

# **THORNE HEALTHTECH, INC.**

## **AUDIT COMMITTEE CHARTER**

(Adopted by the Board of Directors on June 2, 2021. Effective on the effectiveness of the Registration Statement relating to the Company's initial public offering.)

The Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Thorne HealthTech, Inc. (the "**Company**") will be appointed by the Board to perform the duties and responsibilities set forth in this charter.

### **SECTION A. PURPOSE**

The purpose of the Committee is to assist the Board in its oversight of:

1. the accounting and financial reporting processes and internal controls of the Company;
2. the audit and integrity of the Company's financial statements;
3. the Company's compliance with applicable law (including federal securities laws and other applicable legal and regulatory requirements);
4. the qualifications, independence, and performance of the Company's independent auditors; and
5. the implementation and performance of the Company's internal audit function, if applicable.

The Committee will also be responsible for preparing the report required by the rules of the U.S. Securities and Exchange Commission (the "**SEC**") to be included in the Company's proxy statement for the annual meeting of stockholders, and for performing other duties and responsibilities as enumerated in or consistent with this charter.

The Committee's primary function is oversight. The Company's senior management is responsible for preparing the Company's financial statements, and the independent auditor is responsible for auditing and reviewing these financial statements. The Committee is responsible for assisting the Board in overseeing the conduct of these activities by senior management and the independent auditor. The Committee is not responsible for providing expert or special assurance regarding the financial statements or other financial information provided by the Company to its stockholders or third parties as to the independent auditor's work.

### **SECTION B. COMPOSITION**

1. Membership. The Committee will consist of at least three members of the Board. The members of the Committee will be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee and serve until the earlier of their resignation or removal by the Board.

2. Qualifications. The members of the Committee will satisfy the following qualifications; provided, however, that the Company may avail itself of the phase-in rules applicable to newly-listed companies:

- a. each member of the Committee will meet the independence standards established by the securities exchange on which the Company's securities are listed and the SEC, as determined by the Board after consideration of the factors determined to be relevant under the rules and regulations of the securities exchange on which the Company's securities are listed and the SEC;
- b. each member of the Committee will be able to understand and analyze fundamental financial statements, including balance sheets, income statements, and cash flow statements, and otherwise comply with the financial literacy requirements of the securities exchange on which the Company's securities are listed;
- c. at least one member of the Committee will be an "audit committee financial expert," as defined in Item 407(d)(5)(ii) of Regulation S-K (a person who satisfies the definition of "audit committee financial expert" will also be presumed to have the financial literacy requirements of the securities exchange on which the Company's securities are listed);
- d. no director may serve as a member of the Committee if the director has participated in the preparation of the Company's financial statements or of the Company's current subsidiaries' financial statements during the previous three-year period; and
- e. any other criteria required by applicable law or the rules and regulations of the SEC, the securities exchange on which the Company's securities are listed, and such other qualifications as may be established by the Board.

3. Chairperson. The Board will designate a chairperson of the Committee (the "**Chairperson**"). The Chairperson of the Committee (or, in the Chairperson's absence, a member designated by the Chairperson) will preside at the Committee's meetings, set the Committee meeting agendas, and report regularly to the Board regarding the Committee's activities.

### **SECTION C. RESPONSIBILITIES**

The following are the principal recurring responsibilities and functions of the Committee. The Committee may perform other responsibilities and functions consistent with its purpose and applicable law, rules, and regulations, and as the Board or Committee deem appropriate. In carrying out its responsibilities and functions, the Committee believes its policies and procedures should remain flexible to best react to changing conditions and circumstances.

1. Appoint and Oversee Independent Auditor; Approve Audit, and Non-Audit Services. The Committee will be directly responsible for appointing, compensating, retaining, evaluating, and overseeing an independent registered public accounting firm to act as the Company's independent auditor for the purpose of auditing the Company's financial statements, books, records, accounts, and internal control over financial reporting, and, where appropriate, replacing the independent auditor. The Committee will also appoint, retain, compensate, oversee, and, where appropriate, replace any other 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. Each such independent registered public accounting firm will report directly to the Committee. In particular, the Committee will:

- a. have the sole authority and responsibility to select, retain, compensate, evaluate, oversee, and, where appropriate, terminate and replace any independent registered

public accounting firm engaged to prepare or issue an audit report or perform other audit, review, or attest services for the Company;

- b. at least annually, receive an audit engagement letter and either execute it on behalf of the Company or, if the Committee or its Chairperson are not the appropriate parties to sign the letter, acknowledge the letter and agree to the terms of engagement;
- c. review and approve, in advance the scope and plans for the audits and audit fees, and approve in advance (or, where permitted under the rules and regulations of the SEC, subsequently) non-audit and tax services to be performed by the independent auditor not otherwise prohibited by law or regulations and any associated fees;
- d. in accordance with applicable law, adopt policies and procedures for the Committee's pre-approval, including delegation to one or more members of the Committee, of the engagement of the Company's independent auditors or other registered public accounting firms to perform permitted services on an ongoing basis; and
- e. review and resolve any disagreements that arise between senior management and each registered public accounting firm.

2. Evaluate the Independence and Qualifications of the Independent Auditor. The Committee will ensure the independence of the independent auditor. The Committee will, at least annually, obtain and review a written report by the Company's independent auditor describing:

- a. the independent auditor's internal quality control procedures;
- b. issues raised by the most recent internal quality control review, or peer review, of the independent auditor, or by an 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, and steps taken to deal with such issues; and
- c. relationships between the independent auditor and the Company to assess the independent auditor's independence.

The Committee will review and discuss with the independent auditor the written report, any other matters required by the applicable requirements of the Public Company Accounting Oversight Board or other regulatory body, and any relationships or services that might impact the objectivity and independence of the auditors.

After reviewing the foregoing report, other written disclosures or relevant relationships or services, and the independent auditor's work throughout the year, the Committee will evaluate the independent auditor's qualifications, performance, and independence.

In making its evaluation, the Committee will consider the opinions of senior management and, when the Company has an internal audit function, the opinions of the Company's internal auditors (or other personnel responsible for the internal audit function). This evaluation will also include the review and evaluation of the lead partner of the independent auditor. The Committee will assure the regular rotation of the lead audit partner at least once every five years as required by law and will consider whether regular rotation of the audit firm itself is necessary to assure continuing auditor independence.

The Committee will present its conclusions regarding the independence and qualifications of the independent auditor to the full Board.

3. Review of Internal Controls and Integrity of Financial Statements. The Committee will meet with senior management, the internal audit department, if applicable, and the Company's independent auditor to review and discuss the Company's internal controls and the integrity of the Company's audited financial statements. Included in this process will be a review of:

- a. the scope and timing of the annual audit of the Company's financial statements;
- b. the Company's annual audited and quarterly unaudited financial statements and annual and quarterly reports on Form 10-K and Form 10-Q, including the disclosures in "Management's Discussion and Analysis of Financial Condition and Results of Operations"; the Committee will make a recommendation to the Board whether the audited financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" should be included in the Company's Form 10-K for filing with the SEC;
- c. the results of the independent audit and the quarterly reviews, and the independent auditor's opinion on the audited financial statements;
- d. the quality and adequacy of the Company's internal controls and discussion with senior management and the independent auditor regarding significant deficiencies or material weaknesses in the design or operation of, and material changes in, the Company's internal controls;
- e. the Company's disclosure controls and procedures, as well as the quarterly assessments of such controls and procedures by the Chief Executive Officer and Chief Financial Officer;
- f. major issues regarding accounting principles and financial statement presentations, including 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 special audit steps adopted in light of material control deficiencies;
- g. analyses prepared by senior management 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;
- h. the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company; and
- i. audit problems or difficulties the independent auditor encountered in its audit work, including restrictions on the scope of the independent auditor's activities or on access to requested information and significant disagreements with senior management.

Among the items the Committee will review with the independent auditor are: accounting adjustments noted or proposed by the auditor but were "passed" (as immaterial or otherwise); communications between the audit team and the audit firm's national office respecting auditing or accounting issues presented by the engagement; and "management" or "internal control" letters issued, or

proposed to be issued, by the independent auditor. Such review will also include discussion of the responsibilities, budget, and staffing of the Company's internal audit function if the Company has an internal audit function.

4. Review of Financial Information Presentation, Earnings Press Releases, and Guidance. The Committee will periodically discuss with senior management the Company's procedures regarding the presentation of the Company's financial information (paying attention to use of "pro forma" or "adjusted" non-GAAP information) and review earnings press releases, earnings guidance provided to analysts and rating agencies, and financial information provided to the public, analysts, and ratings agencies.

5. Hiring Policies. The Committee will set hiring policies regarding the hiring of employees or former employees of the Company's independent auditor and oversee compliance with such policies.

6. Related Party Transactions. The Committee will review, approve, and monitor related party transactions involving directors or executive officers as detailed in the Company's Related Person Transactions Policy, including the development and maintenance of policies and procedures for the Committee's review, approval, and/or ratification of such transactions.

7. Complaint Procedures. The Committee will adopt and oversee procedures to address complaints received by the Company regarding accounting, internal accounting controls, or auditing matters. The procedures will allow for the confidential and anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.

8. Compliance with Laws. On at least an annual basis, the Committee will review and discuss with senior management and the independent auditor: (a) the overall adequacy and effectiveness of the Company's legal, regulatory, and ethical compliance programs, including the Company's Code of Business Conduct and Ethics, compliance with anti-bribery and anti-corruption laws and regulations, and compliance with export control regulations; and (b) reports regarding compliance with applicable laws, regulations, and internal compliance programs. The Committee will discuss with senior management and the independent auditor correspondence with regulators or governmental agencies and reports or complaints that raise material issues regarding the Company's financial statements or policies. The Committee will discuss with the Company's General Counsel legal matters that could have a material impact on the financial statements or the Company's compliance procedures.

9. Enterprise Risk Management. The Committee will review and discuss with senior management, including the Company's internal audit function if applicable, and the Company's independent auditor those guidelines and policies that identify, monitor, and address enterprise risks. This review and discussion will include the Company's major financial risk exposures and the steps senior management is taking to monitor and control such risk exposures. The Committee will also oversee and monitor senior management's plans to address such risks. In connection with the Committee's review of enterprise risk, senior management's assessment thereof, and any draft risk factors presented by management, the Committee is entitled to rely on senior management's identification and assessment of the operational, financial, strategic, regulatory, and other risks described.

10. Report to Board. The Committee will review issues with the Board that arise regarding: (a) the quality or integrity of the Company's financial statements; (b) the Company's compliance with legal or regulatory requirements; (c) the performance and independence of the Company's independent auditor; and (d) the performance of the internal audit function, if applicable.

11. Advisors. The Committee is authorized to engage independent legal, accounting, and other advisors as the Committee deems necessary or appropriate to carry out the Committee's duties.

12. Funding. The Company will provide appropriate funding, as determined by the Committee, for the payment of:

- a. compensation to a registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review, or attest services;
- b. compensation to advisers engaged by the Committee; and
- c. ordinary administrative expenses of the Committee necessary or appropriate in carrying out the Committee's duties.

13. Committee Evaluation. The Committee will conduct and present to the Board an annual self-performance evaluation of the Committee.

14. Charter. The Committee will review at least annually the adequacy of this charter and recommend proposed changes to the Board for approval. The Company will make a copy of this charter publicly available on its website and will disclose how to access the charter in its proxy statement.

#### **SECTION D. GENERAL PROVISIONS**

1. The Committee will meet at such times as the Committee determines; however, the Committee will meet at least quarterly and will meet periodically with members of management as deemed appropriate, the head of the internal audit department, if applicable, and the independent auditor in separate executive sessions, when deemed necessary by the Committee, or at any time the independent auditors or, if applicable, the internal auditors believe communication to the Committee is required. The Committee may meet in person, by telephone, or by video conference.

2. Minutes will be kept of each meeting of the Committee, and the Committee will provide reports of its actions to the Board.

3. The Committee may delegate its authority to subcommittees or the Chairperson when it deems it appropriate and in the best interests of the Company and when such delegation would not violate applicable law, regulation, or the securities exchange on which the Company's securities are listed or SEC requirements.

4. The Committee has the authority to establish its own rules and procedures for notice and conduct of its meetings so long as the rules and procedures are not inconsistent with provisions of the Company's Bylaws applicable to the Committee. The Committee may establish its own meeting schedule, which it will provide to the Board.

5. The Committee may invite to its meetings other Board members, Company senior management, and such other persons as the Committee deems appropriate to carry out its responsibilities.

6. Members of the Committee can receive such fees for their service as Committee members as may be determined by the Board or a duly authorized Board committee, as applicable. Members of the Committee may not receive compensation from the Company, except the fees they receive for service as a member of the Board or a committee thereof.

7. The Committee will be given access to the chairperson of the Board, senior management, the independent auditor, and, if applicable, the internal auditor, as well as the Company's books, records, facilities, and other personnel as the Committee deems necessary.