

## NEURONETICS, INC.

### CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

#### **Purpose**

The purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Neuronetics, Inc. (the “Company”) is to assist the Board in its oversight of (1) the integrity of the Company’s accounting and financial reporting processes, systems of internal control over financial reporting and audits of financial statements, systems of disclosure controls and procedures, as well as the quality and integrity of the Company’s financial statements and reports, (2) the qualifications, independence and performance of the Company’s independent auditors (the “Auditors”), (3) the Company’s compliance with legal and regulatory requirements related to Financial Matters.

The policy of the Committee, in discharging these obligations, shall be to maintain and foster an open avenue of communication between the Committee, the Company’s Auditors and the Company’s financial management.

The “Public Effective Date” shall mean the date on which the Company becomes a public reporting company subject to the periodic reporting requirements of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and applicable rules and regulations of the Securities and Exchange Commission (the “SEC”).

#### **Organization**

The Committee shall consist of at least three (3) directors all of whom shall be independent, non-employee directors. All members of the Committee shall be directors who are able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement, and cash flow statement in satisfaction of the financial literacy requirements imposed by the SEC and by any stock exchange on which any class or series of the Company’s stock is listed, including any exceptions permitted by such requirements. At least one member of the Committee shall constitute a financial expert, as such term is defined by the rules of such stock exchange.

The members of the Committee shall be appointed by and serve at the discretion of the Board. Committee members shall serve until their successors are duly elected and qualified. Committee members may be removed, with or without cause, by the Board in its sole discretion. Further, resignation or removal of a Committee member from the Board for any reason shall automatically constitute resignation or removal, as applicable, from the Committee. Vacancies occurring on the Committee shall be filled by the Board. The Committee’s chair shall be designated by the Board or, if the Board fails to designate a chair, the Committee members shall elect a chair by vote of a majority of the members of the Committee. The Committee may form and delegate authority to one or more subcommittees as appropriate. Any decision of a subcommittee to preapprove audit or non-audit services shall be presented to the full Audit Committee at its next scheduled meeting. Delegation by the Committee to any subcommittee shall not limit or restrict the Committee on any matter so delegated, and, unless the Committee alters or terminates such delegation, any action by the Committee on any matter so delegated shall not limit or restrict future action by such subcommittee on such matters.

#### **Operating Principles and Processes**

In fulfilling its functions and responsibilities, the Committee should give due consideration to the following operating principles and processes:

- *Communication* – Regular and meaningful contact with the Board, members of senior management and independent professional advisors to the Board and its various committees, as applicable, shall be encouraged as a means of strengthening the Committee’s knowledge of relevant current and prospective corporate accounting and financial reporting issues.
- *Committee Education/Orientation* – Developing with management and participating in a process for systematic review of important accounting and financial reporting issues and trends in accounting and financial reporting practices that could potentially impact the Company shall be encouraged to enhance the effectiveness of the Committee.
- *Information Needs* – The Committee members shall communicate to the Chief Executive Officer of the Company or his or her designees the Committee’s expectations, and the nature, timing, and extent of any specific information or other supporting materials requested by the Committee for its meetings and deliberations.
- *Meeting Agendas* – Committee meeting agendas shall be the responsibility of the chairperson of the Committee with input from the Committee members and other members of the Board as well as, to the extent deemed appropriate by the chairperson, members of senior management and outside advisors.

### **Meetings**

The Committee shall meet as often as its members deem necessary or appropriate to perform its responsibilities, but not less than four times per year. The Committee may meet in person, by telephone or video conference and may take action by written consent. The Committee may request that any officer or employee of the Company or the Company’s outside counsel or Auditors attend any meeting of the Committee or meet with any members of, or consultants to, the Committee. Notice of all Committee meetings shall be given, and waiver thereof determined, in accordance with the notice and waiver of notice requirements applicable to the Board. The chairperson of the Committee shall report to the Board from time to time, or whenever so requested by the Board. Each member of the Committee shall have one vote. A majority of the members of the Committee shall constitute a quorum for the transaction of business. The Committee shall be authorized to take any permitted action only by the affirmative vote of the majority of the Committee members at any meeting at which quorum is present or by unanimous written consent of all of the Committee members. The Committee shall maintain appropriate minutes of all meetings, and each written consent to take action without a meeting, reflecting the actions so authorized or taken by the Committee. A copy of the minutes from each meeting of the Committee shall be distributed to each director of the Company, the Secretary, all members of the Committee and to the Board promptly after each meeting.

The Committee shall meet privately in executive session at least annually with the Company’s management and at least annually with the Auditors to discuss any matters that the Committee or either of these groups believes should be discussed.

### **Authority and Responsibilities**

The Committee shall oversee the Company's financial reporting process on behalf of the Board, shall have direct responsibility for the appointment, compensation, retention and oversight of the work of the Auditors and any other registered public accounting firm engaged for the purpose of performing other review or attest services for the Company. The Auditors and each such other registered public accounting firm shall report directly and be accountable to the Committee. The Committee's functions and procedures should remain flexible to address changing circumstances most effectively.

The Committee shall have authority to retain and determine compensation for, at the expense of the Company, special legal, accounting or other advisors or consultants as it deems necessary or appropriate in the performance of its duties. The Committee shall also have authority to pay, at the expense of the Company, ordinary administrative expenses (including expenditures for external resources) that, as determined by the Committee, are necessary or appropriate to carry out its duties. The Committee shall have authority to require that any of the Company's personnel, counsel, accountants (including the Auditors) or investment bankers, or any other consultant or advisor to the Company attend any meeting of the Committee or meet with any member of the Committee or any of its special, outside legal, accounting or other, advisors or consultants.

The Committee shall have the ultimate authority and responsibility to make decisions with respect to auditing services, internal control-related services and permitted non-audit services (including the terms thereof) to be performed for the Company by its Auditors. The Committee shall have the resources and authority appropriate to discharge its responsibilities and carry out its duties as required by law, including access to all books, records, facilities and personnel of the Company as deemed necessary or appropriate by any member of the Committee. Further, the Committee shall have the authority to engage outside auditors for special audits, reviews and other procedures and to engage independent counsel and other advisors, experts or consultants.

The Committee shall make reports to the Board with respect to its activities, including any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, or the performance and independence of the Company's Auditors at or prior to the next scheduled Board meeting following such Committee meeting. The report may take the form of an oral report by the chair of the Committee or any other member of the Committee designated by the Committee to make this report.

The operation of the Committee shall be subject to the Bylaws of the Company as in effect from time to time and Section 141 of the Delaware General Corporation Law. The approval of this charter by the Board shall be construed as a delegation of authority to the Committee with respect to the responsibilities set forth herein.

### **Financial Statement and Disclosure Matters**

The Committee, to the extent it deems necessary or appropriate, shall:

1. Review and discuss with management and the Auditors the annual audited financial statements to be included in the Company's Annual Report on Form 10-K, the quarterly financial statements to be reported in the Company's Quarterly Reports on Form 10-Q, the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and any other significant financial disclosures to be included in the SEC filings prior to release.

2. Review and discuss any significant disputes between management and the Auditors regarding financial reporting, accounting practices or policies or other matters, that individually or in the aggregate could be significant to the Company's financial statements or the Auditors' report, and to resolve any conflicts or disagreements regarding financial reporting.
3. Review and discuss with management and the Auditors 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.
4. Review and discuss earnings press releases, as well as financial information and earnings guidance provided to analysts and ratings agencies.
5. Review and discuss with management and the Auditors any major issues as to the adequacy of the Company's internal controls, any special steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting.
6. Review and discuss reports from the Auditors on:
  - a. all critical accounting policies and practices to be used;
  - b. all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Auditor; and
  - c. other material written communications between the Auditors and management, such as any management letter or schedule of unadjusted differences.
7. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
8. The Committee shall review any transaction between the Company and any related party in accordance with the Company's related party transaction policy.
9. The Committee shall review annually the effect of legal, regulatory and accounting initiatives on the Company's financial statements.
10. The Committee shall review annually the effect of off-balance sheet arrangements, if any, on the Company's financial statements.
11. Discuss with the Auditors the matters relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

## **Relationship with Auditors**

1. The Committee shall evaluate the qualifications, performance and independence of the Auditors, and shall have the ultimate responsibility for the appointment, compensation, evaluation and, when appropriate, replacement of the Auditors. The Committee shall also have the authority to take additional action deemed necessary to satisfy itself of the qualifications, performance and independence of the Auditor.
2. Prior to engagement of any prospective Auditors, the Committee shall review written disclosure by the prospective Auditors of all relationships between the prospective Auditors, or their affiliates, and the Company, or persons in financial oversight roles at the Company, that may reasonably be thought to bear on independence, and to discuss with the prospective Auditors the potential effects of such relationships on the independence of the prospective Auditors, consistent with Ethics and Independence Rule 3526, *Communication with Audit Committees Concerning Independence* (“Rule 3526”), of the Public Company Accounting Oversight Board (United States) (the “PCAOB”). The Committee shall determine and approve engagements of the Auditors to perform all proposed audit and non-audit services prior to the commencement of such engagements subject to the Audit Committee Pre-Approval Policy.
3. The Committee shall review the experience and qualifications of the senior members of the Auditor team. The Committee shall consider whether, in order to assure continuing Auditor independence, it is appropriate to adopt a policy of rotating the independent auditing firm on a regular basis. The Committee shall also have the authority to establish and amend, as appropriate, policies for the Company’s hiring of employees or former employees of Auditors who participated in any capacity in the audit of the Company. The Committee may also review with the Auditors any communications between the audit team and the audit firm’s national office respecting auditing or accounting issues presented by the engagement.
4. The Committee shall review the Auditors’ audit plan, including scope, staffing, locations, reliance upon management and general audit approach, and make any changes or modifications deemed necessary following such review.
5. The Committee shall review major changes to the Company’s auditing and accounting principles and practices as suggested by the Auditors or management and shall consider the Auditors’ judgments about the quality and appropriateness of the Company’s accounting principles as applied in its financial reporting.
6. The Committee shall discuss with the Auditors the Auditors’ judgment about the competence, performance, and cooperation of management.
7. The Committee shall discuss with management, their views as to the competence, performance, and independence of the Auditor.
8. The Committee shall, at least annually, receive and review written disclosures from the Auditors in compliance with Rule 3526 delineating all relationships between the Auditors or their affiliates and the Company, or persons in financial oversight roles at the Company, that may reasonably be thought to bear on independence, as well as any compensation or services that could affect the Auditors’ objectivity and independence, and to assess and otherwise take appropriate action to oversee the independence of the Auditors.

9. The Committee shall, at least annually, discuss with the Auditors the matters required to be discussed by Auditing Standard No. 16, Communications with Audit Committees, as amended, as adopted by the PCAOB (including any successor rule adopted by the PCAOB).

#### **Other Responsibilities and Compliance Oversight**

1. The Committee shall review with management and the Auditors, as appropriate, the results of the Auditors' review of the Company's quarterly financial statements and any disclosure from the Company's Chief Executive Officer and Chief Financial Officer to be made in connection with the certification of the Company's quarterly reports filed with the SEC, prior to public disclosure of quarterly financial information, if practicable, or filing with the SEC of the Company's Quarterly Report on Form 10-Q and any other matters required to be communicated to the Committee by the Auditors under the standards of the PCAOB. To review with management and the Auditors, to the extent appropriate, other relevant reports or financial information submitted by the Company to any governmental body or the public, including management certifications as required in Item 601(b)(31) of Regulation S-K and relevant reports rendered by the Auditors (or summaries thereof).
2. On an annual basis, the Committee shall review with the Board and the Company's counsel any legal matters that could have a significant impact on the organization's financial statements, the Company's compliance with applicable laws and regulations, and inquiries received from regulators or governmental agencies.
3. The Committee shall have the ultimate responsibility to establish and amend, as appropriate, procedures for (a) the confidential and anonymous submission by Company personnel of concerns with respect to questionable accounting, internal accounting controls and/or auditing matters, (b) the receipt and retention of complaints received by the Company with respect to accounting, internal accounting controls and/or auditing matters and (c) the treatment of such concerns and complaints.
4. The Committee shall discuss with management and the Auditors any correspondence with regulators or governmental agencies and any employee complaints or published reports that raise material issues regarding the Company's financial statements or accounting policies.
5. The Committee shall discuss with management and establish policies and procedures with respect to the Company's compliance with applicable laws and regulations related to taxes, as well as the Company's general financial management, including arranging for the determination of the fair market value of the Company or any or all classes of its outstanding securities.
6. The Committee shall have the authority to select, engage, compensate and evaluate independent financial analysts for the purpose of conducting a valuation analysis of the Company's common stock for 409A purposes and to make recommendations to the Board and Compensation Committee with respect to the appropriate option exercise price for options to purchase common stock of the Company.
7. The Committee shall also oversee the preparation of the report required by the rules of the SEC to be included in the Company's Annual Report on Form 10-K or proxy statement.

8. The Committee shall have the authority to oversee the Company's data privacy and cybersecurity policies and to engage personnel and/or outside service providers to ensure the integrity of the Company's computer and information systems.
9. The Committee shall have the authority to oversee the Company's compliance with domestic and international anti-bribery laws, including the Foreign Corrupt Practices Act, anti-money laundering law and export and import controls, and shall have the authority to engage personnel and/or outside service providers to ensure the Company's compliance therewith.
10. The Committee shall periodically review the Company's Insider Trading Compliance Policy and adherence to the policy,
11. The Committee shall periodically conduct a performance evaluation of the Committee and its members, including a review of adherence to this Charter, and on such basis as required by the rules of such stock exchange.
12. The Committee shall review the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
13. The Committee shall review and oversee related-party transactions as required by applicable laws or requirements of any stock exchange on which any of the Company's capital stock is listed.

The Committee shall investigate any matter brought to its attention within the scope of its duties including complaints received from internal and external sources, or compliance hotlines if, in the judgment of the Committee, such investigation is necessary or appropriate.

The Committee also may perform any other activities and have such powers as may be necessary or appropriate in the discharge of any of the foregoing, consistent with this Charter, the Company's bylaws and governing law.

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

The members of the Audit Committee are not employees of the Company, and they do not perform, or represent that they perform, the functions of management or the Auditors. 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 Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.

**EFFECTIVE DATE: JUNE 28, 2018**

**AMENDED: DECEMBER 9, 2020**