

## **BIRKS GROUP INC.**

### **AUDIT AND CORPORATE GOVERNANCE COMMITTEE CHARTER**

#### **I. PURPOSE**

The primary purpose of the Audit and Corporate Governance Committee (the "Committee") of Birks Group Inc. (the "Corporation") is to provide assistance to the Board of Directors (the "Board") in fulfilling their oversight responsibility relating to: (a)(i) the accounting and financial reporting process and the internal control system of the Corporation, (ii) the quality and integrity of the Corporation's financial statements, (iii) the Corporation's compliance with legal and regulatory requirements, (iv) the independent auditor's qualifications and independence (v) the performance of the Corporation's internal audit function and independent auditors, and (b) to oversee all aspects of the Corporation's corporate governance policies and recommend improvements.

1. Audit. In addition to the purpose of the Committee as set forth above and the responsibilities and authority vested in the Committee under Rule 10A-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Committee's primary audit duties and responsibilities are to:

- (a) Ensure its receipt from the outside independent auditors of a formal written statement delineating all relationships between such auditor and the Corporation, consistent with applicable requirements of the Public Company Accounting Oversight Board (the "PCAOB").
- (b) Actively engage in a dialogue with the auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the outside auditor.
- (c) Oversee that management has established and maintained processes to assure compliance by the Corporation with all applicable laws and regulations and corporate policy that relate to the Corporation's financial statements and recommend that the Board take such action relative to such processes as it deems appropriate.
- (d) Take appropriate action to oversee the independence of the outside auditor.

The Committee will primarily fulfill these responsibilities by carrying out the activities enumerated in Section IV of this Charter.

2. Corporate Governance: In addition to the purpose of the Committee as set forth above, the Committee's primary corporate governance duties and responsibilities are to:

- (a) Develop and review periodically, and at least annually, the corporate governance policies of the Corporation to ensure that they are appropriate for the Corporation and comply with applicable laws, regulations and listing standards, and recommend desirable changes to such policies to the Board.
- (b) Consider such other corporate governance issues that arise from time to time, and make appropriate recommendations to the Board as it may deem advisable.
- (c) Develop with management and participate in a process for the systematic review of important corporate governance issues, changes in the law and trends in corporate governance practices that could potentially impact the Corporation.
- (d) Consider such other corporate governance issues and make appropriate recommendations to the Board as it may deem advisable.
- (e) Review from time to time the Corporation's Code of Conduct for its directors, officers and employees and make such recommendations to the Board as it shall deem advisable in order to maintain such code in accordance with applicable law.
- (f) Be responsible for oversight and review of all related party transactions.
- (g) Maintain regular and meaningful contact throughout the year with the Chairman of the Board, other committee chairpersons, members of senior management and independent professional advisors to the Board and its various committees, to strengthen the Committee's knowledge of relevant current and prospective corporate governance issues.
- (h) Review and update the Company's Disclosure Policy at least annually.

## **II. COMPOSITION**

The Committee shall be comprised of three or more directors as determined by the Board, each of whom shall be independent as defined in accordance with the Section 803A of the NYSE American LLC Company Guide (the "Exchange") (or any similar rule of any such exchange on which the Corporation's stock shall be listed in the future), Rule 10A-3 under the Exchange Act and the Sarbanes-Oxley Act of 2002 (the "Act") and the rules promulgated thereunder. Each member 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. Additionally, each member must not have participated in the preparation of the financial statements of the Corporation or any current subsidiary of the Corporation at any time during the past three years.

All members of the Committee shall at the time of appointment have a working familiarity with basic finance and accounting practices and an ability to read and understand fundamental financial statements, including a company's balance sheets, income statement, and cash flow statement. At least one member of the Committee shall be an "audit committee financial expert", as defined by Securities and Exchange Commission ("SEC") rules, and shall have past

employment experience in finance or accounting, requisite professional certification(s) in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including but not limited to being or having been a chief executive officer, chief financial officer, other senior officer with financial oversight responsibilities, or an active participant on one or more public company audit committees. Committee members may enhance their familiarity with finance and accounting by participating in educational programs conducted by the Corporation or an outside consultant.

Committee members shall not serve on more than three audit committees of public companies simultaneously unless the Board determines that it does not believe that such service would impair the member's ability to effectively serve on the Committee.

The members of the Committee shall be elected by the Board at the annual meeting of the Board or until their successors shall be duly elected and qualified. Unless a Chair of the Committee is elected by the full Board, the members of the Committee may designate a Chair of the Committee by majority vote of the full Committee membership. The Committee may form and delegate authority to subcommittees comprised of one or more members, including the authority to grant pre-approvals of audit and non-audit services, provided that decisions of such subcommittees to grant pre-approvals shall be presented to the full Committee at its next scheduled meeting.

### **III. MEETINGS**

A majority of the Committee shall constitute a quorum, and the actions of a majority of the members of the Committee present at any meeting at which a quorum is present, or actions unanimously adopted in writing without holding a meeting, shall be the acts of the Committee. The Chair of the Committee shall report to the Board of Directors following the meetings of the Committee. The Committee may ask members of management or others to attend any meetings and provide pertinent information as necessary. The Committee shall meet at least quarterly or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee shall meet at least annually with management, the director of the internal auditing department and the independent auditors in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately. In addition, the Committee should meet with the independent auditors and management periodically to review the Corporation's financials consistent with Section IV.4. below.

### **IV. AUDIT RESPONSIBILITIES AND DUTIES**

To fulfill its audit responsibilities and duties, the Committee shall:

## DOCUMENTS/REPORTS REVIEW

1. Review and reassess the adequacy of this Charter, and if necessary, update this Charter, on at least an annual basis or more frequently as conditions dictate.
2. Review and comment upon the Corporation's annual financial statements and any reports or other financial information submitted to any governmental body or the public, including the internal control report to be included in the Corporation's annual report in accordance with the Act and rules promulgated thereunder, as well as any certification, report, opinion, or review rendered by the independent auditors.
3. Review the regular internal reports to management prepared by the internal auditing department and management's responses.
4. Review with financial management and the independent auditors the Forms 6-K and 20-F and earnings press releases and earnings guidance provided to analysts and ratings agencies prior to filing or prior to the release of earnings.
5. Conduct or authorize investigations into any matters within the Committee's scope of responsibility.
6. Retain and determine appropriate funding needed by the Committee for payment of: (1) compensation to the independent auditors engaged for the purpose of preparing or issuing audit reports or performing other audit, review, or attest services for the Corporation; (2) compensation to any advisers employed by the Committee; and (3) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties, including the conduct of any investigation, or to discuss matters that may have a significant impact on the Corporation, including those matters that may affect its financial reporting, auditing procedures, or compliance policies and programs.

## INDEPENDENT AUDITORS

7. Select and retain, evaluate, oversee, determine appropriate funding for and, where appropriate, discharge and replace the Corporation's independent auditors engaged for the purposes of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation (or nominate the independent auditor to be proposed for stockholder ratification in any proxy statement), considering independence and effectiveness. The independent auditor must report directly to the Committee.
8. Confirm that the independent auditors satisfy the auditing, quality control, ethics and independence requirements of the Act (and of the accounting board created pursuant to the Act), the rules of the SEC and, if applicable, the rules of the Exchange.
9. On an annual basis, obtain from the independent auditors a formal written statement delineating all relationships between the independent auditor and the Corporation, consistent with applicable requirements of the PCAOB, and review and discuss with the

auditors all significant relationships the independent auditors have with the Corporation to determine the auditor's independence.

10. Actively engage in dialogue with the independent auditors with respect to any disclosed relationships or services that may affect the objectivity and independence of the auditors and take, or recommend that the full Board take, appropriate action to oversee the independence of the independent auditors.
11. Periodically consult with the independent auditors out of the presence of management about internal controls and the fullness and accuracy of the Corporation's financial statements.
12. Ensure that the independent auditors do not provide to the Corporation any non-audit services, the provision or receipt of which is prohibited by the Act or the rules of the SEC under the Act.
13. Approve in writing in advance any provision by the independent auditors to the Corporation of any non-audit services the provision of which is not prohibited by the Act or the rules of the SEC under the Act. The Committee does not have to pre-approve non-audit services provided that (i) the fees for all such services do not aggregate to more than five percent of total fees paid by the Corporation to the independent auditors in the fiscal year when services are provided; (ii) such services were not recognized as non-audit services at that time of engagement; and (iii) such services are promptly brought to the attention of the Committee and approved by the Committee prior to the completion of the audit.
14. At least annually, obtain a verbal or written report by the independent auditors describing (i) their firm's internal quality control procedures; and (ii) any material issues raised by the most recent internal quality control review, or peer review, of their firm, or by any inquiry or investigation by governmental or professional authorities, within the last five years, respecting one or more independent audits carried out by the firm, and any steps taken to address any such issues.
15. Meet with the independent auditors and discuss the role of the Committee, the fact that the independent auditors report to the Committee, and the form and content of the report to be delivered to the Committee.
16. Set policies for the hiring by the Corporation of employees or former employees of the independent auditors.
17. The Committee shall determine that the independent auditors have 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.

## FINANCIAL REPORTING PROCESSES

18. In consultation with the independent auditors and the internal auditors, review the scope of the audit and the integrity of the Corporation's financial reporting processes, both internal and external.
19. Consider the independent auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.
20. Consider and recommend for approval, or if appropriate, approve, major changes to the Corporation's auditing and accounting principles and practices as suggested by the independent auditors, management or the internal auditing department.
21. Discuss with management, the internal auditors, and the independent auditors (i) management's process for evaluating its disclosure controls and procedures and (ii) any changes in internal control over financial reporting.

## PROCESS IMPROVEMENT

22. Establish regular and separate systems of reporting to the Committee by each of management, the independent auditors and the internal auditors regarding any significant judgments made in preparation of the financial statements and the view of each as to appropriateness of such judgments.
23. Following completion of the annual audit, review separately with each of management, the independent auditors and the internal auditing department any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
24. Review any significant disagreement among management and the independent auditors or the internal auditing department in connection with the preparation of the financial statements.
25. Review with the independent auditors, the internal auditing department and management the extent to which changes or improvements to financial or accounting practices, as approved by the Committee, have been implemented.
26. Establish procedures for (i) receiving, retaining and responding to complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, and (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters. Such procedures are attached hereto as Exhibit A.

## ETHICAL AND LEGAL COMPLIANCE

27. Ensure that management has the proper review system in place to ensure that the Corporation's financial statements, reports and other financial information disseminated to governmental organizations and the public satisfy legal requirements.
28. Review the Corporation's policies with respect to risk assessment and risk management, including data privacy and security and information technology, as well as the risk of fraud. Discuss any major financial risk exposures and the steps management has taken to monitor and control such exposures.
29. The Committee shall review the Corporation's compliance and ethics programs, including consideration of legal and regulatory requirements, and shall review with management its periodic evaluation of the effectiveness of such programs. The Committee shall review the Corporation's code of conduct and programs that management has established to monitor compliance with such code.
30. Review the adequacy of the Corporation's whistleblower policies regarding the reporting and prevention of corporate misconduct and anti-retaliation policies to encourage submission by employees of the Corporation of concerns regarding compliance with any laws applicable to the Corporation. The Committee shall receive any corporate attorneys' reports of evidence of a material violation of securities laws or breaches of fiduciary duty by the Corporation.
31. Review proposed material, significant, complex, and/or unusual transactions, the business rationale, approval, and monitoring of such transactions, the integration of target companies, and the effect of transactions on the financial statements.
32. Review activities, organizational structure, and qualifications of the internal audit department.
33. Perform an evaluation of its performance at least every two (2) years to determine whether the Committee is functioning effectively (conducted at the same time as the overall board self-assessment).
34. Review, with the Corporation's counsel, any legal matters, that could have a significant impact on matters within the scope of the Committee.
35. Perform any other activities consistent with this Charter, the Corporation's By-laws and governing law, as the Committee or the Board deem necessary or appropriate.

The Committee shall have unrestricted access to the Corporation's personnel and documents and will be given the resources necessary to operate under this Charter as determined by the Committee, including the authority to engage independent counsel and other advisers, as it determines necessary to carry out its duties.

## **V. LIMITATION ON THE COMMITTEE'S ROLE**

Although 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 and disclosures are complete and accurate and are in accordance with GAAP and applicable rules and regulations, which is the responsibility of management and the independent auditor.



**BIRKS GROUP INC.**

**PROCEDURES FOR COMPLAINTS AND CONCERNS REGARDING  
ACCOUNTING, INTERNAL ACCOUNTING CONTROLS,  
AND AUDITING MATTERS**

The Audit and Corporate Governance Committee of the Board of Directors (the "Committee") of Birks Group Inc. (the "Company") has established the procedures set forth below for the receipt, retention, and treatment of complaints received by the Company regarding accounting matters, internal accounting controls, or auditing matters and for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

**1. Statement of Policy.**

It is the policy of the Company to encourage any person who has a reasonable basis for a complaint or concern regarding Company accounting matters, internal accounting controls, or auditing matters to promptly submit that complaint or concern to the Committee.

**2. Submission of Complaints.**

Any person ("Complainant") who has a complaint or concern (a "Complaint") regarding the Company's accounting, internal accounting controls, or auditing matters, may submit a Complaint by an on-line report on the EthicsPoint website at [www.birksgroup.ethicspoint.com](http://www.birksgroup.ethicspoint.com) or submit a Complaint by phone EthicsPoint - Alertline ("Alertline") at 1-800-824-6977.

Alertline, an independent third party, will monitor the submissions and forward them to the Committee. The Complainant should provide as much detailed information as possible to assist with any investigation. In this regard, the Company encourages Complainants to provide their contact information, but the Complainant may instead submit a Complaint on an anonymous basis. If a Complaint is not submitted anonymously, the Company will protect the Complainant's confidentiality from unnecessary disclosure. The Complainant can file a Complaint without fear of reprisal or retaliation, unless the Complainant knowingly files a false Complaint.

**3. Treatment of and Response to Complaints.**

After the Committee or one of its members receives a Complaint, the Committee shall appoint an investigating officer (the "Investigating Officer") to promptly review the Complaint and conduct an investigation of the allegations contained therein. The Investigating Officer shall be authorized to take any and all action reasonably necessary to conduct a thorough investigation, including without limitation, conferring with the entire Committee, consulting with the Company's independent auditors and seeking advice from outside counsel. The Investigating Officer shall present his or her findings and recommendations to the Committee. The Committee shall then determine what corrective action, if any, will be taken with respect to the Complaint based on the findings and recommendations of the Investigating Officer.

**4. Retention of Complaints.**

The Committee shall maintain a record of every Complaint submitted to it in accordance with these procedures. The record of submissions by employees will be confidential.

**5. Distribution of Procedures.**

A copy of these procedures shall be distributed to all employees of the Company and shall be included in the Company's employee handbook.