

## **ONTRAK, INC.**

### **Audit Committee Charter**

Approved: January 30, 2023

#### **Purpose**

The purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Ontrak, Inc. (the “Company”) is to:

1. Assist the Board in its oversight of:
  - (a) the Company’s accounting and financial reporting processes, including its systems of internal controls, and the integrity of the financial statements and reports of the Company,
  - (b) the performance of the Company’s internal audit function, if any,
  - (c) the audits of the financial statements of the Company, and
  - (d) the compliance by the Company with legal and regulatory requirements;
2. Be responsible for the appointment, compensation, retention and oversight of the independent registered public accounting firm engaged for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the Company (the “Independent Auditor”); and
3. Resolve disagreements between management and the Independent Auditor regarding financial reporting.

#### **Committee Membership, Qualifications and Chairperson**

The Committee shall consist of no fewer than three members of the Board. Each of member of the Committee shall (a) be an “independent director” as defined under the applicable listing standards of The Nasdaq Stock Market LLC, or any other securities exchange on which the Company’s securities are traded (the “Exchange Rules”) and satisfy the independence requirements of Section 10A(m)(3) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and the applicable rules and regulations of the Securities and Exchange Commission (the “SEC”), and (b) not have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years, subject in each case to any available exception under the Exchange Rules or rules of the SEC. Committee members shall not serve simultaneously on the audit committees of more than two other public companies without the approval of the Board.

No member of the Committee shall receive directly or indirectly any consulting, advisory, or other compensatory fees from the Company other than (1) director’s fees for service as a director of the Company, including reasonable compensation for serving on Board committees and regular benefits that other directors receive; and (2) a pension or similar fixed

amount of compensation for past service to the Company or any subsidiary of the Company, provided that such compensation is not conditioned on continued or future service to the Company. In addition, no member of the Committee may be an affiliate of the Company or any subsidiary of the Company whether by being an officer or owning more than 10 percent of the Company's voting securities.

All members of the Committee shall be able to read and understand fundamental financial statements (including a company's balance sheet, income statement, and cash flow statement) and at least one member must either (1) have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background, which 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, or (2) qualify as an "audit committee financial expert" as defined under SEC rules or regulations. Committee members may enhance their familiarity with finance and accounting by participating in educational programs conducted by the Company or by outside organizations.

The members of the Committee shall be appointed annually by the Board. A Committee member may be removed at any time, with or without cause, by a majority vote of the Board in accordance with the Company's Amended and Restated Bylaws, as may be amended from time to time (the "Bylaws"). Unless the Board designates a Chairperson of the Committee, the members of the Committee shall designate a Chairperson by majority vote of the full Committee membership.

### **Meetings, Procedures and Authority**

The Committee shall meet at least once during each fiscal quarter. The Committee must meet periodically with management, the head of the Company's internal audit function, if any, and the Independent Auditor in separate sessions to discuss matters for which the Committee has oversight responsibility.

The Committee has the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Bylaws that are applicable to the Committee. Any one or more of the members of the Committee and other meeting participants may participate in a meeting by means of conference call or similar communications equipment as long as all persons participating in the meeting can speak with and hear each other. The Committee may also act by unanimous written consent in lieu of a meeting in accordance with the Bylaws.

The Chairperson will approve the agenda in advance of each meeting and preside over each meeting. In the absence of the Chairperson, one of the other members of the Committee shall be designated as the acting chair of the meeting. The Chairperson may direct appropriate members of management and staff to prepare draft agendas and related background information for each Committee meeting. Any background materials, together with the agenda, should be distributed to the Committee members sufficiently in advance of the meeting.

The Committee may request any officer or employee of the Company, the Company's outside counsel, or the Independent Auditor to attend, or not attend, any meeting of the

Committee or to meet with any members of, or advisers to, the Committee.

Written minutes of each meeting, prepared by any person in attendance designated by the chair of the meeting, in the form approved by the Committee, shall be provided to the Board and duly filed in the Company records. Reports of meetings and actions of the Committee shall be made to the Board at its next regularly scheduled meeting following the Committee meeting, accompanied by any recommendations to the Board approved by the Committee.

In discharging its duties and responsibilities and fulfilling its purpose, the Committee is empowered to study or investigate any matter of interest or concern that the Committee deems appropriate. The Committee shall have the authority, to the extent it deems necessary or appropriate, in its sole discretion, to retain independent legal counsel, accounting experts, and other advisers. In addition to individual compensation to members for serving on the Committee as reasonably determined by the Board, the Company shall provide appropriate funding, as determined by the Committee, for payment of (1) compensation to the Independent Auditor for the purpose of rendering or issuing an audit report and performing other services accordance with the terms of its engagement by the Committee, (2) compensation to any legal counsel and other advisers employed by the Committee, and (3) ordinary administrative expenses of the Committee that it deems reasonable or necessary in carrying out its duties and responsibilities, subject only to any limitations imposed by applicable laws, rules and regulations.

The Committee may form and delegate authority to one or more subcommittees consisting of one or more Committee members as it deems appropriate, subject to any limitations under the Exchange Rules or SEC rules or regulations.

The Committee shall review and discuss quarterly analyses and reports from management, the internal audit function, if any, and the Independent Auditor on:

1. Critical accounting policies and practices to be used or to be used by the Company;
2. Alternative treatments within U.S. generally accepted accounting principles (“GAAP”) for policies and practices related to material items that the Independent Auditor discussed with management, including ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Independent Auditor;
3. Major issues regarding the adequacy of the Company’s internal controls, the impact on the quality and reliability of the Company’s financial reporting, and any special audit steps taken in light of any material control deficiencies;
4. The adoption of, or changes to, any of the Company’s significant internal auditing and accounting principles and practices; and
5. Other material written communications between the Independent Auditor and management.

### **Duties and Responsibilities**

The basic duty of the members of the Committee is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its stockholders. In discharging that duty, members are entitled to rely on the honesty and integrity of the Company's management and its outside auditors, attorneys and advisors, to the fullest extent permitted by applicable law. Pursuant to Article 5 of Bylaws, the Committee shall have and may exercise all the powers and authority of the Board in all matters required, necessary or reasonable in the performance of the Committee purpose, responsibilities and functions described in this Charter.

The Committee shall oversee the integrity of the audit process, financial reporting and internal accounting controls of the Company, oversee the work of the Company's management, the internal auditors, if any, and the Independent Auditor in these areas, oversee management's development of, and adherence to, a sound system of internal accounting and financial controls, review whether the internal auditors, if any, and the Independent Auditor objectively assess the Company's financial reporting, accounting practices and internal controls, and provide an open avenue of communication among the Independent Auditor, the internal auditors, if any, and the Board.

#### *Responsibilities Regarding the Independent Auditor*

***Appointment and Oversight.*** The Committee shall be directly responsible for the appointment, compensation, retention and oversight of the work of the Independent Auditor, including without limitation, the scope and terms of engagement and the performance of the Independent Auditor. The Committee shall also be responsible for the resolution of any disagreements between management and the Independent Auditor, including, without limitation, any disagreements regarding financial reporting, accounting, internal control and auditing matters. The Committee shall pre-approve all audit, review and attest services to be provided to the Company and the terms of those services. The Independent Auditor shall report directly to the Committee.

The Committee shall obtain from the Independent Auditor and review, at least annually:

1. Any report that may be prepared by the Independent Auditor describing the Independent Auditor's internal quality-control procedures;
2. A report describing any material issues raised by the most recent internal quality-control review, or peer review, of the Independent Auditor, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the Independent Auditor and any steps taken to deal with any such issues; and
3. A formal written statement (i) delineating all relationships between the Independent Auditor or any of its affiliates and the Company or its management and directors, including the written disclosures required by Rule 3526 Communication with Audit Committees Concerning Independence of the Public Company Accounting Oversight Board ("PCAOB"), and (ii) confirming the Independent Auditor's independence consistent with PCAOB Rule 3520 Auditor Independence (or any successor rules or standards), as may be amended

from time to time.

The Committee shall evaluate, at least annually, the qualifications, performance and independence of the Independent Auditor, including considering whether the Independent Auditor's quality controls are adequate and whether the provision of non-audit services, if any, is compatible with maintaining the Independent Auditor's objectivity and independence, and taking into account the opinions of management and the internal auditors, if any. The Committee should actively engage in a dialogue with the Independent Auditor with respect to any disclosed relationships or services that, in the Committee's view, may impact the Independent Auditor's objectivity and independence and, if the Committee determines that further inquiry is advisable, take appropriate action in response to the Independent Auditor's report to satisfy itself of the Independent Auditor's independence. The Committee shall present its conclusions to the Board.

The Committee shall review and confirm with the Independent Auditor the Independent Auditor's compliance with the audit partner rotation requirements under the Exchange Act and applicable SEC rules and regulations.

***Pre-Approval of Permitted Non-Audit Services.*** The Committee shall pre-approve engagements of the Independent Auditor, prior to commencement of such engagements (unless in compliance with exceptions available under applicable laws and rules related to immaterial aggregate amounts of services), to perform any proposed non-audit services that are not prohibited non-audit services under SEC rules and regulations, including the scope of the service and the compensation to be paid therefor, at the Company's expense, which approval may be pursuant to preapproval policies and procedures established by the Committee consistent with applicable laws and rules, including the delegation of preapproval authority to one or more Committee members so long as any such preapproval decisions are presented to the full Committee at the next scheduled meeting.

#### *Responsibilities Regarding the Internal Auditor*

The Committee shall periodically communicate with the head of the Company's internal audit function, if any, in order to (a) review the internal audit plan, (b) obtain and review information concerning internal audits, adopted accounting principles and internal controls, and the impact of each on the quality and reliability of the Company's financial statements, and (c) obtain and review the significant reports to management prepared by the internal audit function and management's responses.

If the Company has an internal audit function, the Committee shall review and approve the appointment and replacement of the head of the internal audit function and, at least annually, evaluate the performance, responsibilities, budget and staffing of the internal audit function.

#### *Financial Statement and Disclosure Matters*

In performing its functions, the Committee shall undertake those tasks and responsibilities that, in its judgment, would contribute most effectively to and implement the purposes of the Committee. In addition to the general tasks and responsibilities noted above, the specific functions of the Committee may include the following:

1. Review and discuss with management, and to the extent the Committee deems necessary or appropriate, the internal auditors, legal counsel or the Independent Auditor, the Company's disclosure controls and procedures that are designed to ensure that the reports the Company files with the SEC comply with the SEC's rules and forms.
2. Review and discuss with management and the Independent Auditor the annual audit plan.
3. Review and discuss with management, the internal auditors, if any, and the Independent Auditor the annual audited financial statements, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" of Form 10-K, and the matters required to be communicated by the Independent Auditor in accordance with PCAOB Auditing Standard No. 1301: *Communications with Audit Committees* (or any successor rule or standard) relating to the conduct of the audit, and recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K.
4. Review and discuss with management, the internal auditors, if any, and the Independent Auditor the Company's quarterly financial statements, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" of Form 10-Q, and the matters required to be communicated by the Independent Auditor in accordance with PCAOB rules or accounting standards, including the results of the Independent Auditor's review of the quarterly financial statements, prior to the filing of the Company's Form 10-Q.
5. Review and discuss with management, the internal auditors, if any, legal counsel and the Independent Auditor (a) significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements and (b) the development, selection and disclosure of critical accounting estimates and the analyses of alternative assumptions or estimates, and the effect of such estimates on the Company's financial statements.
6. Receive and review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process for the Company's Form 10-K and Form 10-Q about (a) any significant deficiencies in the design or operation of internal controls or material weakness therein, (b) any fraud involving management or other associates who have a significant role in the Company's internal controls and (c) any significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation.
7. Review and discuss with the Independent Auditor (outside the presence of management) (a) any audit problems or difficulties, including difficulties

encountered by the Independent Auditor during its audit work (such as restrictions on the scope of its activities or its access to information), (b) any significant disagreements with management, and (c) management's response to any such problems, difficulties or disagreements.

#### Compliance with Other Legal and Regulatory Requirements

**Audit Committee Report.** The Committee shall provide the Company with the report of the Committee with respect to the audited financial statements of the Company for inclusion in each of the Company's annual proxy statements, as required by SEC rules or regulations.

**Complaint Procedures.** The Committee shall establish 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 employees of the Company of concerns regarding questionable accounting or auditing matters. The Committee may review and reassess the adequacy of such procedures periodically and adopt any changes to such procedures that it deems necessary or appropriate.

**Code of Business Conduct and Ethics.** The Committee shall assist the Board with oversight of the Company's compliance with its Code of Business Conduct and Ethics.

**Annual Review of Charter.** The Committee will review and reassess the adequacy of this Charter at least annually and recommend to the Board any changes that the Committee may deem appropriate.

**Related Person Transactions.** Unless reviewed, approved and monitored by the Board or another duly authorized committee of the Board consistent with the Exchange Rules, the Committee shall review and approve all related person transactions that are reportable by the Company under applicable SEC rules or regulations, and monitor any such approved transactions on an ongoing basis. In reviewing, approving and monitoring such transactions, the Committee shall obtain, or direct management to obtain on its behalf, all information that the Committee believes to be relevant and important to a review of the transaction prior to its approval. Following receipt of the necessary information, the Committee shall review and discuss the transaction, and may discuss the transaction with management, the Independent Auditor and/or legal counsel, prior to approval of the transaction.

#### **Indemnification**

The Company shall, to the maximum extent and in the manner permitted by Section 145 of the Delaware General Corporation Law, indemnify each member of the Committee against expenses judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with any proceeding arising by reason of the fact that such person is or was a member of the Committee and/or the Board.

#### **Limitation of Committee's Role**

The Committee's role is limited to providing oversight. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty or responsibility of the

Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and prepared in accordance with GAAP and applicable rules and regulations. It is also not the duty of the Committee to conduct investigations or to assure compliance with laws and regulations and the Company's internal policies and procedures. Management of the Company, not the Committee, is responsible for the preparation, presentation, and integrity of the Company's financial statements and disclosures, for the appropriateness of the accounting principles and reporting policies that are used by the Company, for the effectiveness of the Company's disclosure controls and procedures, for establishing and maintaining internal control over financial reporting and for ensuring the Company's compliance with applicable laws and regulations. The Independent Auditor, not the Committee, is responsible for auditing the Company's financial statements, reviewing or auditing the effectiveness of internal control over financial reporting, and for reviewing the Company's unaudited interim financial statements.

In discharging its oversight responsibilities, the Committee will not provide or be deemed to provide any expertise or special assurance as to the Company's financial statements or any professional certification as to the Independent Auditor's work. Each member of the Committee shall be entitled to rely on (a) the integrity of those persons within the Company and of the professionals and experts (such as the Independent Auditor) from which it receives information, (b) the accuracy of the financial and other information provided to the Committee by such persons, professionals or experts absent actual knowledge to the contrary and (c) representations made by management of the Independent Auditor as to any non-audit services provided by the Independent Auditor to the Company.