

**HIGH LINER FOODS INCORPORATED**  
**AUDIT COMMITTEE CHARTER**  
**NOVEMBER 8, 2024**

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## **Purpose**

The Committee shall primarily be responsible for assisting the board of directors of the Company (the “Board”) in fulfilling its oversight responsibilities for the:

- (a) integrity of the Company’s financial statements and related reporting materials;
- (b) Company’s compliance with legal and regulatory requirements;
- (c) Company’s risk management structure and performance;
- (d) external auditor’s qualifications and independence; and
- (e) performance of the Company’s internal audit function and external auditors.

## **Composition**

1. The Committee shall be comprised of persons who have the suitable experience and skills given the nature and function of the Committee. The Board will appoint the members (the “Members”) of the Committee. The Committee shall be comprised of a minimum of three directors as appointed by the Board annually, who shall meet the independence, financial literacy and audit committee composition requirements under any applicable rules or regulations of applicable securities regulators and stock exchanges on which the Corporation’s securities are listed, including, but not limited to, the rules of the Toronto Stock Exchange (the “TSX”) and National Instrument 52-110 — *Audit Committees* (the “NI 52-110”), as in effect from time to time, and each such director shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee. All Members shall either be financially literate<sup>(1)</sup> or become financially literate within a reasonable period of time following their appointment to the Committee, subject to and in accordance with NI 52-110.
2. The Members’ terms of appointment should coincide with the terms of appointment of other Board committees and provide for continuity of membership, while at the same time allowing fresh perspectives to be added by periodic changes in the membership of the Committees. Each member of the Committee shall continue to be a member thereof until their successor is appointed, unless they resign or are removed by the Board, or shall cease to be a director of the Company. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board and shall be filled by the Board if the membership of the Committee is less than the minimum membership. In the event of a vacancy on the Committee, the remaining members may exercise all of the powers of the Committee, so long as a quorum remains.

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(1) “financially literate” means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

## Organization

3. The Board shall appoint a chair (the “Committee Chair”) from among the members of the Committee to preside at its meetings. In the absence of the Committee Chair, one of the present Committee members shall be chosen by the Committee to preside as chair at the meeting. The Committee shall also appoint a secretary (the “Secretary”) who need not be a director and who shall be the Corporate Secretary of the Company or his or her designate, unless the Committee determines otherwise.
4. The President and Chief Executive Officer, Executive Vice President and Chief Financial Officer, Executive Vice President, General Counsel and Corporate Secretary, Vice President Finance, and the internal audit lead (Director of Internal Audit) shall attend meetings of the Committee by invitation of the Committee Chair.

## Authority

5. The Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered and shall have the responsibility to:
  - (a) appoint, compensate, and oversee the work of the external auditing firm employed by the Company to conduct the annual audit. The external auditors shall report directly to the Committee and attend every meeting;
  - (b) resolve any disagreements between management and the external auditor regarding financial reporting;
  - (c) pre-approve all auditing and permitted non-audit services performed by the external auditor, as set out below;
  - (d) retain independent counsel, accountants or others to advise the Committee or assist in the conduct of an investigation;
  - (e) seek any information it requires from employees – all of whom are directed to cooperate with the Committee’s requests – or external parties; and
  - (f) meet with Company officers, external and internal auditors, or outside counsel, as necessary.

## Meetings

6. The Committee shall meet on a regular basis but at least four times a year. Special meetings shall be called at the request of the Committee Chair, the external or internal auditors (including any external advisors engaged to perform such internal audit functions). The external auditors and representatives of the any internal auditor and/or any third party engaged to perform the internal audit functions shall attend all meetings of the Committee. Notice of the time and place of every meeting shall be given orally or in writing, including any electronic method of delivering notice, to each member of the Committee at least 24 hours prior to the time for such meeting, provided however, that a member may in any manner waive a notice of meeting.

7. Attendance of a member at a meeting shall be deemed to be a waiver of notice of that meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.
8. A quorum of the meeting shall be a majority of the members of the Committee. All Committee members are expected to attend each meeting, absent a legitimate reason for being unable to do so and are expected to participate fully and frankly in Committee deliberations and discussions. Committee members may attend meetings in person or by telephone, videoconference or other electronic method of communication that permits all persons participating in the meeting to speak and hear each other.
9. The Committee shall meet privately with the external auditors and the Director of Internal Auditor at every meeting. The Committee will invite members of management to attend meetings and provide pertinent information as necessary, and will meet separately, at least quarterly, with management. It will also meet regularly in camera, without members of management in attendance, and should do so for a portion of each meeting of the Committee.
10. In advance of every regular meeting of the Committee, the Committee Chair, with the assistance of the Secretary, should prepare and distribute to the Committee members and others as deemed appropriate by the Committee Chair, an agenda of matters to be addressed at the meeting together with appropriate briefing materials. The Committee may require officers and employees of the Company to produce such information and reports as the Committee may deem appropriate in order for it to fulfill its duties.
11. The minutes of the Committee shall be recorded and maintained by the Secretary of the meeting.
12. The Committee Chair shall report the business of the meeting to the Board at the next regularly scheduled meeting thereof.

### **Written Resolutions**

13. Powers of the Committee may also be exercised by written resolutions signed by all Committee members.

### **Responsibilities**

14. The Committee will carry out the following responsibilities:

#### ***Financial Statements and Reporting:***

15. Review with management and the external auditors, and recommend for approval, all published financial information and other disclosure that requires approval by the Board (“Financial Disclosure Documents”). Financial Disclosure Documents would include, without limitation, interim statements, year-end audited statements, Management Discussion

& Analysis (MD&A), Annual Information Form, Annual Report (as required), statements in prospectuses and other offering memoranda, as well as all news releases relating to financial or material information about the Company. The Committee will review environmental, social and governance (“ESG”) disclosures (including climate-related disclosures) required to be included in the Financial Disclosure Documents. The Committee will seek to ensure that adequate procedures are in place for the review of Company’s public disclosure of financial information extracted or derived from Company’s financial statements, periodically assess the adequacy of those procedures and recommend any proposed changes to the Board for consideration.

16. Review significant accounting and reporting issues and understand their impact on the financial statements. These issues may include complex or unusual transactions and highly judgmental areas, major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company’s selection or application of accounting principles, and the effect of regulatory or accounting initiatives on the financial statements of the Company.
17. Review with management and the external auditors the results of the external audits, including any difficulties encountered, restrictions on the auditor’s work, the co-operation received in performance of the audit, and the audit findings. In addition, the Committee shall review any accruals, provisions or estimates that have a significant effect upon the financial statements as well as other sensitive matters such as disclosure of related party transactions.
18. Review with management, the external auditors and, if necessary, legal counsel, any litigation, claim or other contingency, including tax assessments, or any other matters, that could have a material effect upon the financial position or operating results of the Company, and the manner in which these matters have been disclosed in the financial statements.
19. Review the certification of the Chief Executive Officer and Chief Financial Officer that: 1) the interim and annual financial statements, MD&A and AIF of the Company do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements, in light of the circumstances under which they are made, not misleading; 2) the financial statements, together with other financial information in the MD&A and AIF, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer; 3) the internal controls of the issuer have been designed by or under the supervision of the Chief Executive Officer and Chief Financial Officer to provide reasonable assurances that the Company’s financial statements are fairly presented in accordance with International Financial Reporting Standards (IFRS); 4) the disclosure controls or procedures of the Company have been designed by or under the supervision of the Chief Executive Officer and Chief Financial Officer to provide reasonable assurances that material information is made known to him or her or to others within the Company, in each case, as appropriate and consistent with any applicable laws and the rules or regulations of applicable securities regulators and stock exchanges on which the securities of the Company are listed, including, but not limited to, the TSX.

20. Review all subsidiary company or special purpose audit reports, including those of pension funds, if any, as well as the minutes of all audit committee meetings of subsidiaries and any significant issues and auditor recommendations.
21. Consider any other matter that in its judgement shall be taken into account in reaching its recommendation to the Board concerning the approval of the financial information intended for publication.

### ***External Auditing***

22. The external auditors shall report directly to the Committee and shall attend every regular meeting of the Committee.

The Committee will carry out the following responsibilities:

23. Review and approve the engagement letter with the external auditors.
24. Review the audit plans of the external auditors, including the co-ordination of audit effort with internal auditing. The Committee shall enquire as to the extent the planned audit scope can be relied upon to detect weaknesses in internal control or fraud or other illegal acts. Any significant recommendations made by the auditors for the strengthening of internal controls shall be reviewed and shall be discussed with management, if necessary.
25. Review the performance of the external auditors, and consider whether the external auditors shall be reappointed after obtaining management's view of the competency of the incumbent auditors and recommend accordingly to the Board to be put forward to shareholders at the Company's annual meeting.
26. Review and approve the Company's hiring policies regarding employees or former employees of the external auditor (or former auditors).
27. If the Committee considers a change in external auditors appropriate, articulate the reasons for the change, including the response of the incumbent auditors in its recommendation to the Board, and shall oversee the search for and appointment of newly proposed auditors before making a recommendation to the Board of Directors. The Committee shall review all issues related to a change in auditors under National Instrument 51-102 – *Continuous Disclosure Obligations* and any other applicable laws and the rules or regulations of applicable securities regulators and stock exchanges on which the securities of the Company are listed, including, but not limited to, the TSX.
28. Review and approve the basis and amount of the external auditors' fees in light of the number and nature of reports issued by the auditors, the quality of the internal controls, the size, complexity and financial condition of the Company and the extent of the internal audit and other support provided by the Company to the external auditors.

29. Review the nature of any non-audit services proposed to be performed for the Company by the audit firm, and consider whether the nature or extent of such services could detract from the audit firm's independence in carrying out the audit function. The Committee shall pre-approve all non-audit services and fees to be provided to the Company or its subsidiaries by the external auditor. In between meetings of the Committee, and provided the Committee is not in session, the Committee Chair may perform this function, provided any approvals of the Committee Chair shall be referred to the next meeting of the Committee for ratification.

### ***Internal Auditing and Control***

30. The Director of Internal Audit shall be instructed by management of the Company but shall report to the Audit Committee.

The Committee will establish, maintain, and ensure the Company's internal audit function has sufficient authority to fulfil its duties and carry out the following responsibilities with respect to the internal auditing and control functions:

31. Review with management the plans, activities, staffing and organizational structure of the internal audit function and review and concur in the appointment, replacement, or dismissal of the Director of Internal Audit and/or any third party performing any internal audit function.
32. Review the effectiveness of the internal audit function, and shall meet regularly with to the Director of Internal Audit to discuss any matters that the Committee or the Director of Internal Audit believes should be discussed privately. This shall include ensuring no unjustified restrictions or limitations are placed on Internal Audit and discussing impairments of independence or objectivity, if any.
33. Consider the effectiveness of the Company's internal control system, including controls over financial reporting disclosures and information technology security and change management and shall receive quarterly reports regarding same.
34. Approve the risk-based internal audit plan and quarterly reports on performance relevant to its plan. As part of this, the Committee will understand the scope of internal review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses. The Committee will inquire as to and investigate if necessary any significant deficiencies in the design or operation of internal controls.
35. Provide input to and approve the internal audit function's charter, which includes the internal audit mandate and the scope and types of internal audit services. Review and approve the Internal Audit Charter at least every three years.

### ***Compliance***

36. Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.

37. Request internal and external auditors to report any matters of which they are aware, that might be considered unethical or “on the fringe”.
38. Establish and maintain procedures for the (a) receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, auditing, or other matters; and (b) the confidential, anonymous submission of information by employee "whistle-blowers" regarding questionable accounting, auditing, or other matters.
39. Review (a) material tax planning initiatives and compliance with tax, financial reporting laws and regulations; (b) the findings of any examinations by regulatory authorities; and, (c) any auditor observations regarding the foregoing.
40. Review and approve the Company’s Code of Conduct and shall review the process for communicating the Code of Conduct to company personnel and for monitoring compliance with the Code.
41. Review and approve the Corporate Disclosure, Confidentiality and Employee Trading Policy and ensure that there is a process in place to provide timely disclosure of material corporate events that would be of interest to investors and to prevent unauthorized disclosures of confidential information in accordance with applicable law and the rules or regulations of applicable securities regulators and stock exchanges on which the securities of the Company are listed, including, but not limited to, the TSX.
42. Review and approve all material related party transactions to be disclosed pursuant to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*, as applicable, and be responsible for the review and oversight contemplated by the rules of any applicable stock exchange on which the Company’s securities are listed, including, but not limited to, the TSX, with respect to any such reported transactions.
43. Obtain regular updates from management and company legal counsel regarding compliance matters.

### ***Risk Management***

44. Review quarterly the food safety and food quality results of the Company.
45. Review annually and discuss with management the Company’s Business Risk Management Policies, particularly the Enterprise Risk Management and Price Risk Management Policies.
46. On request of the Board, review, and in the Committee’s discretion make recommendations to the Board regarding, the adequacy of Company’s risk management policies and procedures with regard to identification of the Corporation’s principal risks and implementation of appropriate systems to manage such risks. Review annually and discuss with management the Company’s Risk Factors as disclosed in the Company’s MD&A and in the Annual Information Form.

47. Review compliance with the Company's Financing and Credit Risk Policies, including the Delegation of Authority Policy, and review its credit risk profile annually.
48. Review the Company's insurance program for adequacy.
49. Review and approve the Company's disaster recovery plans and monitor management's implementation of such plans; annually assess the Company's disaster recovery readiness.

### ***Other Responsibilities***

50. Consider and, if appropriate, approve requests from individual directors to retain independent advisors.
51. The Chief Executive Officer's travel and professional expenses shall be approved by the chair of the Board, with a copy of such expenses to be provided to the Committee Chair.
52. Institute and oversee special investigations as needed.
53. Review and assess the adequacy of this Charter annually, requesting board approval for proposed changes, and ensure appropriate disclosure as may be required by applicable law and the rules or regulations of applicable securities regulators and stock exchanges on which the securities of the Company are listed, including, but not limited to, the TSX.
54. Confirm annually that all responsibilities outlined in this charter have been carried out.

### ***Reporting***

55. The Board shall be kept informed of the Committee's activities by a report delivered by the Committee Chair following each Committee meeting.
56. The Committee shall provide an open avenue of communication between internal audit, the external auditors, and the Board.
57. The Committee shall review any other reports the Company issues that relate to Committee responsibilities, including the required Committee disclosure in the Annual Information Form, and the disclosure of Committee activities included in the Management Information Circular in accordance with applicable law and the rules or regulations of applicable securities regulators and stock exchanges on which the securities of the Company are listed, including, but not limited to, the TSX.



***Environment***

58. The Committee shall assess the degree of compliance of the Company with existing environmental legislation and, if there are any areas of non-compliance, assess whether senior management of the Company has put in place procedures to bring the Company into compliance and report when necessary to the Board.
59. The Committee shall review and report to the Board where necessary all environmental incidents and all remedial orders regarding infractions or alleged infractions issued by a government authority which have been received since the previous communication with the Committee.
60. The Committee shall assess whether the Company has in place remedial and contingency plans for environmental occurrences such as spills, leaks, or other discharges of pollutants.
61. The Committee shall assess whether the Company is doing ongoing environmental audits and review, training and prevention programs at its various facilities.
62. The Committee shall determine whether the establishment, and periodic review, of appropriate internal authorities to act in the case of serious environmental occurrences are in place.
63. The Committee shall receive reports on and assess whether there are any potential sources of emissions or pollutants, risks of sudden discharge, etc and whether appropriate safeguards are in place to deal with these risk situations.
64. The Committee shall assess whether there are procedures to promote environmental awareness within the Company including education and training programs regarding risk management, response and reporting responsibilities.
65. The Committee shall determine whether executive officers and management are involved in and knowledgeable about existing environmental risk management systems.
66. The Committee shall receive reports from each of the employee Environment Steering Committee on environmental conditions on a regular basis.
67. The Committee shall review at least annually the Company's Environmental Management Policy and approve any changes to such policies.

***Experts and Advisors***

68. The Committee may, in consultation with the chair of the Board, engage, oversee and set the compensation for any outside advisor that it determines necessary in order to carry out its duties.

***Limitation on Authority***

69. Nothing articulated herein is intended to assign to the Committee the Board's responsibility to oversee the Company's compliance with applicable laws or regulations or to expand applicable standards of liability under statutory or regulatory requirements for the Directors or the members of the Committee.

**No Rights Created**

70. 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 or to determine that the Corporation's financial statements are complete and accurate and are in accordance with applicable generally accepted accounting principles. This Charter is a broad policy statement and is intended to be part of the Committee's flexible governance framework. While this Charter should comply with the binding requirements of any stock exchanges on which the Company's securities are listed, including, but not limited to, the TSX, all other applicable laws, rules and regulations, and the Company's constituting documents, including its Memorandum and Articles, this Charter does not create any legally binding obligations on the Committee, any director or the Company.

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