

BAR HARBOR BANKSHARES AUDIT COMMITTEE CHARTER

August 7, 2024

I. Purpose

The purpose of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Bar Harbor Bankshares (the “**Company**”) is to assist the Board in fulfilling its oversight responsibility relating to: (1) the Independent Registered Public Accounting Firm’s (“**Independent Auditor**”) qualifications, performance, and independence; (2) the integrity of the Company’s consolidated financial statements and system of internal controls; (3) the performance of the Company’s internal audit function (“**Internal Audit**”); and (4) the Company’s compliance with legal and regulatory requirements, including the Company’s disclosure controls and procedures.

In addition to the powers and responsibilities expressly delegated to the Committee in this charter (this “**Charter**”), the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with the bylaws of the Company (as may be amended from time to time, the “**Bylaws**”) and applicable law.

II. Composition of the Committee

Membership. The Committee shall be comprised of at least three directors (including the Committee Chair) as appointed annually by the Board on the recommendation of the Nominating and Corporate Governance Committee of the Board (the “**Nominating Committee**”).

Independence. Each member of the Committee shall be independent, as defined and to the extent required under the applicable listing rules of the NYSE American LLC (the “**NYSE**”), the listing rules or standards of any other securities exchange or association on which the Company’s securities are traded, Section 10A(m)(3) of the U.S. Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and Rule 10A-3(b)(1) of the rules and regulations of the U.S. Securities and Exchange Commission (the “**SEC**”) adopted under the Exchange Act, each as they may be amended from time to time, for purposes of audit committee membership.

Limitations on other activities. No member of the Committee shall have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the three years prior to appointment to the Committee.

Financial literacy, financial sophistication, and audit committee financial expert. All members of the Committee must, upon appointment to the Committee, be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement, and cash flow statement. In addition, (i) at least one member of the Committee must be financially sophisticated in accordance with the NYSE rules, and thus must have past employment experience in finance or accounting, the requisite professional certification in accounting, or any other comparable experience or background which results in such member’s financial sophistication, including being or having been a chief executive officer, chief financial officer, or other senior officer with financial oversight responsibilities and (ii) at least one

member of the Committee shall qualify as an “audit committee financial expert” as defined in the SEC rules. A person who satisfies the definition of “audit committee financial expert” will be presumed to be financially sophisticated for NYSE purposes.

At least two members of the Committee shall have “banking or related financial expertise.” A person will be considered to have such required expertise if the person has significant executive, professional, educational, or regulatory experience in financial, auditing, or banking matters, as determined by the Board. A person who has the attributes of an “audit committee financial expert” as defined by the SEC’s rules will also be deemed to have “banking or related financial expertise.”

Board determination. The appointment of members to the Committee, the determination of the independence of each Committee member, the determination of the financial literacy of each Committee member, and the designation of one or more Committee members as financially sophisticated and an “audit committee financial expert” shall be made by the Board on an annual basis, or more frequently if necessary. The Board, on the recommendation of the Nominating Committee, shall fill any vacancies on the Committee as they occur, and the Board may remove any member of the Committee at any time with or without cause.

III. Duties and Responsibilities

The Committee shall have the following authority and responsibilities:

Independent Registered Public Accounting Firm

- **Overall authority.** The Committee has the sole authority and direct responsibility for the appointment, compensation, retention, termination (if necessary), and oversight of the work of the Company’s Independent Auditor engaged by the Company for the purpose of preparing or issuing an audit report or performing other audit, review, or attest services for the Company. The Independent Auditor shall be accountable to and report directly to the Committee. The Committee’s authority includes resolution of any disagreements between management and the Independent Auditor regarding financial reporting, and the receipt of communications from the Independent Auditor as may be required under professional standards applicable to the Independent Auditor.
- **Terms of audit and non-audit engagements.** The Committee must pre-approve all audit, review, attest, and permissible non-audit services (including any permissible internal control-related services) to be provided to the Company or its subsidiaries by the Independent Auditor, subject to any de minimis exceptions for non-audit services described in the Exchange Act and SEC rules thereunder which are approved by the Committee prior to the completion of the audit. Such pre-approval shall include pre-approval of the fees and other terms for such services and the engagement letter for such services. The Committee may establish pre-approval policies and procedures in compliance with applicable SEC rules, and when appropriate the Committee may form and/or delegate authority to subcommittees consisting of one or more members of the Committee or the Committee Chair, including the authority to grant pre-approvals of audit and permissible non-audit services, provided that the decisions of such subcommittee to grant pre-approvals shall be

reported to the Committee at its next scheduled meeting.

- ***Annual quality control report and review.*** At least annually, the Committee shall obtain and review a report by the Independent Auditor that describes:
 - the Independent Auditor’s internal quality-control procedures; and
 - any material issues raised by the most recent internal quality-control review, or peer review, of the Independent Auditor, or by any review, inquiry, or investigation by the U.S. Public Company Accounting Oversight Board (the “PCAOB”) or any other governmental or professional authority, within the preceding five years, with respect to one or more independent audits carried out by the Independent Auditor, and any steps taken to address any such issues.

In addition, the Committee’s annual review of the Independent Auditor’s qualifications shall include a review and evaluation of the qualifications, performance, and independence of the lead partner of the Independent Auditor for the Company’s account, and the Committee shall oversee the regular rotation of the lead audit partner and other audit partners as required under the SEC independence rules.

- ***Independence of Independent Auditor.*** At least annually, the Committee shall obtain from the Independent Auditor all written statements and other communications relating to its independence from the Company that are required under the then-applicable rules governing the Independent Auditor. Such written statements shall include a description of all relationships between the Independent Auditor or any affiliate of the Independent Auditor and the Company or persons in financial reporting oversight roles at the Company that may reasonably be thought to bear on independence, and an affirmation of independence by the Independent Auditor, to the extent required by PCAOB rules. The Committee shall actively engage in a dialogue with the Independent Auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the Independent Auditor, and the Committee shall take, or recommend that the Board take, appropriate action to oversee the independence of the Independent Auditor.
- ***Hiring former auditors.*** The Committee has the sole authority to set Company hiring policies for employees or former employees of the Independent Auditor.

Financial Statement and Disclosure Matters

Annual Financial Reporting

As often and to the extent the Committee deems necessary or appropriate, but at least annually in connection with the audit of each fiscal year’s financial statements, the Committee shall:

- ***Annual audit plan.*** Prior to the commencement of the annual audit, meet with the Independent Auditor and management to review the annual audit plan, including the

proposed scope, staffing, locations, reliance upon management and any internal audit work, and the general audit approach and procedures to be utilized.

- ***Review and discuss audited financial statements and internal control reports.*** Review and discuss with management, the internal auditor (the “**Internal Auditor**”), and the Independent Auditor:
 - the audited annual financial statements to be included in the Company’s Annual Report on Form 10-K and the results of the Independent Auditor’s audit of such financial statements, including a review and discussion of related accounting and auditing principles and practices and significant issues, matters, changes, developments, uncertainties, unusual transactions, estimates, and judgments reflected in the audited annual financial statements; and
 - management’s assessment of internal control over financial reporting and the related report thereon, and any required attestation on internal control over financial reporting to be included in the Company’s Annual Report on Form 10-K, as required by SEC rules.
- ***Auditing Standard review.*** Review and discuss with the Independent Auditor the matters required to be discussed by the PCAOB relating to communications with audit committees and 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.
- ***Critical accounting policy report review.*** Before the filing of any audit report, the Committee shall request, review, and discuss the report or update from the Independent Auditor required pursuant to SEC rules, including:
 - all critical accounting policies and practices to be used in preparing the financial statements;
 - all alternative treatments within generally accepted accounting principles (“**GAAP**”) for policies and practices relating 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
 - other material written communications between the Independent Auditor and management, such as any management letter or schedule of unadjusted differences.
- ***Internal control over financial reporting.*** Review and discuss with the Independent Auditor and management:
 - the design and effectiveness of the Company’s internal control over financial reporting; and
 - any significant deficiencies or material weaknesses in that internal control, any change that has materially affected or is reasonably likely to materially affect that internal control (including special steps adopted in light of such deficiency or

weakness), and any fraud (whether or not material) that involves management or other employees who have a significant role in that internal control, in each case that has been reported to the Committee.

The Committee shall also obtain from the Independent Auditor periodic assurances that the Independent Auditor is complying with all provisions of applicable law which require the Independent Auditor, if it detects or becomes aware of any illegal act, to ensure that the Committee is adequately informed and to provide a report if the Independent Auditor has reached specified conclusions with respect to such illegal acts.

- ***Other items.*** The Committee also undertakes the following activities to the extent it deems necessary or appropriate:
 - discuss with the Independent Auditor material issues on which the Company’s audit team consulted the Independent Auditor’s national office; and
 - review and discuss with the appropriate members of management and the Independent Auditor the disclosures included in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” to be included in the Company’s Annual Report on Form 10-K.
- ***Legal and ethical compliance review.*** Review with the Company’s management and counsel any legal matters that may have a material impact on the financial statements or the Company’s compliance policies.
- ***Recommend whether the audited financial statements should be filed with the Annual Report on Form 10- K, and prepare the related report for the annual definitive proxy statement on Schedule 14A.*** Based on the above reviews and discussions with management and the Independent Auditor, recommend to the Board whether the audited financial statements shall be included in the Company’s Annual Report on Form 10-K for the last fiscal year for filing with the SEC, and prepare the Committee report related thereto for inclusion in the Company’s definitive annual proxy statement on Schedule 14A. In addition, provide any other disclosures regarding the Committee as may be required under SEC rules and regulations.

Quarterly financial reporting

As often and to the extent the Committee deems necessary or appropriate, but at least quarterly in connection with the review of each fiscal quarter’s financial statements, the Committee shall:

- ***Quarterly review.*** Review and discuss with management and the Independent Auditor the quarterly financial statements to be included in the Company’s Quarterly Report on Form 10-Q and the results of the Independent Auditor’s review of such financial statements, including a review and discussion of the quality and acceptability of the accounting principles applied in the financial statements; new or changed accounting policies and significant estimates, judgments, uncertainties or unusual transactions; the selection,

application, and effects of critical accounting policies and estimates applied by the Company; and any off-balance sheet transactions with any unconsolidated entities or any other person that may have a material current or future effect on the financial condition or results of the Company that are required to be reported under SEC rules. The Committee shall also discuss any other matters required to be communicated to the Committee by the Independent Auditor under PCAOB rules.

- ***Other items.*** The Committee also undertakes the following activities to the extent it deems necessary or appropriate:
 - discuss with the Independent Auditor material issues on which the Company’s audit team consulted the Independent Auditor’s national office; and
 - review and discuss with the appropriate members of management and the Independent Auditor the disclosures included in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” to be included in the Company’s Quarterly Report on Form 10-Q.
- ***Legal and ethical compliance review.*** Review with the Company’s management and counsel any legal matters that may have a material impact on the financial statements or the Company’s compliance policies.

Internal Audit

In a manner that the Committee deems appropriate to fulfill its duties and responsibilities, the Committee shall:

- Approve the appointment, replacement, and compensation of the Internal Auditor who will report directly to the Committee.
- Annually review the performance, independence, and compensation of the Internal Auditor.
- Review periodic reports from the Internal Auditor regarding the activities of Internal Audit, including its responsibilities, staffing, budget, and quality control procedures.
- Review and approve the Internal Auditor’s proposed annual internal audit plan, risk assessment used in developing the annual audit plan, and periodic reports on the status of and changes to the annual internal audit plan.
- Discuss with the Internal Auditor the results of internal audit activities, including updates on the progress of remediation efforts required to address significant items raised by such activities.
- Approve assurance and consulting services performed by outsourced vendors, if applicable, used to complete the annual audit plan.

Compliance with Legal and Regulatory and Other Requirements

In a manner that the Committee deems appropriate to fulfill its duties and responsibilities, the Committee shall:

- Receive from the Internal Auditor, periodically, and from management, as appropriate, communications and presentations on significant operating and control issues in internal audit reports, management letters, and regulatory authorities' examination reports, and on the initiation and status of significant special investigations; and initiate such other inquiries into the affairs of the Company as it deems appropriate.
- The Committee shall establish, maintain, and oversee procedures for:
 - the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters;
 - and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- Pursuant to the NYSE listing standards, discuss with management guidelines and policies to govern the process by which risk assessment and risk management are undertaken, including the assessment of the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.
- The Committee shall discuss in advance with management the Company's practices with respect to the types of accounting and financial information or guidance to be disclosed and the types of presentations to be made in earnings press releases, investor presentations or any guidance provided to rating agencies or other third parties, including the use of any "pro forma" or "adjusted" non-GAAP financial measures. Such discussions may be conducted generally as to types of information, guidance, or presentations, and need not include advance review of each release, presentation, or other information or guidance.
- The Committee shall conduct an appropriate review and oversight of all related-party transactions for potential conflict of interest situations on an ongoing basis (except where such review and oversight of a particular related party transaction is specifically delegated by the Board to another independent body of the Board), with the Company's policy being that the Company will not knowingly enter into a related party transaction unless the Committee or another independent body of the Board first reviews and approves the transaction. For purposes hereof, the term "related-party transactions" refers to transactions required to be disclosed pursuant to Item 404 of SEC Regulation S-K, and includes transactions between the Company and executive officers, directors, director nominees, and beneficial owners of more than 5% of any class of the Company's voting securities, as well as immediate family members of such persons.

IV. Miscellaneous

Committee access and information. In order to carry out the Committee's purposes, duties, and responsibilities, the Committee is authorized at all reasonable times to have full access to all books, records, and facilities of the Company, and to have direct, independent, and confidential access to the Independent Auditor and to the Company's other directors, management, and personnel. The Committee is authorized to conduct or authorize investigations into any matters (including possible fraud, whether or not material) relating to the purposes, duties, or responsibilities of the Committee.

Committee advisers and funding. The Committee has the sole authority to select, engage (including approval of the fees and terms of engagement), oversee, terminate, and obtain advice and assistance from independent legal, accounting, or other advisers or consultants, as the Committee determines necessary to carry out its duties. The Company shall provide for appropriate funding, as determined by the Committee, for payment of (i) compensation to the Independent Auditor; (ii) compensation to any advisers or consultants engaged or employed by the Committee; and (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

Limitation of the Committee's Role. 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 GAAP and applicable rules and regulations. These are the responsibilities of management and the Independent Auditor. In addition, it is not the duty of the Committee to conduct investigations or to ensure compliance with laws and regulations.

V. Structure and Operations

The Committee shall meet at least quarterly at such times and places as it deems necessary to fulfill its responsibilities. Any member of the Committee or the Board may call a meeting of the Committee. The Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

The Committee shall maintain written minutes of its meetings and copies of its actions by written consent, and will cause such minutes and copies of written consents to be filed with the minutes of the meetings of the Board.

The Committee may invite such members of management to its meetings as it deems appropriate.

The Committee shall review this Charter at least annually and recommend any proposed changes to the Board for approval.

VI. Delegation of Authority

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion. Any such subcommittee shall report any actions taken by it to the full Committee at its next regularly scheduled meeting.

VII. Performance Evaluation

The Committee shall conduct an annual evaluation of the performance of its duties under this Charter and shall present the results of the evaluation to the Board. The Committee shall conduct this evaluation in such manner as it deems appropriate.

VIII. Publication

The Company shall make this Charter freely available to the Company's shareholders on request and, provided that the Company is subject to the periodic reporting requirements of the Exchange Act, shall publish it on the Company's website.