

NAUTICUS ROBOTICS, INC.

AUDIT COMMITTEE CHARTER

Effective as of September 8, 2022

1. Purposes

The Audit Committee (the "**Committee**") is appointed by the Board of Directors (the "**Board**") of Nauticus Robotics, Inc. (the "**Company**") to assist the Board in its oversight of the accounting and financial reporting processes of the Company and the Company's compliance with legal and regulatory requirements. To assist the Board in fulfilling its responsibilities, the Committee shall: oversee: (i) audits of the financial statements of the Company; (ii) the integrity of the Company's financial statements; (iii) the Company's processes relating to risk management and the conduct and systems of internal control over financial reporting and disclosure controls and procedures; (iv) the qualifications, engagement, compensation, independence and performance of the Company's independent auditor, and the auditor's conduct of the annual audit of the Company's financial statements and any other services provided to the Company; and (v) the performance of the Company's internal audit function, if any.

2. Committee Membership

(a) Composition

The Committee shall consist of at least three members of the Board. Except as otherwise directed by the Board, a director selected as a Committee member shall continue to be a member for as long as he or she remains a director or until his or her earlier resignation or removal by majority vote of the Board from the Committee. Any member may be removed from the Committee by the Board, with or without cause, at any time. Any vacancy on the Committee shall be filled by majority vote of the Board. No member of the Committee shall be removed except by majority vote of the Board.

(b) Chair

The Chair of the Committee shall be appointed from among the Committee members by, and serve at the pleasure of, the Board, shall preside at meetings of the Committee and shall have authority to convene meetings, set agendas for meetings, and determine the Committee's information needs, except as otherwise provided by the Board or the Committee, provided that if the Board does not so designate a chairperson, the members of the Committee, by a majority vote, may designate a chairperson. In the absence of the Chair at a duly convened meeting, the Committee shall select a temporary substitute from among its members to serve as chair of the meeting.

(c) Financial Literacy

Each member of the Committee shall in the judgment of the Board have the ability to read and understand fundamental financial statements and otherwise meet the financial literacy requirements of the Nasdaq Stock Market LLC ("**Nasdaq**"). At least one member shall be an "audit committee financial expert" as such term is defined under applicable U.S. Securities and Exchange Commission ("**SEC**") rules.

(d) Service on Multiple Audit Committees

No member of the Committee may serve on the audit committee of more than three public companies, including the Company, unless the Board has determined that such simultaneous service would not impair the ability of such member to effectively serve on the Committee.

### **3. Authority**

In discharging its role, the Committee is empowered to inquire into any matter that it considers appropriate to carry out its responsibilities, with access to all books, records, facilities and personnel of the Company, and, subject to the direction of the Board, the Committee is authorized and delegated the authority to act on behalf of the Board with respect to any matter it determines to be necessary or appropriate to the accomplishment of its purposes.

The Committee shall have authority to retain, direct and oversee the activities of, and to terminate the engagement of, the Company's independent auditor and any other accounting firm retained by the Committee to prepare or issue any other audit report or to perform any other audit, review or attest services and any legal counsel, accounting or other advisor or consultant hired to assist the Committee, all of whom shall be accountable to the Committee.

The Company shall provide the Committee with appropriate funding, as determined by the Committee, for the payment of: (a) 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; (b) compensation to any independent counsel or other advisers retained by the Committee in carrying out its duties; and (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

### **4. Committee Meetings**

The Committee shall meet on a regularly scheduled basis at least four times per year and additionally as circumstances dictate.

The Committee shall establish its own schedule of meetings. The Committee may also act by unanimous written consent of its members.

Notice of meetings shall be given to all Committee members or may be waived, in the same manner as required for meetings of the Board. Meetings of the Committee may be held by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear and speak with each other. A majority of the members of the Committee shall constitute a quorum for a meeting and the affirmative vote of a majority of members present at a meeting at which a quorum is present shall constitute the action of the Committee. The Committee shall otherwise establish its own rules of procedure.

The Committee shall meet in executive session separately with each of the independent auditor, the internal auditor, if any, and with senior management, at least quarterly. At the end of each of the Committee's regularly scheduled meetings, and more frequently as deemed necessary, the Committee shall meet in private session with only the Committee members.

### **5. Delegation**

The Committee, by resolution approved by a majority of the Committee, may form and delegate any of its responsibilities to a subcommittee so long as such subcommittee is solely comprised of one or more members of the Committee and such delegation is not otherwise inconsistent with law and applicable rules and regulations of the SEC and Nasdaq.

## 6. Key Responsibilities

The Committee relies on the expertise and knowledge of management, the internal auditors, if any, and the independent auditor in carrying out its oversight responsibilities. Management is responsible for the preparation, presentation, and integrity of the Company's financial statements, for the appropriateness of the accounting principles and reporting policies that are used by the Company, and for establishing and maintaining effective internal control over financial reporting. The independent auditor is responsible for auditing the Company's financial statements and, if applicable, the Company's internal control over financial reporting, and for reviewing the Company's unaudited interim financial statements.

The Committee is not responsible, however, for planning or conducting audits, or determining whether the Company's financial statements are complete and accurate and in accordance with the U.S. Generally Accepted Accounting Principles ("**US GAAP**").

The following responsibilities are set forth as a guide for fulfilling the Committee's purposes in such manner as the Committee determines is appropriate:

- (a) appoint, evaluate, compensate, retain and, if appropriate, replace the independent auditor. The Committee may, in its discretion, seek stockholder ratification of the public accounting firm selected to be the Company's independent auditor.
- (b) assess at least annually the independent auditor's independence. In connection with this assessment, the Committee shall ensure the receipt of and review formal written statements from the independent auditor delineating all relationships between the auditor and the Company, consistent with applicable requirements of the Public Company Accounting Oversight Board ("**PCAOB**") regarding the independent auditor's communications with the Committee concerning independence.
- (c) engage in an active dialogue with the independent auditor concerning any disclosed relationships or services that may impact the objectivity and independence of the auditor and take, or recommend that the Board take, appropriate action to oversee and ensure the independence of the auditor.
- (d) evaluate at least annually the qualifications and performance of the independent auditor, including the lead partner. The evaluation will include obtaining a written report from the independent auditor describing the firm's internal quality control procedures, any material issues raised by the most recent internal quality control review, PCAOB inspection, or other PCAOB review of the firm, by a peer review of the firm or by any inquiry or investigation by governmental or professional authorities within the past five years, concerning an independent audit or audits carried out by the firm, and any steps taken to address any such issues.
- (e) oversee the work of the independent auditor, including resolution of disagreements between management and the independent auditor regarding financial reporting. In connection with its oversight responsibility, the Committee shall consider the independent auditor's communications regarding, among other things, critical accounting policies and practices, all alternative accounting treatments within US GAAP related to items material to the financial statements that have been discussed with management, including the ramifications of the alternative treatments and the treatment preferred by the independent auditor, and all material written communications between the independent auditor and management, and shall review the effect or potential effect of any regulatory regime,

accounting initiatives or off-balance sheet structures on the Company's financial statements.

- (f) establish with the independent auditor an understanding of the terms of the audit engagement, the role of the auditor with respect to the Company's financial statements and coordination of audit efforts to ensure completeness of coverage, reduction of redundant efforts, the effective use of audit resources, and the use of accounting firms other than the appointed auditors of the Company.
- (g) review the scope of the annual audit or interim review (including the level of involvement with unaudited quarterly or other interim-period information), and discuss the results, including, without limitation, the independent auditor's report and all matters required to be communicated to the Committee by the independent auditor in accordance with applicable auditing standards.
- (h) discuss with the independent auditor, before the issuance of the audit report, the overall audit strategy, including the timing of the audit, significant risks the auditor identified and significant changes to the planned audit strategy or identified risks.
- (i) review with the independent auditor any audit problems or difficulties encountered during the course of the audit work and management's response, including any restrictions on the scope of the independent auditor's activities or access to required records, data and information, any difficult or contentious matters for which the auditor consulted outside the engagement team (for example, the audit firm's national office), any significant disagreements with management, and any other matters arising from the audit that are significant to the oversight of the Company's financial reporting process.
- (j) consider whether, in addition to assuring the regular rotation of the lead audit partner as required by law, in the interest of assuring continuing independence of an independent auditor, the Company should regularly rotate the firm appointed as the Company's independent auditor.
- (k) consider and, in its discretion, approve in advance all audit and non-audit services (including the fees and material terms thereof), proposed to be carried out for the Company by the independent auditor or by any other firm proposed to be engaged by the Company as its independent auditor, if applicable, in accordance with the Company's Audit Committee Pre-Approval Policy (the "**Pre-Approval Policy**"), which is attached hereto as Exhibit A. The Committee may delegate certain types of pre-approval authority under the Pre-Approval Policy to one or more of its members in accordance with the Pre-Approval Policy. In no event will any such authority be delegated to an officer or employee of the Company, including an officer or employee of the Company who is also a director of the Company. In connection with approval of any permissible tax services and services related to internal control over financial reporting, the Committee shall discuss with the independent auditor the potential effects of such services on the independence of the auditor.
- (l) review and discuss with management and the independent auditor: the critical accounting policies and practices used by the Company, and any significant changes in the selection or application of the Company's accounting and auditing principles and practices as suggested by the Company's independent auditor, internal auditors, if any, or management; the accounting treatment to be applied in respect of significant new transactions or other significant events not in the ordinary course of the Company's business; other policies and procedures adopted by the Company to fulfill its responsibilities regarding the presentation of financial statements in accordance with US GAAP and applicable rules and regulations of the SEC, including the proper explanation and reconciliation of any non-US GAAP

measures presented; and any issues that arise with respect to the quality or integrity of the Company's financial statements.

- (m) review and discuss with management and the independent auditor, before the issuance of the audit report, the financial statements and related notes and the "Operating and Financial Review and Prospects" proposed to be included in the Company's Annual Report on Form 10-K. In this connection, the Committee shall review and discuss with management and the independent auditor the analyses prepared by management 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 US GAAP methods on the financial statements), and such other matters for which discussion shall be required by applicable auditing and related PCAOB standards. The Committee shall make a recommendation to the Board as to whether such financial statements should be included in the Company's Annual Report on Form 10-K.
- (n) review and discuss with management and the independent auditor the quarterly financial statements and related notes and the "Management's Discussion and Analysis of Financial Condition and Results of Operations" proposed to be included in any of the Company's other financial statements and reports filed with the SEC, together with the analyses prepared by management setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, and such other matters for which discussion shall be required by applicable auditing standards and related PCAOB standards.
- (o) discuss with management and the independent auditor and, prior to issuance, review and approve the Company's earnings releases, including the financial information, use of any "pro forma" or "adjusted" non-US GAAP information, and earnings guidance (if such is provided) to be disclosed in such releases. The Committee shall also discuss with management other significant financial information to be provided to analysts or rating agencies.
- (p) provide oversight of management's design and maintenance of the Company's internal control over financial reporting and disclosure controls and procedures. Prior to the filing of the Company's Annual Report on Form 10-K, the Committee shall review with the independent auditor, management and the head of the internal audit function, if any: the Company's annual assessment and report and the independent auditor's report on the effectiveness of the Company's internal control over financial reporting, to the extent then applicable; any "material weakness" or "significant deficiency" in the design or operation of internal control over financial reporting, any steps taken to resolve any such control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting; and any related significant findings and recommendations of the independent auditor or internal audit function, if any, together with management's responses (including, in the case of the independent auditor, any concerns regarding matters within the scope of, and compliance with, applicable rules of the Exchange Act).
- (q) review and discuss with management and the independent auditor the certifications and any related disclosures made by the Company's Chief Executive Officer and Chief Financial Officer in the Company's periodic reports about the results of their evaluation of the effectiveness of disclosure controls and procedures and any significant deficiencies or material weaknesses in the design or operation of internal control over financial reporting, and any fraud involving management or other employees who have a significant role in the

Company's internal control over financial reporting, prior to the filing of the Company's Annual Reports on Form 10-K.

- (r) review, at least annually, with the independent auditor the responsibilities, budget, staffing, effectiveness and performance of the internal audit function, if any, including the structure, qualification and activities of the internal audit function and the scope of internal audit responsibilities in relation to the independent auditor's duties.
- (s) review and assess the annual internal audit plan, if any, the process used to develop the plan, and the status of activities, significant findings, recommendations and management's response. The Committee shall recommend for Board approval all matters related to responsibilities, budget and staffing of the internal audit function, if any. The Committee shall recommend for Board approval the appointment and, if appropriate, replacement of the senior internal audit executive.
- (t) establish clear policies regarding the hiring of employees and former employees of the Company's independent auditor.
- (u) review and discuss with management, the head of the internal audit function, if any, and the independent auditor any significant risks or exposures and the Company's policies and processes with respect to risk assessment and risk management, and shall assess the steps management has taken to monitor and control such risks, except with respect to those risks for which oversight has been assigned to other committees of the Board or retained by the Board. The Committee shall review the Company's annual disclosures concerning the role of the Board in the risk oversight of the Company.
- (v) review and assess with the Chairman of the Board or outside counsel, as appropriate, legal and regulatory matters that may have a material impact on the Company's financial statements. The Committee shall also review and recommend for Board approval the Code of Business Ethics and Conduct Policy and any other appropriate compliance policies and will review requests for waivers under the Code of Business Ethics and Conduct Policy sought with respect to any executive officer or director.
- (w) review annually with the Chairman of the Board or outside counsel, as appropriate, the scope, implementation and effectiveness of the ethics and compliance program, and any significant deviations by officers and employees from the Code of Business Ethics and Conduct Policy or other compliance policies, and other matters pertaining to the integrity of management.
- (x) establish "whistleblowing" procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (b) the confidential, anonymous submission by the Company's employees of concerns regarding questionable accounting or auditing matters. The Committee shall review any such significant complaints or concerns.
- (y) review and, if appropriate, approve or ratify any related person transactions and other significant conflicts of interest, in each case in accordance with the Company's Code of Business Ethics and Conduct Policy.

The Committee shall undertake such other responsibilities or tasks as the Board may delegate or assign to the Committee from time to time.

## **7. Self-Evaluation and Reporting**

The Committee shall conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this charter, and recommend to the Board such amendments of this charter as the Committee deems appropriate.

The Committee shall report regularly to the Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board requests and maintain minutes or other records of Committee meetings and activities.

EXHIBIT A  
**Audit Committee Pre-Approval Policy**

[see attached]

## NAUTICUS ROBOTICS, INC.

### AUDIT COMMITTEE PRE-APPROVAL POLICY

Effective as of September 9, 2022

#### 1. Statement of Principles

Under the Sarbanes-Oxley Act of 2002 (the "**Act**"), the Audit Committee (the "**Audit Committee**") of the Board of Directors of Nauticus Robotics, Inc. (the "**Company**") is responsible for the appointment, compensation and oversight of the work of the independent auditor of the Company. As part of this responsibility, the Audit Committee is required to pre-approve the audit, audit-related, tax and non-audit services performed by the independent auditor in order to assure that the provision of such services does not impair the auditor's independence from the Company. To implement these provisions of the Act, the United States Securities and Exchange Commission (the "**SEC**") has issued rules specifying the types of services that an independent auditor may not provide to the Company, as well as rules relating to the Audit Committee's administration of the engagement of the independent auditor. Accordingly, the Audit Committee has adopted, and the Board of Directors has ratified, this Audit Committee Pre-Approval Policy, which sets forth the procedures and the conditions pursuant to which services proposed to be performed by the independent auditor may be pre-approved.

#### 2. Pre-Approval Process and Delegation of Authority

The primary review and pre-approval of services to be obtained from the independent auditor and related fees will be scheduled for the Audit Committee meeting held in the last quarter of each fiscal year for the following fiscal year. If fees might otherwise exceed pre-approved amounts for any category of permissible services, then incremental amounts can be reviewed and pre-approved at subsequent Audit Committee meetings prior to commitment. If needed, time will be set aside in any scheduled Audit Committee meeting for review and pre-approval of additional services. The term of any pre-approval applies to all work performed for a particular fiscal year of the Company. Thus audit fees for the fiscal year may include work performed after the close of the fiscal year. The pre-approval for audit-related and tax fees is on a calendar year basis. Unused pre-approval amounts will not be carried forward to the next year. Pre-approvals will be made by category of service and cannot be transferred between categories.

The Audit Committee may delegate pre-approval authority to one or more of its members. The member or members to whom such authority is delegated must report, for informational purposes only, any pre-approval decisions to the Audit Committee at its next scheduled meeting. The Audit Committee may not delegate its responsibilities to pre-approve services performed by the independent auditor to management.

#### 3. Audit Services

The annual audit services engagement terms and fees will be subject to the specific pre-approval of the Audit Committee. The Audit Committee will also approve, if necessary, any changes in terms, conditions and fees resulting from changes in audit scope, Company structure or other items.

#### 4. Audit-Related Services

Audit-related services are assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements or that are traditionally performed by the independent auditor. The Audit Committee believes that the provision of certain audit-related services does not impair the independence of the auditor or the auditor's ability to render an opinion that is accurate and indicative of the Company's financial position.

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## **5. Tax Services**

The Audit Committee may grant pre-approval to those permissible tax compliance and preparation services that it believes are routine and recurring, would not impair the independence of the auditor, and would not compromise the auditor's ability to render an opinion that is accurate and indicative of the Company's financial position. Services classified as tax services must be separately and specifically pre-approved by the Audit Committee.

Services classified as tax services include the preparation of original and amended tax returns, refund claims, and tax payment planning. All other tax-related services, such as tax advice, planning, or consulting should be added to the "non-audit" services category. If fees for tax services cannot be itemized, all such fees should be included in the "non-audit" services category. Tax services must be separately and specifically pre-approved by the Audit Committee.

## **6. Non-Audit Services**

The Audit Committee may grant pre-approval to those permissible non-audit services that it believes are routine and recurring, would not impair the independence of the auditor, and would not compromise the auditor's ability to render an opinion that is accurate and indicative of the Company's financial position. Services classified as non-audit services must be separately and specifically pre-approved by the Audit Committee.

A list of the SEC's prohibited non-audit services is attached to this policy as [Exhibit 1](#). The SEC's rules and relevant guidance should be consulted to determine the precise definitions of these services and the applicability of exceptions to certain of the prohibitions.

## **7. Pre-Approval Fee Levels or Budgeted Amounts**

Pre-approval fee levels or budgeted amounts for services to be provided by the independent auditor will be established periodically by resolution of the Audit Committee. Any proposed services exceeding these levels or amounts will require specific pre-approval by the Audit Committee.

## **8. Procedures**

Requests to provide services that require specific approval by the Audit Committee will be submitted to the Audit Committee by both the independent auditor and the Chief Financial Officer, and must include a joint statement as to whether, in their view, the request or application is consistent with the SEC's rules on auditor independence.

Upon request and not less than annually, the Chief Financial Officer will provide to the Audit Committee a summary of the services rendered by and the fees paid to the independent auditor at the Audit Committee's next scheduled meeting.

## **9. Amendments**

This policy may be amended or modified only by the Board of Directors of the Company. Any such amendments or modifications shall be disclosed to the Company's stockholders and the public as required by the Act, as amended, the applicable rules thereunder, and applicable Nasdaq Stock Market LLC rules.

## EXHIBIT 1

### Prohibited Non-Audit Services

- Bookkeeping or other services related to the accounting records or financial statements of the Company or its subsidiaries or affiliates
- Financial information systems design and implementation
- Appraisal or valuation services, fairness opinions or contribution-in-kind reports
- Actuarial services
- Internal audit outsourcing services
- Management functions
- Human resource administration or management services
- Broker-dealer, investment adviser or investment banking services
- Legal services
- Expert services unrelated to the audit
- Services provided for a contingent fee or commission
- Services related to marketing, planning or opining in favor of the tax treatment of (i) a confidential transaction or (ii) an aggressive tax position transaction that was initially recommended, directly or indirectly, by the independent auditor
- Any other service that the SEC or the Public Company Accounting Oversight Board determines, by regulation, is impermissible

In addition, the Company's independent auditor may not provide any services, including financial counseling and tax services, to any Company officer, Audit Committee member or Company managing director (or its equivalent) in the finance department or to any immediate family member of any such person.