



## **AUDIT COMMITTEE CHARTER**

*Adopted on December 12, 2023*

### **1. PURPOSE**

The Audit Committee (the “Committee”) is a standing committee created by the Board of Directors (the “Board”) of APi Group Corporation (the “Company”) primarily for the purpose of assisting the Board in its oversight of the integrity of the financial statements of the Company, the effectiveness of the Company’s internal control over financial reporting, of the Company’s compliance with legal and regulatory requirements, of the independence and qualifications of the independent auditor, and of the performance of the Company’s internal audit function, if any, and independent auditors.

### **2. FUNCTION**

Senior Leadership is responsible for preparing the Company’s financial statements and the independent auditors are responsible for auditing those financial statements. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits to determine that the Company’s financial statements are complete and accurate and are in accordance with generally accepted accounting principles, nor is it the duty of the Committee to conduct investigations or to assure compliance with laws and regulations. Furthermore, while the Committee is responsible for reviewing the Company’s policies and practices with respect to risk assessment and management, it is the responsibility of the Chief Executive Officer and senior leadership to determine the appropriate level of the Company’s exposure to risk. The Committee should also serve as an independent and objective party to monitor the Company’s financial reporting process and internal control system.

### **3. COMPOSITION**

The Committee shall be comprised of at least three directors as determined by the Board, each of whom shall meet the independence requirements of the New York Stock Exchange, Section 10A(m)(3) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and the rules and regulations of the Securities and Exchange Commission (“SEC”). No member of the Committee can have participated in the preparation of the Company’s or any of its subsidiaries’ financial statements at any time in the past three years. Each member of the Committee must be financially literate, as such qualification is interpreted by the Board in its business judgment, or must become financially literate within a reasonable period of time after his or her appointment to the Committee. In addition, at least one member of the Committee must have accounting or related financial management expertise, as the Board interprets such qualification in its business judgment, and shall be an “audit committee financial expert,” as such term is defined by the rules and regulations of the SEC. The Company shall identify the Committee’s “financial expert(s)” in its annual proxy statement or Annual Report on Form 10-K.

The members and the Chair of the Committee shall be appointed and may be removed by the Board.

Committee members shall not simultaneously serve on the audit committees of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such member to effectively serve on the Committee.

#### **4. FREQUENCY OF MEETINGS**

The Committee shall meet in person or telephonically at least quarterly with senior leadership and the independent auditors and report on such meetings to the Board. A majority of the Committee members present for a meeting of the Committee shall constitute a quorum. A quorum of the Committee shall be present at the meeting at which the Board approves the Company's Annual Report on Form 10-K. For all other meetings, the Chair or the other two members of the Committee together may represent the Committee. Unless otherwise required by law or as provided by the organizational documents of the Company: (i) any action required or permitted to be taken at any meeting of the Committee may be taken without a meeting if all of the members of the Committee consent thereto (a) in writing or (b) by electronic transmission and such writings or transmissions are filed with the minutes of the Committee; and (ii) members of the Committee may participate in a meeting by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence at such a meeting.

To perform its oversight function most effectively, the Committee shall also meet periodically with senior leadership, the person or persons responsible for the internal audit function and the independent auditor in separate executive sessions to discuss any matter that the Committee, senior leadership, the independent auditors or such other persons as may be invited by the Committee believe should be discussed privately.

#### **5. RESPONSIBILITIES AND PROCESSES**

The primary responsibility of the Committee is to oversee the Company's financial reporting on behalf of the Board and report the results of their activities to the Board. The Committee in carrying out its responsibilities believes its policies and procedures should remain flexible, in order to best react to changing conditions and circumstances. The Committee should take the appropriate action to set the overall corporate "tone" for quality financial reporting, sound business risk practices and ethical behavior.

The Committee shall be directly responsible for and have the sole authority with respect to the appointment, compensation, retention, and oversight of the work of any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company (including resolution of disagreements between senior leadership and the independent auditor). The Committee shall have the sole authority to approve all audit engagement fees and terms, as well as non-audit engagements with the independent auditors.

The Committee shall accordingly determine the (a) compensation to the independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, (b) compensation to any independent legal, accounting and other advisors, consultants or professionals retained to advise the Committee, and (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. The Company shall be responsible for payment of such fees and expenses.

The Committee shall preapprove all auditing services and permitted non-audit services to be performed for the Company by its independent auditor, subject to the de minimis exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act which are approved by the Committee prior to the completion of the audit. Either the Chair of the Committee acting alone or the other two members acting jointly may 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 or the Board at the next scheduled meeting of the respective body, whichever shall occur first.

The following shall be the principal recurring processes of the Committee in carrying out its audit process oversight responsibilities. The processes are set forth as a guide with the understanding that the Committee may supplement as appropriate.

- The Committee shall have a clear understanding with senior leadership and the independent auditors that the independent auditors are ultimately accountable to the Board and the Committee, as representatives of the Company's stockholders. The Committee shall have the ultimate authority and responsibility to evaluate and, where appropriate, terminate and replace the independent auditors.
- The Committee shall have oversight of the Company's internal audit function, including review and approval of the scope of the annual consolidated and operational audit workplan.
- The Committee shall review and approve the independent auditor's audit fees on an annual basis, based upon recommendations from senior leadership.
- The Committee shall review all non-audit related work provided by the Company's independent auditors and the fees associated with such work to ensure that they are reasonable and proper and do not jeopardize the auditors' independence.
- The Committee shall review the interim financial statements and information with senior leadership and the independent auditors, including the Company's specific senior leadership's discussion and analysis disclosures, prior to the public filing or disclosure of such to the stockholders and the public and prior to the filing of the Company's Quarterly Report on Form 10-Q. Also, the Committee will discuss the results of the quarterly review and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards.
- The Committee shall review with senior leadership and the independent auditors the financial statements, and the Company's specific management's discussion and analysis disclosures to be included in the Company's Annual Report on Form 10-K (or the annual report to stockholders if distributed prior to the filing of Form 10-K), including their judgments about the quality, not just acceptability, of accounting principles, the reasonableness of significant judgments, the clarity of the disclosure in the financial statements, and the effectiveness of the Company's system of internal controls. Also, the Committee will discuss the results of the annual audit and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards.
- Discuss with senior leadership and the internal auditors senior leadership's process for assessing the effectiveness of ICFR under Section 404 of the Sarbanes-Oxley Act, including any material weaknesses or significant deficiencies identified. Also discuss with senior leadership its remediation plan to address internal control deficiencies and determine that the disclosures describing any identified material weaknesses and senior leadership's remediation plans are clear and complete.
- Review senior leadership's report on its assessment of the effectiveness of ICFR as of the end of each fiscal year and the independent auditor's report on the effectiveness of ICFR.

- The Committee shall ensure that senior leadership addresses any reportable conditions or material weaknesses.
- The Committee shall oversee the Company's enterprise risk management process and related policies and procedures with respect to risk assessment and shall assist the Board in its risk oversight function.
- The Committee shall 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.
- The Committee shall obtain and review a report from the independent auditor at least annually regarding:
  - All critical accounting practices to be used.
  - All alternative treatments of financial information within generally accepted accounting principles that have been discussed with senior leadership, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor.
  - Other material written communications between the independent auditor and senior leadership, such as any auditor management letter or schedule of unadjusted differences.
  - 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 firm, 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 firm, and any steps taken to deal with any such issues.
  - All relationships between the independent auditor and the Company.
  - Whether in the course of conducting the audit, the independent auditor detected or otherwise became aware of information indicating that an illegal act (whether or not perceived to have a material effect on the Company's financial statements) has or may have occurred.
- In connection with the Committee's review of the report from the independent auditor and the Committee's evaluation of such auditor's independence, the Committee shall:
  - Ensure the rotation of the audit partners as required by law.
  - Consider whether, to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the independent auditing firm on a regular basis.
  - Review on a case-by-case basis the Company's hiring of employees or former employees of the independent auditor to ensure there is no issue with auditor independence resulting from such hire.
- The Committee shall discuss with the independent auditors and/or senior leadership:
  - All critical accounting policies and practices to be used and any significant financial reporting issues.
  - All alternative treatments of financial information within generally accepted accounting principles including the ramifications of the use of such alternative disclosures and treatments.
  - The effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
  - The Company's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies.

- The Company's sustainability measures and metrics, and the Company's disclosure controls and procedures relating to public disclosure of such measures and metrics.
- The Committee shall discuss with the independent auditors any difficulties encountered by the auditor in the course of the audit work, including any restrictions on the scope of activities or access to requested information, any significant disagreements with senior leadership, accounting adjustments that were noted or proposed by the auditor but were not recorded by the Company, and any reportable conditions related to the Company's internal controls over financial reporting.
- The Committee shall review with senior leadership and the independent auditor any reports or disclosures made to the Committee by senior leadership as contemplated by the certifications required under Section 302 of the Sarbanes-Oxley Act of 2002.
- The Committee shall oversee the Company's internal audit function, review the annual internal audit work plan, review any significant reports to senior leadership arising from the function and report to the full Board any related issues.
- The Committee shall assist the Board with oversight of the Company's compliance with legal and regulatory matters.
- The Committee shall oversee the General Counsel's oversight and senior leadership of the Company's Code of Business Conduct and Ethics (the "Code of Conduct") and Code of Ethics for Senior Financial Officers (the "Financial Code of Ethics"), investigate alleged violations of the Code of Conduct and the Financial Code of Ethics involving directors or executive officers and enforce certain provisions of the Code of Conduct and the Financial Code of Ethics, in all cases as provided therein.
- The Committee shall oversee matters related to data protection and the security of the Company's information technology systems and operations, including programs and defenses against cybersecurity threats.
- The Committee shall assess the Company's compliance with environmental, social, and governance related financial statement and Form 10-K disclosure requirements.
- The Committee shall review and approve the Audit Committee Report to be included in the Company's proxy statement.

## **6. RELATED PARTY TRANSACTIONS**

The Committee shall review, pre-approve, and monitor all related party transactions, as defined under Item 404 of Regulation S-K under the Securities Act of 1933, as amended and any other potential conflicts of interest in accordance with Company policies. The Committee shall determine whether such transaction should be approved based on the terms of the transaction, the business purpose for the transaction and whether the transaction is in the best interest of the Company and its stockholders.

No member of the Committee shall participate in any review, consideration or approval of any related party transaction with respect to which such member or any of his or her immediate family members is the related party.

## **7. RESOURCES, AUTHORITY AND EVALUATION**

Subject to applicable law and listing requirements, the Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate in its sole discretion.

The Committee shall have authority to retain, at the Company's expense, independent counsel and other advisors as the Committee may deem appropriate in its sole discretion to advise it with regard to any of its functions, duties, responsibilities and processes. The Committee shall have sole authority to approve related fees and retention terms, and shall be provided with appropriate funding, as determined by the Committee, for payment of compensation to such counsel or advisors.

The Committee shall regularly report its actions and recommendations to the Board.

The Committee shall periodically review and assess the adequacy of this Charter and recommend any proposed changes to the Board. The Committee shall conduct an annual performance evaluation of the Committee.