

## REE AUTOMOTIVE LTD.

### CORPORATE GOVERNANCE GUIDELINES

The following Corporate Governance Guidelines have been approved and adopted by the Board of Directors (the "**Board**") of REE Automotive Ltd. and its subsidiaries (collectively, "**REE**"), and along with the charters and key practices of the committees of the Board, in order to provide the framework for the governance of REE.

#### I. MISSION AND RESPONSIBILITIES OF THE BOARD

The mission of the Board is to oversee the performance of the Chief Executive Officer (the "**CEO**") and other members of executive management, and to ensure that the best interests of shareholders are being served. To satisfy this responsibility, the Board is expected to:

1. review, and where appropriate, approve and evaluate the financial and business strategies, major corporate actions and internal controls of REE;
2. regularly monitor the effectiveness of management policies and decisions, including the execution of REE's strategies;
3. select, evaluate and compensate the CEO and other members of executive management and review management succession planning;
4. assess major risks facing REE and review options for their mitigation; and
5. seek to ensure that REE's business is conducted with the highest standards of ethical conduct and in conformity with applicable laws and regulations.

In addition to fulfilling its primary mission, the Board should maintain a sense of responsibility to REE's business partners, employees and the communities in which REE operates its business.

#### II. DIRECTOR QUALIFICATIONS AND SELCTION; BOARD STRUCTURE

##### A. Independence and Other Qualifications

A majority of the members of the Board must meet the criteria of independence required by The Nasdaq Stock Market ("**Nasdaq**"). No director will qualify as independent unless the Board affirmatively determines that such director is independent.

The Board is also responsible for annually reviewing with the Board the requisite skills and characteristics required for new directors, as well as the composition of the Board as a whole. This review will focus, among other things, on the following areas of

Board composition: (i) diversity, age, background, skills and experience; (ii) personal qualities and characteristics, accomplishments and reputation in the business community; (iii) knowledge and contacts in the communities in which REE conducts business; (iv) ability and willingness to devote time to serve on the Board and its committees; (v) knowledge and expertise in various activities deemed relevant by the Board; and (vi) fit of the individual's skills, experience and personality with those of other directors to maintain an effective and responsive Board.

## **B. Board Size**

The number of directors on the Board must be no less than three (3) and no more than eleven (11), including any external directors required to be appointed under the Israeli Companies Law, 5759-1999 (the "**Companies Law**"). The minimum and maximum number of directors may only be changed by resolution adopted at an annual general meeting or special general meeting of shareholders by (i) so long as Class B Ordinary Shares remain outstanding, a majority of the total voting power of shareholders and (ii) if no Class B Ordinary Shares remain outstanding, at least 65% of the total voting power of shareholders

## **C. Annual Review of Nomination of New Directors**

The appropriate skills and characteristics required of directors in the context of the current make-up of the Board and any perceived needs will be reviewed on an annual basis. The Board itself will be ultimately responsible for selecting its own members and nominating them for election by shareholders.

The Board may appoint new directors to fill vacancies (whether such vacancy is due to a director no longer serving or due to the number of directors serving being less than the maximum required in REE's amended and restated articles of association). The term of a director appointed by the Board to fill any vacancy will be for the remaining term of office of the director(s) whose office(s) has been vacated.

## **D. Election and Re-election of Directors**

Commencing with the annual general meeting of REE's shareholders to be held in 2022, each director, shall be elected to hold office until the annual general meeting next succeeding his or her election, unless the tenure of such director expires earlier pursuant to the Companies Law or unless removed from office by a resolution adopted by REE's shareholders at a general meeting of REE's shareholders in accordance with REE's amended and restated articles of association. Notwithstanding anything to the contrary, each director shall serve until his or her successor is elected and qualified or until such earlier time as such director's office is vacated. The Board will propose a slate of nominees to the shareholders for election to the Board at such annual general meeting of the shareholders.

## **E. Invitation to Join the Board**

The invitation to join the Board should be extended on behalf of the Board, by the Chairman of the Board.

## **III. BOARD LEADERSHIP AND TERM**

### **A. CEO and Chairman of the Board**

In accordance with the Companies Law, the CEO may not serve as the Chairman of the Board unless approved by a special majority of shareholders. However, if the roles of CEO and Chairman of the Board are held by the same person and this arrangement was approved by REE's shareholders prior to the closing of the merger with 10X Capital Venture Acquisition Corp. (the "**Closing**") and is described in REE's related prospectus, shareholder approval is only required upon the lapse of the fifth anniversary of the Closing.

### **B. Lead Director**

If the CEO serves as the Chairman of the Board or if the Chairman of the Board is not independent, the non-management members of the Board must designate an independent director to act as the Lead Director.

The Lead Director's responsibilities include the following:

1. Presiding over all meetings of the Board at which the Chairman is not present, including executive sessions of the independent directors;
2. Serving as a liaison between the Chairman and the independent directors;
3. Approving information sent to the Board;
4. Approving meeting agendas for the Board;
5. Approving meeting schedules to ensure that there is sufficient time for discussion of all agenda items;
6. Having the authority to call meetings of the independent directors; and
7. If requested by major shareholders, ensuring that he is available for consultation and direct communication.

## **IV. DUTIES OF DIRECTORS**

### **A. Director Time Commitment**

Directors must be willing to devote sufficient time and effort to learning the business of REE and the Board, and must ensure that other existing and planned future commitments do not materially interfere with his or her service as a director. Directors are expected to attend Board meetings and meetings of committees on which they serve, and to meet as frequently as necessary to properly discharge their responsibilities. Directors are also strongly encouraged to attend REE's annual meeting of shareholders.

### **B. Service on Other Boards / Committees**

Acknowledging the negative impact of competing time commitments when directors serve on multiple boards, directors are encouraged to limit the number of other boards (excluding non-profit boards) on which they serve, taking into account the potential impact on attendance, participation and effectiveness with respect to REE's Board.

Directors should advise the Board in advance of accepting an invitation to serve on another company board.

### **C. Conflicts of Interest**

Directors are required to disclose to the Board (and any applicable committee) any financial interest or personal interest that they have in any contract or transaction that is being considered by the Board or Audit Committee for approval. After such disclosure and responding to any questions the Board may have, the interested director should abstain from voting on the matter and, in most cases or if otherwise required by the Companies Law, should leave the meeting while the remaining directors discuss and vote on such matter. Disclosed conflicts of interest must be documented in the minutes of the meeting. If a director has any significant conflict of interest with REE that cannot be resolved, such director must promptly resign.

### **D. Change in Primary Employment**

Directors are required to notify the Board of his or her retirement, any change in employer and any other significant change in professional roles and responsibilities. The Board must evaluate the continued appropriateness of Board composition under the new circumstances and make a recommendation to the Board as to any action to be taken. In order to meet REE's regulatory obligations and applicable filing deadlines, directors must provide the notification described above in advance and as soon as practicable.

## **E. Company Loans and Corporate Opportunities**

Directors must make business opportunities related to REE's business available to REE before pursuing the opportunity for the director's own or another's account. REE will not make any personal loans or extensions of credit to directors or executive officers, other than consumer loans or credit card services on terms offered to the general public.

## **F. Director Orientation and Continuing Education**

In furtherance of its policy of having major decisions made by the Board as a whole, REE has an orientation and continuing education program for the Board that includes meetings with management. Each new director orientation should be conducted following the meeting at which a new director is elected. The orientation may include presentations by senior management to familiarize each new director with REE's strategic plans; its significant financial, accounting and risk management issues; its compliance programs; its Code of Business Conduct and Ethics; its executive officers; and its internal and independent auditors.

The directors should also attend ongoing corporate governance and other educational programs related to their service on the Board.

## **V. DIRECTOR COMPENSATION**

In accordance with its charter, the Compensation Committee will review, periodically evaluate and make recommendations to the Board regarding the direct and indirect compensation and benefits for REE's non-employee directors, taking into account the Compensation Policy.

## **VI. BOARD MEETINGS AND COMMUNICATIONS**

### **A. Agendas**

The Chairman of the Board should preside over and set the agenda for all meetings of the shareholders and of the full Board. The Chairman of the Board should also perform such other duties and may exercise such other powers as may from time to time be assigned by REE's amended and restated articles of association or by the Board.

### **B. Attendance at Board Meetings**

The Board should have no less than four (4) regularly scheduled meetings each year. In addition, special meetings may be called as necessary or appropriate. It is the responsibility of the directors to regularly attend meetings of the Board and committees on which such director sits, with the understanding that on occasion a director may be unable to attend a meeting. A director who is unable to attend a meeting is expected

to notify the Chairman of the Board or the Chair of the appropriate committee in advance of such meeting.

**C. Board Material Distribution**

Board materials related to agenda items should, to the extent practicable, be distributed to the Board sufficiently in advance of Board meetings to allow the directors to prepare for discussion of the items at the meeting.

**D. Access to Management and Independent Advisors**

Directors have access to officers and employees of REE. Any meetings or contacts that a director wishes to initiate may be arranged through the CEO, the CFO or the General Counsel or directly by the director in appropriate circumstances. The directors will use their judgment to ensure that any such contact is not disruptive to the business operations of REE and will, to the extent deemed appropriate by the director, inform the CEO that such communications are taking place.

The Board has the power to direct the hiring of independent legal, financial or other advisors as they may deem necessary, without obtaining the approval of any officer of REE in advance.

**E. Executive Sessions of Non-Management Directors**

To ensure that non-management directors serve as an effective check on management and to encourage open discussion among such non-management directors, REE's non-management directors will meet in executive sessions without management directors or management present on a periodic basis but no less than twice a year.

**VII. EVALUATION AND SUCCESSION**

**A. Annual Performance Evaluation**

The Board will conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Board will establish a process for the evaluation of the performance of the Board and each of its committees, which should include a solicitation of comments from all directors and a report annually to the Board on the results of this evaluation. This will be discussed with the full Board following the end of each fiscal year. The assessment will focus on the contribution of the Board or the relevant committee to REE, and specifically focus on areas in which the Board or management believes that the Board or the committee could improve.

## **B. CEO Evaluation**

The Compensation Committee will conduct an annual review of the CEO's performance, as set forth in its charter. The Board will review the Compensation Committee's report in order to ensure that the CEO is providing the best leadership for REE in the long- and short-term.

The evaluation should be based on objective criteria including performance of the business, accomplishment of long-term strategic objectives, the handling of extraordinary events and development of management. The criteria should ensure that the CEO's interests are aligned with the long-term interests of REE's shareholders. The evaluation will be used by the Compensation Committee in the course of its deliberations when considering the compensation of the CEO.

## **C. Management Succession**

The Board shall provide an annual report on succession planning which should include, without limitation, policies and principles for CEO selection and performance review as well as policies regarding succession in the event of an emergency or the retirement of the CEO. The CEO should at all times make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

# **VIII. BOARD COMMITTEES**

## **A. Establishment of Committees**

The Board will have the following standing committees: Audit Committee and Compensation Committee. All of the members of these committees will satisfy the requirements of the U.S. Securities and Exchange Commission, Nasdaq and the Companies Law.

Subject to limitations in REE's amended and restated articles of association and the Companies Law, the Board may from time to time establish additional committees as necessary or appropriate, delegating to such committees all or part of the Board's powers. In general, committees of the Board are utilized to focus on issues that may require more in-depth scrutiny. All significant findings of a committee are presented to the full Board for discussion and review.

## **B. Committee Charters and Responsibilities**

The Board will adopt charters setting forth the purposes, goals and responsibilities of each of its standing committees and any other committees the Board deems appropriate, as well as qualifications for committee membership, procedures for

committee member appointment and removal, committee structure and operations and committee reporting to the Board.

### **C. Committee Meetings and Agendas**

The Chair of each committee, in consultation with the committee members shall determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. The Chair of each committee, in consultation with the appropriate members of the committee and management, will develop the committee's agenda. At the beginning of the year each committee should establish a schedule of agenda subjects to be discussed during the year. The schedule for each committee should be furnished to all directors.

## **IX. CODE OF BUSINESS CONDUCT AND ETHICS**

All directors, officers and employees must comply with REE's Code of Business Conduct and Ethics which provides that REE will conduct business according to high moral and ethical principles and in compliance with applicable law. In the unlikely event of a waiver, any such waiver of this code for directors or officers must be approved by the Audit Committee and such waiver must be promptly disclosed to shareholders by distributing a press release or providing website disclosure.

## **X. ADMINISTRATION OF CORPORATE GOVERNANCE GUIDELINES**

### **A. Periodic Review of the Guidelines**

These guidelines must be reviewed annually by the Board. If necessary, these guidelines will be revised and updated by the Board.

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