

**THE SIMPLY GOOD FOODS COMPANY**  
**AUDIT COMMITTEE CHARTER**  
**(Revised July 15, 2020)**

**1. GENERAL**

The Audit Committee (the “*Committee*”) is a committee of the Board of Directors (the “*Board*”) of The Simply Good Foods Company (the “*Company*”).

**2. PURPOSE**

The Committee is appointed by the Board for the primary purposes of:

- Assisting the Board with its oversight responsibilities as they relate to the Company’s accounting policies and internal controls, financial reporting and disclosure practices, legal and regulatory compliance, and the audit of the Company’s financial statements, including, among other things:
  - the quality and integrity of the Company’s financial statements;
  - the Company’s compliance with legal and regulatory requirements;
  - review of the independent registered public accounting firm’s qualifications and independence; and
  - the performance of the Company’s internal audit function (which may be staffed from time to time), including its design and implementation, and the Company’s independent registered public accounting firm.
- Maintaining, through regularly scheduled meetings, a line of communication between the Board and the Company’s financial management, any internal auditors, and independent registered public accounting firm, including providing such parties with appropriate opportunities to meet separately and privately with the Committee on a periodic basis; and
- Preparing the report to be included in the Company’s annual proxy statement, as required by the Securities and Exchange Commission’s (“SEC”) rules.

**3. MEMBERSHIP**

The Committee shall be appointed by, and may be replaced by, the Board and shall be comprised of three or more directors (as determined from time to time by the Board), each of whom shall meet the independence requirements of Rule 10A-3 of the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”), the Sarbanes-Oxley Act of 2002, as amended, the listing standards of any exchange or national listing market system upon which the Company’s securities are listed or quoted for trading (including, without limitation, The Nasdaq Stock Market) (“*Nasdaq*”) and all other applicable laws. The members of the Committee shall serve for such term or terms as the Board may determine or until earlier resignation or death.

The chairperson of the Committee shall be designated by the Board; *provided* that if the Board does not so designate a chairperson, the members of the Committee, by a majority vote, may designate a chairperson.

Any vacancy on the Committee shall be filled by majority vote of the Board. The Board may remove any member from the Committee at any time, with or without cause, by majority vote.

No member of the Committee may serve simultaneously on the audit committee of more than two other public companies. The chairperson of the Committee may not serve simultaneously on the audit committee of more than one other public company. Further, no member of the Committee shall have participated in the preparation of the Company's or any of its subsidiaries' financial statements at any time during the past three years.

Each member of the Committee shall be financially literate, as determined by the Board in its business judgment; *provided, however*, that each member of the Committee must be capable of reading and understanding fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement. At least one member of the Committee shall have past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable financial management expertise, experience, or background that results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer, or other senior officer with financial oversight responsibilities, as each such qualification is interpreted by the Board in its business judgment. In addition, at least one member of the Committee shall be an "audit committee financial expert," as such term is defined by SEC rules and regulations, and such member shall be presumed to possess financial sophistication.

If a Committee member ceases to be independent for reasons outside the member's reasonable control, his or her membership on the Committee may continue until the earlier of the Company's next annual stockholders' meeting or one year from the occurrence of the event that caused the failure to qualify as independent. If the Company is not already relying on this provision, and falls out of compliance with the requirements regarding Committee composition due to a single vacancy on the Committee, then the Company will have until the earlier of the next annual stockholders' meeting or one year from the occurrence of the event that caused the failure to comply with this requirement. The Company shall provide notice to Nasdaq immediately upon learning of the event or circumstance that caused the non-compliance, if it expects to rely on either of these provisions for a cure period.

One director who does not meet the Nasdaq definition of independence, but who meets the criteria set forth in Section 10A(m)(3) under the Exchange Act and the rules thereunder, and who is not a current officer or employee or a family member of such individual, may serve for no more than two years on the Committee if the Board, under exceptional and limited circumstances, determines that such individual's membership is required by the best interests of the Company and its shareholders. Such individual must satisfy the independence requirements set forth in Section 10A(m)(3) of the Exchange Act, and may not chair the Committee. The use of this "exceptional and limited circumstances" exception, as well as the nature of the individual's relationship to the Company and the basis for the Board's determination, shall be disclosed in the annual proxy statement.

#### **4. DUTIES AND RESPONSIBILITIES**

The Committee shall have the following authority and responsibilities.

1. To (1) select and retain an independent registered public accounting firm to act as the Company's independent auditors for the purpose of auditing the Company's annual financial statements, books, records, accounts and internal controls over financial reporting, (2) set the compensation of the Company's independent auditors, (3) oversee the work done by the Company's independent auditors and (4) terminate the Company's independent auditors, if necessary.

2. To select, retain, compensate, oversee and terminate, if necessary, 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.

3. To approve all audit engagement fees and terms; and to pre-approve all audit and permitted non-audit and tax services that may be provided by the Company's independent auditors or other registered public accounting firms, and establish policies and procedures for the Committee's pre-approval of permitted services by the Company's independent auditors or other registered public accounting firms on an on-going basis.

4. At least annually, to obtain and review a report by the Company's independent auditors that describes (1) the accounting firm's internal quality control procedures, (2) any material issues raised by the most recent internal quality control review, peer review or Public Company Accounting Oversight Board (the "PCAOB") review or inspection of the firm or by any other inquiry or investigation by governmental or professional authorities in the past five years regarding one or more audits carried out by the firm and any steps taken to deal with any such issues, and (3) all relationships between the firm and the Company or any of its subsidiaries; and to discuss with the independent auditors this report and any relationships or services that may affect the objectivity and independence of the auditors.

5. To evaluate, at least annually, the qualifications, performance and independence of the Company's independent auditors, including an evaluation of the lead audit partner; and to assure the regular rotation of the lead audit partner at the Company's independent auditors and consider regular rotation of the accounting firm serving as the Company's independent auditors.

6. To review and discuss with the Company's independent auditors (1) the auditors' responsibilities under generally accepted auditing standards and the responsibilities of management in the audit process, (2) the overall audit strategy, (3) the scope and timing of the annual audit, (4) any significant risks identified during the auditors' risk assessment procedures and (5) when completed, the results, including significant findings, of the annual audit.

7. To review and discuss with the Company's independent auditors (1) all critical accounting policies and practices to be used in the audit, (2) all alternative treatments of financial information within generally accepted accounting principles ("GAAP") that have been discussed with management, the ramifications of the use of such alternative treatments and the treatment preferred by the auditors, and (3) other material written communications between the auditors and management.

8. To review and discuss with the Company's independent auditors and management (1) any audit problems or difficulties, including difficulties encountered by the Company's independent auditors during their audit work (such as restrictions on the scope of their activities or their access to information), (2) any significant disagreements with management and (3) management's response to these problems, difficulties or disagreements; and to resolve any disagreements between the Company's auditors and management.

9. To review with management and the Company's independent auditors (1) any major issues regarding accounting principles and financial statement presentation, including any significant changes in the Company's selection or application of accounting principles, (2) any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including the effects of alternative GAAP methods, and (3) the effect of regulatory and accounting initiatives and off-balance sheet structures on the Company's financial statements.

10. To keep the Company's independent auditors informed of the Committee's understanding of the Company's relationships and transactions with related parties that are significant to the Company and are of a type of transaction required to be evaluated by the Committee pursuant to the Company's Related Party Transaction policy, and to review and discuss with the Company's independent auditors the auditors' evaluation of the Company's identification of, accounting for, and disclosure of its relationships and transactions with related parties, including any significant matters arising from the audit regarding the Company's relationships and transactions with related parties.

11. To review with management (including any internal audit function) and the Company's independent auditors: (1) the adequacy and effectiveness of the Company's financial reporting processes, internal control over financial reporting and disclosure controls and procedures, including any significant deficiencies or material weaknesses in the design or operation of, and any material changes in, the Company's processes, controls and procedures and any special audit steps adopted in light of any material control deficiencies; (2) any fraud involving management or other employees with a significant role in such processes, controls and procedures; and (3) review and discuss with management and the Company's independent auditors disclosure relating to the Company's financial reporting processes, internal control over financial reporting and disclosure controls and procedures, the independent auditors' report on the effectiveness of the Company's internal control over financial reporting and the required management certifications to be included in or attached as exhibits to the Company's annual report on Form 10-K or quarterly report on Form 10-Q, as applicable.

12. To review and discuss with the Company's independent auditors any other matters required to be discussed by applicable requirements of the PCAOB and the SEC.

13. To review and discuss with the Company's independent auditors and management the Company's annual audited financial statements (including the related notes), the form of audit opinion to be issued by the auditors on the financial statements and the disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations" to be included in the Company's annual report on Form 10-K before the Form 10-K is filed.

14. To recommend to the Board that (1) the audited financial statements be included in the Company's Form 10-K and (2) the Form 10-K should be filed with the SEC; and to produce the Committee report required to be included in the Company's proxy statement.

15. To review and discuss with the Company's independent auditors and management the Company's quarterly financial statements and the disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations" to be included in the Company's quarterly report on Form 10-Q before the Form 10-Q is filed; and to review and discuss the Form 10-Q for filing with the SEC.

16. To review, discuss with the Company's independent auditors, and approve the functions of any internal audit department or function (which would include any outsourced resources performing those functions), including its purpose, authority, organization, responsibilities, budget and staffing; and to review the scope and performance of any internal audit plan, including the results of any internal audits, any reports to management and management's response to those reports; and to review and approve the hiring or dismissal of either any Company employee who is to lead the internal audit function or any outsourced resource engaged to perform any internal audit functions.

17. To review and discuss with management and the Company's independent auditors: the Company's earnings press releases, including the type of information to be included and its presentation and the use of any pro forma, adjusted or other non-GAAP financial information, before their release to

the public; and any financial information and earnings guidance provided to analysts and ratings agencies, including the type of information to be disclosed and type of presentation to be made.

18. To set Company hiring policies for employees or former employees of the Company's independent auditors.

19. To review and discuss with management and any internal audit department, the risks faced by the Company and the policies, guidelines and process by which management assesses and manages the Company's risks, including without limitation the Company's major financial risk exposures and food safety and cybersecurity risk exposures and the steps management has taken to monitor and control such exposures.

20. To review the Company's compliance with applicable laws and regulations and to review and oversee the Company's policies, procedures and programs designed to promote and monitor legal and regulatory compliance.

21. To monitor compliance with the Company's code of ethics or conduct as in effect from time to time (the "*Code*"), to investigate any alleged breach or violation of the Code, and to enforce the provisions of the Code.

22. To establish and oversee 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 Company employees of concerns regarding questionable accounting or auditing matters.

23. To review, with the Company's most senior internal legal officer and outside legal counsel, legal and regulatory matters, including legal cases against or regulatory investigations of the Company and its subsidiaries, which could have a significant effect on the Company's financial statements.

24. To review, approve and oversee any transaction between the Company and any related person (as defined in Item 404 of Regulation S-K) on an ongoing basis, in accordance with Company policies and procedures.

## **5. LIMITATIONS**

While the Committee has the duties, responsibilities, and powers set forth in this Charter, it is not the duty or responsibility of the Committee to (1) plan or conduct audits or other accounting procedures, (2) determine whether the Company's financial statements are complete and accurate, (3) determine whether the Company's financial statements are in accordance with GAAP and applicable rules and regulations, or (4) certify or prepare the Company's financial statements. The duties set forth in the immediately preceding sentence are those of management and the independent registered public accounting firm.

## **6. OUTSIDE ADVISORS**

The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of independent outside counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. The Committee shall set the compensation, and oversee the work, of any outside counsel and other advisors.

The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation: (1) to outside legal, accounting, or other advisors employed by the Committee, including

for payment of compensation to the independent registered public accounting firm for the purpose of rendering or issuing an audit report or performing other audit, review, or attest services for the Company and to any advisors employed by the Committee; and (2) for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties and responsibilities under this Charter.

## **7. OPERATIONS**

The Committee shall meet at such times and places as it deems necessary to fulfill its responsibilities. The Committee shall report regularly to the Board on its discussions and actions, including any significant issues or concerns that arise at its meetings, and shall make recommendations to the Board as appropriate. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone, video conference or other similar remote communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

The Committee shall meet separately, and periodically, with management, members of the Company's internal audit department, if staffed, and representatives of the Company's independent auditors, and shall invite such individuals to its meetings as it deems appropriate, to assist in carrying out its duties and responsibilities. However, the Committee shall meet regularly without such individuals present.

The Committee shall review this Charter at least annually and recommend any proposed changes to the Board for approval.

## **8. DELEGATION OF AUTHORITY**

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.

## **9. PERFORMANCE EVALUATION**

The Committee shall conduct an annual evaluation of the performance of its duties under this Charter and shall present the results of the evaluation to the Board. The Committee shall conduct this evaluation in such manner as it deems appropriate.