



**CHARTER OF  
THE AUDIT, RISK AND COMPLIANCE COMMITTEE  
OF THE BOARD OF DIRECTORS  
February 7, 2023**

**DEFINITIONS**

**Audit** means an internal or external examination and evaluation.

**Board of Directors** means the Company's board of directors.

**CFO** means the chief financial officer of the Company.

**Charter** means this charter that governs the operation of the Audit, Risk and Compliance Committee.

**Chief Legal Officer** means the head of the legal function of the Company.

**Committee** means the committee formed by the Board of Directors to oversee Audit, Risk and Compliance operations.

**Company** means GLOBALFOUNDRIES Inc. and, where appropriate, GLOBALFOUNDRIES Inc. and its subsidiaries.

**Compliance** means compliance with all applicable laws, regulations, policies, procedures and listing requirements.

**Code of Conduct** means GLOBALFOUNDRIES' Code of Conduct, which is the set of rules outlining the responsibilities of or proper practices to be applied by the Company's employees, directors and contractors.

**Conflict of Interest** means inconsistencies between the interests of an individual and the interests of the Company which arise in connection with the performance of the individual's duties.

**Corporate Approvals Policy** is the Company's corporate-level policy that defines the approval authorities and limits to make business decisions, enter into commitments and make financial expenditures on behalf of the Company.

**External Auditors** means audit firms who are assigned to provide external audit services.

**Financial Expert** means an "audit committee financial expert," as defined by Item 407(d)(5)(ii) of Regulation S-K, having:

- (i) an understanding of accounting principles and policies used by the Company;

- (ii) the ability to assess the general applications of such principles in connection with the accounting for estimates, accruals and reserves;
- (iii) experience (1) preparing, auditing, analyzing, or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to those that the Company's financial statements can reasonably be expected to raise (e.g., principal financial or accounting officer, controller, auditor, etc.), or (2) actively supervising individuals engaged in these activities;
- (iv) an understanding of Internal Controls; and
- (v) an understanding of Audits and Audit committee functions.

**IFRS** means International Financial Reporting Standards.

**Independent Director** means an independent director as defined under Nasdaq Rule 5605(a)(2).

**Information Technology** means computer-based information systems, particularly software applications and computer hardware used within the Company.

**Internal Audit** means the activity that is staffed by employees of the Company's Internal Audit function or those members of a third-party provider of outsourced Internal Audit services.

**Internal Audit Charter** means the document that governs the activities of the Internal Audit function, including the mission, independence, objectivity, scope, responsibilities, authority, accountability and standards of Internal Audit.

**Internal Auditors** means employees of the Company who have responsibility for Internal Audit.

**Internal Controls** means internal control over financial reporting, as such term is defined in Rule 13a-15(f) of the Securities Exchange Act of 1934, as amended.

**Operational Processes** means processes that constitute the Company's core business and create the Company's primary value stream.

**Recovery Plans** means the processes, policies, and procedures of restoring operations critical to the resumption of business, including regaining access to data (records, hardware, software, etc.), communications (incoming, outgoing, toll -free, fax, etc.), workspace, and other business processes after a natural or man -made disaster.

**Related Party Transaction** means transactions within the scope of Item 7.B. of Form 20-F. "Related Party Transaction" also includes any material amendment or modification to an existing Related Party Transaction.

**Risk Management** means processes to identify, assess and manage potential events or situations and to provide reasonable assurance regarding the achievement of the Company's objectives.

**Shareholders** means the holders of shares in the Company.

**Stakeholders** means every person who has an interest in the Company, including but not limited to, Shareholders, creditors, employees and customers.

**1. AUTHORITY**

- 1.1 The operations of the Committee shall be governed by this Charter and the Committee shall have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as and when required.
- 1.2 The Committee will conduct, as appropriate, a self -evaluation of the Committee's performance, including the review of the Committee's compliance with the Charter and the adequacy of the Charter annually and recommend any proposed changes to the Board of Directors for approval.
- 1.3 The Committee will conduct its activities in accordance with the Company's Memorandum and Articles of Association, any Shareholders' agreement and applicable Compliance obligations.

**2. PURPOSE**

- 2.1 The purpose of the Committee is to assist the Board of Directors in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing and financial reporting practices of the Company and to perform such other duties as may be required by the Board of Directors. The Committee's duties and responsibilities include oversight of:
  - (i) the accounting and financial reporting processes and systems of internal accounting and financial controls of the Company;
  - (ii) the integrity of the financial statements of the Company;
  - (iii) the quarterly reviews and annual independent audit of the Company's financial statements, the engagement of the External Auditors and the annual evaluation of the External Auditors' qualifications, services, performance and independence;
  - (iv) the performance of the Company's Internal Audit;
  - (v) the satisfaction of the Company's Compliance obligations;
  - (vi) material litigation instituted against the Company; and
  - (vii) the Company's ethics program.
- 2.2 Additionally, the Committee will assist the Board of Directors and management in fulfilling their oversight and Risk Management responsibilities relating to:
  - (i) the Company's accounting policies and financial statements;
  - (ii) the systems of Internal Controls, including but not limited to Operational

Processes and financial reporting controls;

- (iii) the Risk Management framework, process and controls;
- (iv) Internal Audit;
- (v) the Audit of any company into whose financial statements the Company is consolidated;
- (vi) the satisfaction of the Company's Compliance obligations, the Company's Code of Conduct, and the Company's policies and procedures as established by management and the Board of Directors;
- (vii) Information Technology; and
- (viii) environmental, social and governance ("ESG") programs.

### **3. APPOINTMENT AND COMPOSITION OF THE COMMITTEE**

- 3.1 The Committee will consist of at least three members who will be appointed by the Board of Directors and shall reflect the requirements of any Shareholders' agreement. Committee members will serve at the pleasure of the Board of Directors.
- 3.2 The Committee members shall meet the independence and financial literacy requirements for audit committee members set forth in the listing rules of the Nasdaq Stock Market ("Nasdaq"), and any additional requirements under the rules and regulations of the Securities and Exchange Commission (the "SEC") and other Compliance obligations, provided that, for so long as the Company is permitted to and avails itself of certain exemptions under such listing rules, one or more members of the Committee may not meet some or all of the independence requirements set forth therein. In addition, at least one member shall have a background or experience in accounting or finance that results in financial sophistication, or shall otherwise qualify as a Financial Expert.
- 3.3 The Board of Directors will appoint the Committee chair (the "Chair"). The Chair will serve at the pleasure of the Board for a period of up to three years, which may be extended by the Board of Directors for an additional three-year period thereafter. The Board of Directors may terminate such appointment at any time.

### **4. AGENDA, RESOLUTIONS, MINUTES AND REPORTS**

- 4.1 The Chair shall annually establish a calendar of meetings for board approval.
- 4.2 The Chair shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with materials relating to the subject matter of each meeting, shall be sent to members of the Committee prior to each meeting. Committee members and other Directors will be allowed to suggest the addition of any matter to the agenda for any Committee meeting upon reasonable notice to the Chair and within the Committee's scope.
- 4.3 Decisions of the Committee shall be evidenced by resolutions passed at the meeting of the Committee and recorded in the minutes of such meeting, by an instrument in writing

signed by all the members of the Committee, or by other legally acceptable means, (including by means of electronic transmission), and such resolution shall constitute authority for appropriate action by management.

- 4.4 The minutes shall be circulated in draft form to all Committee members to ensure an accurate final record, shall be approved at a subsequent meeting of the Committee and shall be distributed periodically to the full Board.
- 4.5 The Committee shall make regular reports to the Board.

## 5. **MEETINGS**

- 5.1 In order to discharge its responsibilities, the Chair shall each year establish a schedule of meetings.
- 5.2 The Committee will meet at least four times each year or more frequently as it determines is appropriate to fulfill its responsibilities.
- 5.3 Meetings of the Committee will be called by the Chair at the request of any of its members or at the request of the External Auditors if they consider it necessary.
- 5.4 Attendance may be either in person, by telephone or by video conference.
- 5.5 The quorum necessary for a Committee meeting will be a simple majority of Committee members present, in person or by proxy.
- 5.6 A duly convened meeting of the Committee at which a quorum is present will be competent to exercise all or any of its authorities and powers as required.
- 5.7 Decisions of the Committee shall be made by majority vote of Committee members present.
- 5.8 In the absence of the Chair, the quorum present shall appoint an acting chair for the relevant meeting.
- 5.9 Only members of the Committee have the right to attend Committee meetings. However, other individuals may be invited to attend all or part of any meeting as and when required.
- 5.10 The External Auditors will be invited to attend Committee proceedings during presentation of the financial results and for other presentations as determined by the Chair.
- 5.11 At any meetings the Committee shall discuss such matters as the Committee deems appropriate and within the scope of the Committee's duties, authorities and responsibilities as set forth in this Charter.
- 5.12 The Committee shall be free to make whatever recommendations to the Board of Directors it deems appropriate on any area within the scope of the Committee's duties, authorities and responsibilities as set forth in this Charter.
- 5.13 The Committee shall meet periodically with management, with the Internal Auditors (or other personnel responsible for the Company's Internal Audit) and with the External

Auditors in separate and/or joint sessions as the Committee deems necessary or desirable.

- 5.14 Any decision or determination of the Committee reduced to writing and signed by all of the members of the Committee (including by means of electronic transmission) shall be as fully effective as if such decision or determination had been made at a meeting duly called and held.

## 6. DUTIES, AUTHORITIES AND RESPONSIBILITIES

The Committee shall understand the Company's structure, controls and types of transactions in order to adequately assess the significant risks faced by the Company in the current environment, and shall have the following tasks:

### 6.1 Financial Statements

The Committee shall:

- (i) review and, where relevant, approve significant accounting and reporting issues, changes in accounting policies, IFRS and U.S. GAAP, significant adjustments resulting from any audit, complex or unusual transactions and highly judgmental areas, recent professional and regulatory pronouncements, the effect of off-balance sheet arrangements (if any), any Related Party Transactions, and understand their impact on the Company's financial statements;
- (ii) review the Company's financial statements (annual and interim) and consider whether they are complete, consistent with information known to Committee members, and comply with appropriate accounting principles and standards;
- (iii) review with management and the External Auditors all matters required to be communicated to the Committee under generally accepted accounting and auditing standards;
- (iv) review and approve the Company's quarterly financial statements; and
- (v) based on its review of the Company's annual financial statements, recommend to the Board of Directors whether to adopt and approve such financial statements.

### 6.2 External Audit

The Committee shall:

- (i) select (subject to ratification of the Shareholders, if required) and, where appropriate, replace, the External Auditors, approve the compensation and terms of engagement of the External Auditors. The External Auditors shall report directly to the Committee;
- (ii) oversee and review together with management the periodic re-tendering of external Audit services and potential rotation of External Auditors;
- (ii) evaluate the performance of the External Auditors periodically and consider any

questions relating to the resignation or the removal of the External Auditors if not due to the standard periodic re-tendering of such services;

- (iii) oversee the relationship with the External Auditors, including (but not limited to):
  - a) assessing annually their qualifications, performance, expertise in IFRS and financial statements Audit, resources and the effectiveness of the Audit process;
  - b) approval of their remuneration for Audit services and that the level of fees is appropriate to enable an adequate Audit to be conducted;
  - c) review the External Auditors' proposed Audit scope and approach, including the review of Internal Controls and coordination with the Internal Auditors, and approve the annual Audit plan ensuring that it is consistent with the scope of the Audit engagement;
  - d) on an annual basis, review the independence of the External Auditors (including obtaining from the External Auditors a formal written statement delineating all relationships between the External Auditors and the Company) and all other non-Audit services to be performed by the External Auditors, including the fees for such services in relation to the objectivity and independence needed in the conduct of the Audit of the Company's financial statements. Pre-approve, as appropriate, any non-Audit services to be performed by External Auditors, including their remuneration for such non-Audit services;
  - e) be responsible for the oversight of the work of the External Auditors for the purpose of preparing or issuing Audit reports or related work;
  - f) review any representation letter(s) requested by the External Auditors before they are signed by management;
  - g) review any significant findings and recommendations reported in the External Auditor's management letter points, together with management's responses; and
  - h) review with the Company's External Auditors:
    - (A) any restrictions on the scope of the External Auditors activities or access to requested materials;
    - (B) any significant disagreements with management;
    - (C) any material Audit differences that the External Auditors noted or proposed but for which the Company's financial statements were not adjusted; and
    - (D) the levels of error identified during the Audit.
  - i) The Committee shall also, at least annually, obtain and review from the

External Auditors: (i) a report describing (a) the External Auditors' internal quality control procedures and (b) any material issues raised by the External Auditors' most recent internal quality control review, peer review (if applicable), or any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the External Auditors, and the steps taken to deal with any such issues, and (ii) any other reports, and at such frequency, as required the Company's Compliance obligations or the standards of the Public Company Accounting Oversight Board (United States). The Committee shall confirm and evaluate the rotation of the audit partners on the audit engagement team of the External Auditors as required by law.

### 6.3 Treasury Oversight

The Committee shall oversee and review the Company's treasury function, including its policies and procedures relating to cash management, working capital, foreign exchange and commodities hedging. The Committee will:

- (i) receive periodic reports from the Company's treasury function on its cash flow forecasts, working capital needs, interest rate risk profile and its foreign exchange and commodities hedging transactions;
- (ii) review, evaluate and endorse, as appropriate, treasury policies, procedures and systems to determine effectiveness in cash flow forecasting, managing key treasury risks and otherwise helping the Company achieve its cash management objectives;
- (iii) review, monitor and recommend action on foreign exchange and commodities hedging, insurance coverage and interest rate risk.

### 6.4 Internal Controls

The Committee shall:

- (i) review annually the adequacy the Company's Internal Control system over all significant processes, including operating controls, control over financial reporting and Information Technology and security controls; and
- (ii) ensure the existence of an adequate framework that could reasonably be expected to prevent and detect material fraud.

### 6.5 Risk Management

The Committee

shall:

- (i) oversee the Company's policies and procedures with respect to enterprise risk assessment and management;



- (ii) review the Company's risk tolerance and assess the Company's adherence to agreed risk levels and commitments; and
- (iii) periodically review the results of risk assessment activities (e.g., enterprise risk assessment, business plan risk assessment, investment risk assessment and specialist risk assessments).

## 6.6 Internal Audit

The Company's Internal Auditors shall report functionally to the Committee and administratively to the Chief Executive Officer, Chief Financial Officer, or other appropriate company executive.

The Committee shall:

- (i) review and approve with management and the Chief Audit Executive the Internal Audit Charter, staffing and organizational structure of Internal Audit;
- (ii) review and approve the annual risk-based Internal Audit work plan and budget and major changes;
- (iii) review all reports submitted to the Committee by Internal Audit and management's responses to such reports;
- (iv) consult with management on the appointment and replacement of the Chief Audit Executive;
- (v) at least once per year review the performance of the Chief Audit Executive and the effectiveness of the Internal Audit function and consult with management on annual compensation;
- (vi) in the absence of Internal Audit composed of Company employees, at least once per year, review the performance of any third-party providers of outsourced Internal Audit services and their fees; and
- (vii) meet the Chief Audit Executive as and when necessary to discuss issues within the Committee's scope of responsibility and any issues arising from the Internal Audit's activities. In addition, the Chief Audit Executive shall be given the right of direct access to the Committee.

## 6.7 Compliance

The Committee shall:

- (i) comply with Compliance obligations applicable to the Committee;
- (ii) assess the effectiveness of the system for monitoring compliance with the Company's Compliance obligations and agreements;
- (iii) establish and oversee procedures for the receipt, retention and treatment of complaints with respect to accounting, internal accounting controls, auditing

matters or compliance with the Company's Code of Conduct, as well as for confidential anonymous submissions by the Company's employees and/or other parties with respect to questionable accounting or auditing matters or behavior that contravenes the Company's Code of Conduct;

- (iv) receive updates from management and the Chief Legal Officer regarding legal and Compliance matters which could reasonably be expected to have a material impact on the Company's financial statements, and the Committee shall discuss such matters with the Company's Chief Legal Officer;
- (v) review the process of communicating the Code of Conduct to the Company's employees and management's efforts to monitor compliance with the Code of Conduct; and
- (vi) review and approve all Related Party Transactions to ensure that any such transactions comply with the Company's Code of Conduct and Code of Ethics; provided that any Committee member who is not an Independent Director shall not participate in such review and approval.

#### 6.8 Review of SEC Filings, Certain Other Public Communications and Financial Measures

The Committee shall review the Company's Form 20-F and Form 6-K filings, including reviewing the financial information therein that is additional to the Company's financial statements and the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," prior to filing with the SEC. Additionally, the Committee shall review the Company's earnings press releases and the financial information and earnings guidance periodically provided to analysts and rating agencies, including the type of information to be disclosed and the type of presentation to be made (in particular, the use of pro forma and other non-IFRS financial information and off-balance sheet structures).

#### 6.9 Other Duties, Authorities and Responsibilities of the Committee

The Committee shall also have the authority to:

- (i) review and monitor management's responsiveness and its implementation progress against all significant open management action plans resulting from the

findings and recommendations from all reports of the External Auditors and Internal Auditors;

- (ii) oversee the methods for employees, vendors, customers, partners and other interested Stakeholders to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters and ensure that these methods allow proportionate and independent investigation of such matters and appropriate follow up action;
- (iii) investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company;
- (iv) determine the appropriate funding, which shall be supplied by the Company at the request of the Committee, for the payment of compensation to External Auditors or to any advisors engaged by the Committee and for the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties;
- (v) have the authority to retain, at the Company's expense, independent legal, accounting or other advisors on any matter within its scope of responsibility;
- (vi) assess whether the Company has appropriate up-to-date contingency and Recovery Plans;
- (vii) maintain free and open communication between the Committee, the Board of Directors, the Internal Auditors, External Auditors and the management of the Company;
- (viii) review and approve the statements to be included in any annual report concerning the Committee areas of responsibility;
- (vii) review updates from management regarding the discussions about the Company's cybersecurity, privacy and Information Technology risks, as well as related key initiatives, action plans and programs established by management to manage such risks;
- (viii) oversee the Company's environmental, social and governance (ESG) programs and periodically report to the Board of Directors;
- (ix) delegate any of its powers and duties to any subcommittee or to management, or to other members of the Board of Directors qualified to perform such responsibilities in accordance with the Company's Compliance obligations; and
- (x) exercise all the duties, authorities and responsibilities above in respect of all companies or subsidiaries which the Company controls within its scope of responsibility.

#### 6.10 Other Duties, Authorities and Responsibilities of the Chair

The Chair, with assistance from the General Counsel, shall review and evaluate situations, matters or issues that come to the attention of the Company that may present a conflict of

interest or appearance of a conflict of interest in accordance with the Company's Conflict of Interest Policy.