secretary. The secretary need not be a member of the Committee, and shall attend Committee meetings and prepare minutes. The Committee shall keep written minutes of its meetings, which shall be recorded or filed with the books and records of the Company. Any member of the Board shall be provided with copies of such Committee minutes if requested.

The Committee may ask members of the Management, employees, outside counsel, independent auditors, internal auditors or others whose advice and counsel are relevant to the issues being considered by the Committee, to attend any meetings and to provide such pertinent information as the Committee may request.

The chair of the Committee shall be responsible for leadership of the Committee, including preparing the agenda, presiding over Committee meetings, making Committee assignments and regularly reporting the Committee's actions to the Board.

As part of its responsibility to foster free and open communication, the Committee shall meet periodically with the Management and the independent auditor in separate executive sessions.

#### **4 MANDATE AND RESPONSIBILITIES**

The Committee's mandate is to prepare, for the consideration and approval by the Board, matters regarding the Board's duties and responsibilities relating to financial control, the external audit, the internal control, and compliance and risk management systems in accordance with the following legislation, regulation and recommendations as of [=date] January 2024: (i) section 6-43 of the Norwegian Public Limited Liabilities Companies Act; (ii) the Norwegian Accounting Act and applicable accounting regulations and other legislation implementing the Audit Directive 2006/43/EC; and (iii) the Norwegian Code of Practice for Corporate Governance. In carrying out its responsibilities, the Committee's policies and procedures should remain flexible to enable the Committee to react to changes in circumstances and conditions so that it can fulfil its oversight responsibilities. In addition to such other duties as the Board may from time to time assign, the Committee shall:

##### **4.1 Financial statements, reporting processes and internal control:**

- a. Review and discuss the Company's annual audited financial statements with the Management and the independent auditor prior to their submission to the Board for approval, including disclosures and/or other comments made by the independent auditor, and how the integrity of the financial statements is secured through the auditing process.
- b. Discuss with the Management and the independent auditor any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, and the judgments of each of the Management and the independent auditor as to the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- c. Review and discuss the reports required to be delivered by the independent auditor, including:
  - all critical accounting policies and practices to be used;
  - all alternative treatments of financial information within the IFRS that have been discussed with the Management, ramifications of the use of such alternative disclosures and treatments, and the

treatment preferred by the independent auditor; and

- other material written communications between the independent auditor and the Management, such as any letter to the Management, schedule of unadjusted differences.
- d. Discuss the effect of regulatory and accounting initiatives, as well as off balance sheet structures, on the Company's financial statements, with the Management and the independent auditor.
- e. Discuss with the independent auditor the matters required to be addressed under auditing standards established by the applicable authorities (as such standards and rules and regulations may be established or amended from time to time). In particular, the Committee and independent auditor shall discuss matters that arise during the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information, and any significant disagreements with the Management.
- f. Review and approve all related-party transactions. Discuss with the independent auditor its evaluation of the Company's identification of, accounting for, and disclosure of its relationships with related parties.
- g. Review and discuss with the Management and the independent auditor any major issues as to the adequacy of the Company's internal controls, any special audit steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting.
- h. Be informed by the Company's chief executive officer or chief financial officer about any significant deficiencies in the design or operation of internal control over financial reporting or material weaknesses therein and any alleged matter of fraud, having a potential appreciable financial impact and/or a reputational risk, involving the Management or other employees who have a significant role in the Company's internal control over financial reporting.
- i. Review and discuss the annual budget for the Company and its subsidiaries as presented and proposed by Management prior of submission to the Board for approval.
- j. Review, with management, the Company's finance function, including its budget, organization, and quality of personnel.

#### **4.2 Oversight of the Company's relationship with the independent auditor:**

- a. Identify an independent auditor to be presented to the Company's general meeting for approval, considering qualifications, independence and performance, and approve the scope of the proposed audit for each fiscal year and the fees and other compensation to be paid to the independent auditor. In evaluating the independent auditor's qualifications, performance and independence, the Committee should discuss with the independent auditor the auditor's independence, take into account the opinions of management and the internal auditors and consider whether the independent auditor's quality controls are sufficient and whether the provision of permitted non-audit services is compatible with maintaining the auditor's independence. The Committee shall present its conclusions with respect to the independent auditor to the Board.
- b. Review and evaluate the lead partner of the independent auditor's audit team for the Company.
- c. Obtain and review a report from the independent auditor at least annually regarding:

- the independent auditor's internal quality-control procedures,
  - any material issues raised by the most recent internal quality control review, or peer review, of the independent auditor, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the independent auditor,
  - any steps taken to deal with any such issues, and
  - all relationships between the independent auditor and the Company.
- d. Ensure the rotation of the lead audit partner having primary responsibility for the Company's audit and the audit partner responsible for reviewing the audit as required by law.
- e. Consider whether there should be regular rotation of the Company's independent auditor.
- f. Discuss with the independent auditor material issues on which the national office of the independent auditor was consulted by the Company's audit team.
- g. Preapprove all auditing services, internal control-related services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by the independent auditor, subject to such exceptions for non-audit services as permitted by applicable laws and regulations. The Committee may, when it is deemed appropriate, form and delegate this authority to a subcommittee consisting of one or more Committee members, including the authority to grant preapprovals of audit and permitted non-audit services, provided that decisions of such subcommittee to grant preapprovals shall be presented to the full Committee at its next meeting.

#### **4.3 Oversight of compliance matters and risk management:**

- a. Meet at least annually with the Company's chief executive officer regarding the implementation and effectiveness of the Company's compliance programs and at such other times as such officer may request and discuss the Company's overall risk management and compliance risks and how these are managed.
- b. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
- c. Discuss with management and the independent auditor any published reports or correspondence with regulators or governmental agencies that raise material issues regarding the Company's financial statements or accounting policies.
- d. Discuss with outside counsel legal matters that may have a material impact on the financial statements or the Company's compliance policies.

**4.4 Other:**

- a. Regularly report Committee activities to the Board and make such recommendations to the Board as the Committee deems appropriate
- b. Prepare for the Board an annual performance evaluation of the Committee.
- c. Annually review and reassess the adequacy of this charter (recommending any appropriate changes to the Board).

**5 MISCELLANEOUS**

In discharging its responsibilities, the Committee shall have the authority to engage and determine funding for independent legal, accounting or other advisors (without seeking Board approval) as the Committee determines necessary or appropriate to carry out its duties, provided however that expenses which exceed or are likely to exceed USD 3,000 shall be subject to the prior written approval by the chair of the Board. The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities as described herein. Subject to the limit and/or approval set out above, the Company shall provide appropriate funding, as determined by the Committee, for the payment of (i) compensation to the independent auditor, and legal, accounting or other advisors engaged by the Committee and (ii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

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Signed

CEO of Company: Georg A. Whist

Date: 7 February 2024

Board approval date: 7 February 2024

The Charter will be reviewed yearly

Version	Date	
1	3 November 2022	Approved by the Board of Directors of Gram Car Carriers ASA
2	7 February 2024	Approved by the Board of Directors of Gram Car Carriers ASA