

REE AUTOMOTIVE LTD.

AUDIT COMMITTEE CHARTER

The Board of Directors (the "**Board**") of REE Automotive Ltd. and its subsidiaries (collectively, "**REE**") has constituted and established an Audit Committee (the "**Committee**") with the authority, responsibility and specific duties as described in this Audit Committee Charter (this "**Charter**").

1. Purpose

The purpose of the Committee is, among others, to:

- 1.1. Oversee the accounting and financial reporting process of REE and the audit of REE's financial statements.
- 1.2. Assist the Board in its oversight of:
 - a) the integrity of REE's financial statements and other published financial information;
 - b) REE's compliance with applicable financial and accounting related standards, rules and regulations;
 - c) the selection, retention and termination, subject to shareholder approval, of REE's independent auditor, the pre-approval of all audit, audit-related and all permitted non-audit services, if any, by REE's independent auditor, and the compensation therefor; and
 - d) REE's internal control over financial reporting.
- 1.3. Determine whether there are delinquencies in the business management practices of REE, including in consultation with REE's internal auditor or independent auditor, as applicable, and make recommendations to the Board to improve such practices.
- 1.4. Determine whether to approve certain acts or transactions, to the extent required under the Israeli Companies Law, 5759-1999 (the "**Companies Law**").
- 1.5. Prepare such reports as may be required by the Committee under the rules and regulations promulgated under the Securities Exchange Act of 1934, as amended, or that REE otherwise elects to include, in REE's reports with the U.S. Securities and Exchange Commission ("**SEC**").
- 1.6. Provide the Board with the results of its monitoring and recommendations derived from the foregoing.

- 1.7. Fulfill any other duties of the Committee as shall be required under the Companies Law, the applicable rules and regulations of the Securities Exchange Act of 1934, as amended, or the rules of the Nasdaq Stock Market ("**Nasdaq**").

The purpose, responsibilities and other provisions specified in this Charter are meant to serve as guidelines, and the Committee is delegated the authority to adopt such additional procedures and standards as it deems necessary or advisable from time to time to fulfill its responsibilities. Unless otherwise prescribed in this Charter, the rules and procedures applicable to the operation of the Board shall apply to the operation of the Committee with any necessary or appropriate changes.

2. Membership

The Committee's membership shall satisfy the following requirements, subject to applicable law:

- 2.1. The Committee shall be comprised of at least three (3) members, subject to any available exceptions.
- 2.2. The members of the Committee shall be "independent" (or be subject to an applicable exception) as determined in accordance with the requirements of Rule 10A-3(b)(1) under the U.S. Securities Exchange Act of 1934, as amended, and The Nasdaq Stock Market Listing Rules (the "**Nasdaq Rules**"). Subject to applicable law, a member of the Committee may receive additional directors' fees to compensate such member for the significant time and effort expended by such member to fulfill his or her duties as a Committee member.
- 2.3. No member of the Committee may have participated in the preparation of the financial statements of REE or any of REE's current subsidiaries during the preceding three (3) years.
- 2.4. Each member of the Committee must be able to read and understand fundamental financial statements (including REE's balance sheet, income statement and cash flow statement).
- 2.5. At least one member of the Committee shall have past employment experience in finance or accounting, requisite professional certification in accounting or other comparable experience or background that results in the member's financial sophistication, in each case, consistent with the Nasdaq Rules.

Subject to applicable law and the Nasdaq Rules, (i) the Committee's members shall be appointed by and serve at the discretion of the Board, (ii) the Committee's members shall serve until their successors are duly designated and qualified, (iii) any member of the Committee may be removed at any time, with or without cause, by a resolution of the Board, and (iv) any vacancy on the Committee occurring for any

reason whatsoever may be filled by a resolution of the Board.

The Committee's Chairperson shall be designated by the Board.

3. Meetings and Authority

The Committee shall meet as often as it determines necessary in person or by teleconference (using telephone or other communications equipment) by means of which all persons participating in the meeting can hear each other, but no less than once every fiscal quarter. The Committee may ask members of management or others to attend meetings and provide pertinent information, as it deems appropriate in order to carry out its responsibilities. The Committee shall be given full access to the internal auditors, the independent auditor, Chairman of the Board and management, as well as REE's books, records, facilities and other personnel. In addition, the Committee shall periodically, at such times as it deems appropriate, meet separately with management, the internal auditor, representatives of the internal auditing department, if any, and the independent auditor. It is the responsibility of the Committee to maintain free and open communication among the Committee, the independent auditor, the internal auditor and management of REE.

The Committee's Chairperson, in consultation with the other Committee members, may determine the frequency and length of the Committee meetings and may set the agendas for such meetings consistent with this Charter.

The presence (in person or via telephone or other means of remote communication) of a majority of the members of the Committee shall constitute a quorum for the transaction of business, and the act of a majority of those present at any meeting at which there is a quorum shall be the act of the Committee. The Committee may act by unanimous written consent in lieu of a meeting.

REE's internal auditor shall be provided with notices of all meetings of the Committee, and REE's independent auditor shall be provided with notice of meetings in which a matter related to the audit of the financial statements or a discussion of the quarterly financial results of REE is to be discussed, and shall be entitled to attend such meetings, subject to a determination by the Committee to exclude the independent auditor from all or any part of the meeting to the extent permitted under applicable law. REE's internal auditor may request that the Committee's Chairperson call a meeting in order to discuss a matter detailed in his or her request for a meeting, and the Chairperson shall call the meeting within a reasonable time, if the Chairperson deems fit, at his or her discretion.

The Committee shall have the sole authority to retain any independent counsel, experts, or advisors that the Committee believes to be necessary or appropriate and to approve fees and other retention terms of the foregoing, including termination thereof. REE must provide for appropriate funding, as determined by the Committee, 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.

Subject to applicable law, the Committee may delegate its authority to subcommittees established from time to time by the Committee. Such subcommittees shall consist of one or more members of the Committee and shall report to the Committee.

4. Responsibilities

The Committee shall have the power and authority of the Board to perform the duties and to fulfill the responsibilities detailed below.

Independent Auditor:

- 4.1. Appoint, compensate, retain and oversee the work of the independent auditor and any other registered public accounting firm engaged for the purposes of preparing or issuing an audit report or related work or performing other financial audit, review or attest services for REE, subject to approval of the Board and, in the case of appointment or retention, REE's shareholders. The independent auditor and each such other registered public accounting firm must report directly to the Committee. In this regard, from time to time as it deems necessary, the Committee shall:
 - a) at least annually, obtain and review a written report by the independent auditor describing any material issues raised by the most recent Public Company Accounting Oversight Board ("**PCAOB**") inspection, by an internal quality control review of the firm, or by any inquiry or investigation by governmental or professional authorities within the past five years, concerning an independent audit or audits carried out by the firm, and any steps taken to deal with any such issues;
 - b) review the independent auditor's work throughout the year, including obtaining the opinions of management;
 - c) receive written statements from the independent auditor delineating all relationships between the independent auditor and REE, discussing with the independent auditor any disclosed relationships or services that may impact the objectivity and independence of the independent auditor, and taking, or recommending that the Board take, any appropriate actions;
 - d) review the independent auditor's written submission to REE of annual fees billed, and oversee REE's provision 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, subject further to the provisions of the Companies Law; and

- e) meet periodically with REE's independent auditor in separate executive sessions.
- 4.2. Periodically review and evaluate the senior members of the independent auditor's team, and in particular, the lead audit partner. Discuss with management the timing and process for the rotation of the lead audit partner and the reviewing partner as required by applicable law and rules.
- 4.3. Pre-approve all audit, audit-related and all permitted non-audit services, and related fees and terms, to be provided to REE by the independent auditor under applicable law and regulations. The Committee may, in accordance with applicable law, establish pre-approval policies and procedures for the engagement of independent accountants to render services to REE, including a delegation of authority to its Chairperson. The pre-approval of auditing and non-auditing services can be carried out with input from, but no delegation of authority to, management.
- 4.4. Establish policies for hiring of employees or former employees of the independent auditor in accordance with applicable law and regulations.

Internal Control over Financial Reporting:

- 4.5. Review periodically with management, the internal auditor and the independent auditor, the adequacy and effectiveness of REE's internal control over financial reporting, including any significant deficiencies or material weaknesses in the design or operation of, and any material changes in, REE's internal controls and any special audit steps adopted in light of any material control deficiencies, and any fraud involving management or other employees with a significant role in such internal controls, and review and discuss with management, the internal auditor and the independent auditors disclosure relating to REE's internal controls.
- 4.6. Review with management, the internal auditor and the independent auditor the processes followed for assessment of internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act of 2002, the disclosure regarding such assessment and any attestation by the independent auditor thereon.

Financial Reporting:

- 4.7. Review with management and the independent auditor the annual and quarterly financial statements of REE prior to filing (or submission) with the SEC (whether filed as part of a Form 20-F or other form required pursuant to applicable law, or filed or furnished under cover of Form 6-K), including REE's disclosures under "Operating and Financial Review and Prospects" or "Management's Discussion and Analysis of Financial Condition and Results of Operations," any material changes in accounting principles or practices used in preparing the financial statements, and, to the extent

applicable, the form of audit opinion to be issued by the auditors on the financial statements.

- 4.8. Discuss with management, and review prior to submission, any responses to SEC comments regarding REE's financial statements or financial reporting.
- 4.9. Review and discuss with management and REE's independent auditors REE's earnings press releases, including the use of any "pro forma" or "adjusted" non-GAAP information and measures, as well as financial information and earnings guidance provided to analysts and rating agencies.
- 4.10. Receive periodic reports from the independent auditor regarding:
 - a) all critical accounting policies and practices to be used by REE;
 - b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management of REE, ramifications of the use of alternative disclosures and accounting treatments and the accounting treatment preferred by the independent auditor; and
 - c) other material written communications between the independent auditor and management, including any management letter or schedule of adjusted differences.
- 4.11. Review and discuss with the independent auditor the independent auditor's judgments as to the quality, not just the acceptability, of REE's accounting principles.
- 4.12. Review and discuss with the independent auditor the matters required by PCAOB Auditing Standard No. 1301 (Communications with Audit Committees) relating to the conduct of the audit, including (1) the auditors' responsibilities under generally accepted auditing standards and the responsibilities of management in the audit process, (2) the overall audit strategy, (3) the scope and timing of the annual audit, (4) any significant risks identified during the auditors' risk assessment procedures and (5) when completed, the results, including significant findings, of the annual audit.
- 4.13. Review and discuss with the independent auditor any difficulties encountered in the course of the audit effort, restrictions on the scope of procedures or access to requested information and any significant disagreements with management, including management's response to these problems, difficulties or disagreements.
- 4.14. Review and discuss with management and the independent auditor any significant accounting and reporting issues, including financial reporting

pronouncements and proposals, and any significant judgments made in connection with the preparation of the financial statements, and understand their impact on REE's financial statements.

- 4.15. If REE becomes subject to the U.S. proxy rules, prepare a "Report of the Audit Committee" to be included in REE's annual proxy statement.
- 4.16. Meet separately with each of management, the independent registered public accounting firm and the internal auditors (or other personnel or service providers responsible for the internal audit function) to discuss any matters that the Committee or each of these groups believe would be appropriate to discuss privately.

Internal Auditor:

- 4.17. Recommend to the Board the retention and termination of the internal auditor and determine the internal auditor's fees and other terms of engagement, in accordance with the Companies Law.
- 4.18. Review and approve the yearly or periodic work plan proposed by the internal auditor (discussing, among other things whether the internal auditor has sufficient resources and tools to dispose of its responsibilities, taking into consideration REE's special needs and size).
- 4.19. Review the scope and performance of the internal audit plan, including the results of any internal audits, any reports to management and management's responses to such reports.
- 4.20. If the Committee finds necessary, review whether REE should implement an internal audit function consisting of employees of REE. If so, review the internal audit function, including its independence, effectiveness, proposed control review plans and resources for the coming year (determining whether the internal auditor has sufficient resources and tools to dispose of its responsibilities, taking into consideration REE's special needs and size), and the coordination of such plans with the independent public accountant.

Legal and Regulatory Compliance:

- 4.21. Review and monitor, as appropriate, (i) litigation or other legal matters that could have a significant impact on REE's financial results; and (ii) significant findings of any examination by regulatory authorities or agencies, in the areas of securities, accounting or tax.
- 4.22. Establish procedures for the receipt, retention and treatment of complaints received by REE regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by Company employees of concerns regarding questionable accounting, auditing matters, or deficiencies in REE's business operations,

including the protection to be granted to such complaining employees.

- 4.23. Receive reports of suspected business irregularities and legal compliance issues through periodic and, when appropriate, immediate reporting by members of REE's management, legal counsel, the independent or internal auditor or pursuant to any "whistleblower policy" adopted by the Committee. The Committee shall be fully entitled to rely on reports that it receives and shall be under no obligation to conduct any independent investigation or verification but shall have authority to conduct or authorize investigations into any matters within the Committee's scope of responsibilities.
- 4.24. Oversee REE's policies and procedures regarding compliance with applicable financial reporting and accounting related standards, rules and regulations.
- 4.25. Review and consider the approval of related party transactions and transactions involving an Office Holder of REE (as defined in the Companies Law) that may present a conflict of interest between the duties of such Office Holder to REE and his or her personal interests, in each case in accordance with the Nasdaq Rules, the Companies Law or as referred by the Board (each, a "**Related Party Transaction**") (and except for Related Party Transactions that are subject to review by REE's Compensation Committee according to applicable law). In carrying out such role, the Committee shall apply the criteria provided by applicable law to determine if certain transactions and actions should be classified as extraordinary transactions and material actions and/or as transactions that are not insignificant, in which case the Committee shall review and consider their approval in accordance with the Companies Law (including considering whether a competitive bidding process or other procedures are required with respect to such Related Party Transactions, based on the type of transaction).
- 4.26. To the extent required pursuant to PCAOB Auditing Standard 2410, Related Parties, confirm that REE's independent auditors are informed of the Committee's understanding of REE's Related Party Transactions that are significant to REE, and review and discuss with REE's independent auditors the auditors' evaluation of REE's identification of, accounting for, and disclosure of such Related Party Transactions, including any significant matters arising from the audit regarding such Related Party Transactions.
- 4.27. Review with REE's General Counsel and/or external counsel legal and regulatory matters that could have a material impact on the financial statements.

Other Responsibilities:

- 4.28. Review periodically REE's major financial risk exposures and REE's practices for managing such risks.
- 4.29. Review and approve any material change or waiver in REE's Code of Conduct regarding directors or executive officers (as defined by the SEC with respect to annual reports), and any required disclosures made in REE's annual report in such regard.
- 4.30. Fulfill any other responsibility set forth in the Companies Law, as may be amended from time to time.
- 4.31. Perform such other duties consistent with this Charter, REE's governing documents and governing law.

5. Reporting

The Committee will apprise the Board regularly of its decisions and recommendations and of significant developments in the course of performing the above responsibilities and duties. Without derogating from the aforesaid, the Committee shall submit any recommendation or resolution which is subject to Board approval a reasonable time prior to the contemplated Board meeting.

6. Review

The Committee shall annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for approval. In addition, the Committee shall periodically review its own performance.

7. Minutes

The Committee will maintain written minutes of its meetings.

8. Interpretation; Definitions

To the extent (a) any of the provisions included herein is a description or summary of any applicable law or is intended to recite the provisions of any applicable law or (b) REE becomes subject to any additional provisions of the Companies Law or any other law that are applicable to the Committee (including if REE is no longer exempt from the requirement to appoint external directors under the Companies Law), then in the event of any inconsistency, contradiction or any other conflict between the provisions herein and the provisions of such applicable law, then the provisions of such applicable law shall prevail, supersede and be deemed to constitute an integral part of this Charter. In the event that any such provision of applicable law is amended to include any relief or exclusion, then such relief and exclusions shall be deemed to constitute an integral part of this Charter, which shall be deemed to be modified or superseded for such purpose.

Any references to any law, statute or regulation are to it as amended, supplemented or restated, from time to time (and, in the case of any law, to any successor provisions or re-enactment or modification thereof being in force at the time);

any reference to “law” shall include any supranational, national, federal, state, local, or foreign statute or law and all rules and regulations promulgated thereunder (including, any rules, regulations or forms prescribed by any governmental authority or securities exchange commission or authority); and any reference to “law” shall be read subject to REE’s Amended and Restated Articles of Association, as amended from time to time.

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Adopted: June [●], 2021

Amended: April 20, 2025