

## **Purpose**

The primary purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Archrock, Inc. (the “Company”) is to assist the Board in overseeing:

- the integrity of the financial statements of the Company and the Company’s accounting and financial reporting processes and financial statement audits;
- the Company’s compliance with legal and regulatory requirements and with the ethical standards adopted by the Company;
- the independence, qualifications and performance of the Company’s independent auditor;
- the performance of the Company’s internal audit function;
- the Company’s systems of disclosure controls and procedures and internal controls over financial reporting; and
- prepare an audit committee report as required by the U.S. Securities and Exchange Commission (the “SEC”) to be included in the Company’s annual proxy statement.

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 financial statements are complete and accurate and are in accordance with U.S. generally accepted accounting principles (“GAAP”), or to assure compliance with laws and regulations or the Company’s internal policies, procedures and controls. These are the responsibilities of management, the internal auditors and the independent auditor. The Committee’s role is one of oversight, and the Committee relies on the expertise and knowledge of management, the internal auditor and the independent auditor in carrying out its oversight responsibilities.

## **Membership**

The Committee shall consist of a minimum of three Directors. The members of the Committee, as well as the committee chairperson, shall be recommended by the Nominating and Corporate Governance Committee and appointed by and serve at the pleasure of the Board and may be removed, with or without cause, by the Board. All members of the Committee shall be “independent” as defined under applicable law or regulation, including the Sarbanes-Oxley Act of 2002, the Company’s Corporate Governance Principles and the rules of the New York Stock Exchange (“NYSE”). Each member of the Committee must be “financially literate” (or become financially literate within a reasonable time after appointment) and satisfy any additional standards that may be imposed by the NYSE or other law or regulation and have sufficient financial experience and ability to enable them to discharge their responsibilities. In addition, at least one member shall be an “audit committee financial expert” as defined by the SEC. All such determinations shall be in the judgment of the Board.

No member of the Committee may 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 the member to effectively serve on the Committee and this determination is disclosed in accordance with NYSE rules.

No member of the Committee may receive any compensation from the Company other than (i) director's fees, which may be received in cash, stock, stock options, other forms of equity awards or other in-kind consideration ordinarily available to directors and (ii) deferred compensation for prior service that is not contingent on future service.

### **Meetings**

The Committee shall meet at least once during each fiscal quarter, with such additional meetings as deemed necessary. A majority of the Committee's members shall constitute a quorum, and all matters shall be determined by a majority vote of the members present. The Committee may take action by unanimous written consent in lieu of a meeting. The Committee shall report its actions and recommendations to the full Board as soon as practicable after each meeting.

To foster open communication, the Committee shall meet periodically with management, the internal auditors (or other personnel responsible for the internal audit function) and the independent auditor in separate executive sessions to discuss any matters the Committee or any of these groups believe should be discussed privately. In addition, at each regularly scheduled meeting, the Committee shall meet in executive session with no members of management present.

The Committee may establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's bylaws that are applicable to the Committee.

### **Responsibilities**

The Committee shall have the following responsibilities:

#### **I. FINANCIAL REPORTING**

1. Review and discuss with management and the independent auditor, (i) the Company's quarterly financial statements, (ii) the Company's annual audited financial statements and (iii) the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," before filing of the Company's Form 10-Q and Form 10-K, as appropriate. The Committee shall recommend to the full Board inclusion of the annual audited financial statements in the Form 10-K. Review of the Company's financial disclosures, shall include those related to off-balance sheet arrangements, contractual obligations and "pro forma" or "adjusted" non-GAAP financial measures.

2. Review and discuss with management and the independent auditor (i) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies, (ii) analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements and (iii) the effect of regulatory and accounting initiatives on the financial statements of the Company.
3. At least annually prior to the filing of the audit report with the SEC (and more frequently if appropriate), review and discuss reports from the independent auditor on (i) the independent auditor's audit of the financial statements, report on internal controls and their report thereon, (ii) all critical accounting policies and practices to be used, (iii) all alternative treatments of financial information within U.S. generally accepted accounting principles that have been discussed with management, including ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the independent auditor and (iv) other material written communications between the independent auditor and management, such as any management letter or schedules of unadjusted differences.
4. Prepare and publish an audit committee report in the Company's annual proxy statement and any other reports or statements required by any applicable law, rule or regulation or the NYSE.
5. Discuss the Company's periodic earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies. The Committee may discuss earnings releases generally (i.e., the types of information to be disclosed, paying particular attention to any use of "pro forma" or "adjusted" non-GAAP information). The Committee need not discuss in advance each earnings release.
6. In consultation with the independent auditor and the internal audit function, review the integrity of the Company's financial reporting processes (both internal and external).
7. Establish and review procedures for the (i) receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters and (ii) confidential anonymous submission by employees of concerns regarding questionable accounting or auditing matters. To review any submissions that have been received, the current status and resolution if one has been reached.
8. Set clear hiring policies for employees or former employees of the independent auditor.

9. Review the scope of the audit plan, including the independent auditors' review of internal control over financial reporting.
10. Recommend, for stockholder ratification, the independent auditor to examine the Company's accounts, controls and financial statements. The Committee shall have the sole authority and responsibility to select, evaluate, compensate, oversee (including resolution of disagreements between management and the Company's auditor regarding financial reporting) and if necessary replace the independent auditor, which shall report directly to the Committee.
11. Determine the appropriate amount of compensation to 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, for payment of compensation to any advisors employed by the Committee, and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. The Committee shall have the sole authority to approve all audit engagement fees and terms (including proposed budgets) and the Committee, or a member of the Committee, must pre-approve any audit service or pre-approve or establish a pre-approval policy regarding permissible non-audit service provided to the Company by the Company's independent auditor. In considering non-audit services to be provided by the independent auditor (and the related fees) the Committee shall consider whether such services and fees are compatible with the auditor's independence. In the event fees are approved by less than the full membership of the Committee, such approval shall be reported at the next regularly scheduled Committee meeting.
12. Monitor and review written submissions made by the independent auditor on a periodic basis to the Committee delineating all relationships between the independent auditor and the Company and to engage in a dialogue with the independent auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditor and to recommend that the Board take appropriate action in response to the independent auditor's report to satisfy itself of the independent auditor's independence. In order to assess auditor independence, the Committee will review at least annually all relationships between the independent auditor and the Company.
13. Review with the independent auditor any audit problems or difficulties and management's response thereto. The review should also include discussion of management's cooperation or interference with the audit, including any restrictions imposed on the scope of the independent auditor's activities or access to requested information.
14. Review regularly with the independent auditor: (i) any accounting adjustments that were noted or proposed by the independent auditor but were "passed" by management as immaterial or otherwise; (ii) any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditor to the Company; (iii) any disagreement within the Company's management

regarding accounting or disclosure issues; and (iv) matters required to be discussed under the standards of the PCAOB.

15. At least annually, obtain and review a report by the independent auditor describing; the independent auditing firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditing 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 independent auditing firm, and any steps taken to deal with any such issues.
16. Take appropriate steps to ensure the rotation of the lead (or coordinating) audit partner as required by law and to evaluate the independent auditor's qualifications, independence and performance based on the report described in paragraph 15, the statement described in paragraph 12, the auditor's work throughout the year and such other factors and information as the Committee deems advisable. The Committee shall present its conclusions with respect to the independent auditor to the Board.
17. Discuss with the independent auditor any communications with its national office concerning auditing or accounting issues presented by the engagement.
18. At least annually, review and discuss with management the Company's effective tax rate, uncertain tax positions, adequacy of tax reserves, status of tax audits and significant tax developments.
19. At least annually, review and approve all related-party transactions, defined as those transactions required to be disclosed under Item 404(a) and Item 404(b) of Regulation S-K and NYSE Rule 314.00. Discuss with the independent auditor their evaluation of the Company's identification of, accounting for, and disclosure of its relationships with related parties as set forth under the standards of the PCAOB.

## **II. INTERNAL CONTROLS**

1. Annually review and approve the internal audit charter, as well as the internal audit function, including: (i) purpose, authority and organizational reporting lines; (ii) annual audit plan, coverage and budget; and (iii) staffing, including staff competencies.
2. To the extent that the internal audit function is performed under the direction of a lead auditor who is a Company employee, the Committee shall (i) review and advise on the selection and removal of the lead internal auditor. (ii) ensure that the lead internal auditor reports directly to the Committee and (iii) review and approve the lead internal auditor's compensation. To the extent that the internal audit function is outsourced, the Committee shall ensure that the engagement is managed under the direction of the Committee, with applicable fees and costs being approved by the Committee.

3. Review with appropriate individuals the Company's plan for reviewing and assessing its internal controls, disclosure control procedures and the risk of management's ability to override the Company's internal system of controls.
4. Review, at least four times per year, (i) the design or operation of internal control over financial reporting which could likely adversely affect the Company's ability to record, process, summarize or report financial data and (ii) significant findings on internal audits, including any material weaknesses or significant deficiencies found and management's responses thereto, and to direct remedial action, if necessary.
5. Review any difficulties the internal audit team encountered in the course of their audits, including any disagreement with management and any restrictions on the scope of their work or access to required information.
6. Review with management the policies and procedures with respect to officers' expense accounts and perquisites, including their use of corporate assets, and consider the results of any review of these areas by internal audit or the independent auditor.

### **III. CORPORATE GOVERNANCE**

1. Discuss the guidelines and policies governing the process by which the Company assesses and manages its risks (the Company's Enterprise Risk Management (ERM) program), and discuss the Company's major financial risk exposures and the steps that management has taken to monitor and mitigate such exposures; provided, however, that the Committee is not required to be the sole body responsible for risk assessment and management.
2. Evaluate and take appropriate action with respect to information provided by the Chief Executive Officer and the Chief Financial Officer in connection with their certifications under Section 302 and Section 906 of the Sarbanes-Oxley Act of 2002, by the Chief Executive Officer in connection with his certification under the NYSE rules regarding corporate governance and by the Company in connection with its certification under the NYSE rules regarding audit committee independence. If applicable, to review disclosures made to the Committee by management regarding fraud involving management or other employees who have a significant role in the Company's internal controls.
3. Obtain from the independent auditor assurance that there has been no required response pursuant to Section 10A(b) of the Securities Exchange Act of 1934, as amended. Such response is required if in the course of conducting an audit, such independent auditor detects or becomes aware of information indicating that an illegal act has or may have occurred.
4. Discuss with the pertinent executive officers and the Company's chief legal counsel or chief compliance officer, as appropriate, (i) any questionable or possible illegal activities or payments reported to the Committee, (ii) any legal

or compliance matters that may have a material impact on the financial statements of the Company, (iii) the Company's compliance policies and (iv) any material reports or inquiries received from regulators or governmental agencies and management's proposed responses.

5. Periodically review the Company's Code of Business Conduct.
6. Review with the Company's internal auditor and the Company's Chief Compliance Officer the results of their review of the monitoring of compliance with the Company's Code of Business Conduct, and to ensure proper disclosure of any waivers of the Code of Business Conduct for officers and Directors.
7. Conduct an annual performance evaluation of the Committee to determine if it is functioning effectively.
8. At least annually, review the adequacy of the Committee's charter and recommend any proposed changes to the Board for consideration and approval.

In addition to the duties and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities consistent with this Charter, the purpose of the Committee, applicable NYSE rules and the Company's bylaws, including, but not limited to, investigations into any matters within the scope of the duties and responsibilities delegated to the Committee.

### **Authority**

The Committee shall have the authority to

- delegate any of its responsibilities to subcommittees, subject to NYSE rules, as the Committee may deem appropriate in its sole discretion.
- retain such outside counsel, experts and other advisors as the Committee may deem appropriate in its sole discretion.
- seek any information it requires from employees, officers and other Board members.

The Committee shall have authority to approve related fees and retention terms. The Committee shall be provided with appropriate funding by the Company as determined by the Committee for payment of (i) compensation to any advisors employed by the Committee and (ii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.