



TREACE MEDICAL CONCEPTS, INC.

AUDIT COMMITTEE CHARTER

I. Purpose

The purpose of the Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Treace Medical Concepts, Inc. (the "**Company**") is to oversee the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company.

The Committee's responsibilities are limited to oversight. The Company's management is responsible for establishing and maintaining accounting policies and procedures in accordance with generally accepted accounting principles ("**GAAP**") and other applicable reporting and disclosure standards and for preparing the Company's financial statements. The Company's independent auditors are responsible for auditing and reviewing those financial statements. Each member of the Committee is entitled to rely on the integrity of those persons within the Company and from the professionals and experts from which the Committee receives information and, absent actual knowledge to the contrary, the accuracy of the financial and other information provided to the Committee by such persons, professionals, or experts.

II. Composition

The Committee shall consist of at least three directors, subject to any available exception. Each Committee member must satisfy the independence requirements of the Nasdaq Stock Market LLC ("**Nasdaq**") and the more rigorous independence rules for members of the Committee issued by the Securities and Exchange Commission (the "**SEC**"), subject in each case to any applicable exception. Each Committee member must be able to read and understand fundamental financial statements, including a company's balance sheet, income statement and cash flow statement. In addition, at least one member of the Committee must be an "audit committee financial expert" as defined under SEC rules.

Committee members may be removed from the Committee, with or without cause, by the Board. The Chair of the Committee shall be appointed by the Board upon recommendation of the Nominating Committee. Unless a Chair of the Committee is designated by the Board, the Committee may designate a Chair of the Committee by majority vote of the full Committee membership.

III. Meetings, Procedures and Authority

The Committee shall meet at least once during each fiscal quarter. The Committee shall meet separately, periodically, with management, the internal auditor (or other personnel responsible for the internal audit function), if any, and the independent auditor.

The Committee has the authority to establish its own rules and procedures for conduct of its meetings so long as they are not inconsistent with any provisions of the Company's bylaws that are applicable to the Committee.

The Committee may retain any independent counsel, experts or advisors that the Committee believes to be necessary or appropriate. The Company must provide for appropriate funding, as

determined by the Committee, for payment of compensation to the independent auditor for the purpose of preparing or issuing an audit report or performing other audit, review or attest services, for payment of compensation to any advisors employed by the Committee and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

In addition to the duties and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities consistent with this Charter, the purposes of the Committee, the Company's bylaws and applicable Nasdaq rules, as well as other duties that the Board may from time to time prescribe.

The Committee may conduct or authorize investigations into any matters within the scope of the duties and responsibilities delegated to the Committee, with full access to all books, records, facilities and personnel of the Company.

IV. Duties and Responsibilities

The Committee, in carrying out its responsibilities, believes its policies and procedures should remain flexible in order to best react to changing conditions and circumstances. The Committee will take appropriate actions to monitor the overall corporate "tone" for quality financial reporting, sound business risk practices and ethical behavior.

The following shall be the principal duties and responsibilities of the Committee. These matters are set forth as a guide with the understanding that the Committee may supplement them as appropriate.

Interaction with the Independent Auditor

1. *Appointment and Oversight.* The Committee is directly responsible for the appointment, compensation, retention and oversight of the work of the independent auditor and any other 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 (including resolution of any disagreements between Company management and the independent auditor or other registered public accounting firm regarding financial reporting), and the independent auditor and each such other registered public accounting firm must report directly to the Committee. The Committee shall have the sole authority to approve the hiring and firing of the independent auditors, all audit engagement fees and terms and all non-audit engagements, as may be permissible, with the independent auditors. The Committee must pre-approve any audit and non-audit service provided to the Company by the independent auditor, unless the engagement is entered into pursuant to appropriate preapproval policies established by the Committee ("**Preapproval Policies**") or if such service falls within available exceptions under SEC rules. Other than with respect to the annual audit of the Company's consolidated financial statements, the Chair of the Committee is authorized to pre-approve other audit services and non-audit services provided to the Company by the independent auditor on behalf of the Committee in accordance with the Preapproval Policies, and each such pre-approval decision will be presented to the full Committee at its next scheduled meeting.

2. *Audit Scope, Approach and Independence.* The Committee shall discuss with the independent auditors the overall proposed audit scope and plans for each annual audit. The Committee shall ensure that the independent auditor prepares and delivers, at least annually, a written statement delineating all relationships between the independent auditor and the

Company, shall actively engage in a dialogue with the independent auditor with respect to any disclosed relationships or services that, in the view of the Committee, may impact the objectivity and independence of the independent auditor, and, if the Committee determines that further inquiry is advisable, shall take appropriate action in response to the independent auditor's report to satisfy itself of the auditor's independence. The Committee shall periodically review the results and conclusions of the independent auditor's most recent internal quality-control review, peer review or inquiry or investigation by governmental or professional authorities. After reviewing the foregoing and the independence report and the independent auditor's work throughout the year, the Committee shall evaluate the auditors' qualifications, performance and independence. This evaluation should include the review and evaluation of the lead audit partner and take into account the opinions of management and the Company's personnel responsible for the internal audit function. The Committee shall determine that the independent auditor has a process in place to address the rotation of the lead audit partner and other audit partners serving the account as required under the SEC independence rules.

Annual and Quarterly Financial Statements and Annual Audit

3. With respect to the Company's audited financial statements and, as applicable, quarterly financial reports, the Committee shall:

- discuss with the independent auditor all matters required to be communicated to the Committee under generally accepted auditing standards, including the judgments of the independent auditor with respect to the quality, not just the acceptability, of the Company's accounting principles and underlying estimates in the financial statements;
- review and discuss with management and the independent auditor the significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, the adequacy of the Company's internal control over financial reporting, and any special remedial actions adopted in light of significant deficiencies or material weaknesses in internal control;
- review and discuss with management and the independent auditor the reports from the independent auditor covering (i) all critical accounting policies and practices to be used; (ii) all alternative treatments of financial information within generally accepted accounting principles ("**GAAP**") for policies and practices related to material items that have been discussed with management, including the ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the independent auditor; and (iii) other material written communications between the independent auditor and management;
- review and discuss, with management and the independent auditors, management's process for assessing the adequacy and effectiveness of the Company's internal controls.
- recommend to the Board whether the audited annual financial statements should be included in the Company's Annual Report on Form 10-K;
- oversee compliance with the requirements of the SEC for disclosure of auditor' services and Committee members, member qualifications and activities; and

- review, in conjunction with counsel, any legal matters that could have a significant impact on the Company's financial statements.

4. Audit Problems. The Committee shall discuss with the independent auditor any audit problems or difficulties and management's response.

5. Form 10-K Review. The Committee shall review and discuss the annual audited financial statements with management and the independent auditor, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

6. Audit Committee Report. The Committee shall provide the Company with the report of the Committee with respect to the audited financial statements for inclusion in each of the Company's annual proxy statements.

Quarterly Financial Statements

7. Form 10-Q Review. The Committee shall review and discuss the quarterly financial statements with management and the independent auditor, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Other Duties and Responsibilities

8. Review of Earnings Releases. The Committee shall discuss the Company's earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies.

9. Financial Information for Outside Constituents. The Committee shall review and discuss with management the presentation of any historical or prospective financial information prior to its release to outside constituents except that prior Committee review will not be required if (1) the historical or prospective financial information is consistent with previously publicly disclosed information, (2) the outside constituent is subject to confidentiality obligations or (3) disclosure of such information is required by applicable law, governmental inquiry, subpoena or other legal requirement and it is not feasible to obtain prior Committee review under the circumstances;

10. Risk Assessment and Risk Management. The Committee shall discuss and oversee the Company's policies and processes with respect to the management of major risk exposures that may affect the Company's financial statements, operations, reputation or business continuity, including but not limited to enterprise-level risk assessments, investment policies, insurance programs and the reliability and security (including cybersecurity) of its information systems and technology (other than risk exposures from regulatory and compliance risks delegated to the Nominating and Corporate Governance Committee for oversight and from compensation risks delegated to the Compensation Committee for oversight). The Committee shall discuss with management the steps management has taken to monitor and mitigate these risks.

11. Hiring of Independent Auditor Employees. The Committee shall set clear hiring policies for employees or former employees of the Company's independent auditor.

12. Complaint Procedures. The Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and for the confidential and anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.

13. Review of Related Person Transactions. The Committee shall review all related person transactions as defined by Item 404 of Regulation S-K on an ongoing basis and all such transactions must be approved or ratified by the Committee (regardless of the dollar amount thereof).

14. Information Technology and Cybersecurity. The Committee shall oversee and discuss with management the Company's policies and controls relating to information technology, management information systems, and cybersecurity.

15. Internal Audit Function. The Committee shall (i) consult with management about the need for an internal audit function and the establishment of such function when deemed appropriate, (ii) review and discuss with management, the independent auditor, and the senior internal auditor the scope of the internal audits and plans for the internal audit, including the adequacy of staffing and budget; (iii) review the appointment and replacement of the senior internal auditor; and (iv) review the reports and recommendations to management prepared by the internal auditing staff and management's responses to such reports.

16. Ethics Hotline. The Committee shall be made aware of any reports received through the Company's ethics hotline related to accounting, internal accounting controls, fraud or auditing matters and shall have authority to investigate each matter to the extent the Committee deems appropriate.

17. Reports to the Board of Directors. The Committee shall report regularly to the Board regarding the activities of the Committee.

18. Committee Self-Evaluation. The Committee shall periodically perform an evaluation of the performance of the Committee.

19. Review of this Charter. The Committee shall annually review and reassess this Charter and submit any recommended changes to the Board for its consideration.

V. Delegation of Duties

In fulfilling its responsibilities, the Committee is entitled to delegate any or all of its responsibilities to a subcommittee of the Committee.