

Lucid Group, Inc.

Audit Committee Charter

Adopted July 23, 2021

Purpose

The Audit Committee (the “**Committee**”) is established by the Board of Directors (the “**Board**”) of Lucid Group, Inc. (the “**Company**”) with authority, responsibility and specific duties as described in this Audit Committee Charter (this “**Charter**”).

Membership

The Committee shall consist of at least three members, comprised solely of directors deemed by the Board to be independent and who meet independence and experience requirements of The Nasdaq Stock Market LLC and the independence requirements for members of the Audit Committee under the rules and regulations of the Securities and Exchange Commission (the “**SEC**”). Accordingly, each member shall, in the judgment of the Board, have the ability to read and understand the Company’s fundamental financial statements,

including the Company’s balance sheet, income statement, and cash flow statement. At least one member of the Committee shall, in the judgment of the Board, be an “audit committee financial expert” in accordance with the rules and regulations of the SEC, and at least one member of the Committee (who may also serve as the audit committee financial expert) shall have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual’s financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities. No member of the Committee may serve on more than two other public company audit committees unless the Board determines that such simultaneous service will not impair the ability of the member to serve effectively on the Committee, and no member of the Committee may have participated in the preparation of the financial statements of the Company at any time during the past three years. The Nominating and Corporate Governance Committee of the Board (the “**Nominating Committee**”) shall recommend nominees for appointment to the Committee annually and as vacancies or newly created positions occur. Subject to the requirements of the Investor Rights Agreement, dated as of February 22, 2021, by and among the Company, Ayar Third Investment Company and the other parties thereto, Committee members shall be appointed by the Board and may be removed by the Board at any time. The Nominating Committee shall recommend to the Board, and the Board shall designate, the Chair of the Committee.

Responsibilities

The basic responsibility of the members of the Committee is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its stockholders. In discharging that obligation, members should be entitled to rely on the honesty and integrity of the Company’s senior executives and its outside advisors and auditors, to the fullest extent permitted by law. In addition to any other responsibilities which may be assigned from time to time by the Board, the Committee is responsible for the following matters.

Independent Auditor

- The Committee shall be directly responsible for the appointment, compensation, retention, termination, and oversight of the work of any accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company (subject, if applicable, to stockholder ratification). Each such accounting firm shall report directly to the Committee.
- The Committee shall pre-approve the audit services and non-audit services (including the fees and terms thereof) to be provided by the Company's independent auditor pursuant to pre-approval policies and procedures established by the Committee. The Committee may delegate its authority to pre-approve services to the Chair of the Committee, provided that such designee presents any such approvals to the full Committee at the next Committee meeting.
- The Committee shall discuss with the independent auditor its responsibilities under generally accepted auditing standards, review and approve the planned scope and timing of the independent auditor's annual audit plan(s) and discuss significant findings from the audit and any problems or difficulties encountered, including any restrictions on the scope of the auditor's activities or on access to requested information, and any significant disagreements with management.
- The Committee shall evaluate the independent auditor's qualifications, performance and independence, and shall present its conclusions with respect to the independent auditor to the full Board on at least an annual basis. As part of such evaluation, at least annually, the Committee shall:
 - obtain and review a report or reports from the Company's independent auditor:
 - describing the independent auditor's internal quality-control procedures;
 - describing any material issues raised by (i) the most recent internal quality-control review, peer review or Public Company Accounting Oversight Board review, of the independent auditing firm, or (ii) any inquiry or investigation by governmental or professional authorities, within the preceding five years, regarding one or more independent audits carried out by the auditing firm; and any steps taken to deal with any such issues; and
 - assuring that Section 10A of the Securities Exchange Act of 1934 has not been implicated.
 - obtain and review from the Company's independent auditor a formal written statement delineating all relationships between the independent auditor and the Company, 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 take, or recommend that the Board take, appropriate action to oversee the independence of the independent auditor;

- review and evaluate the lead audit partner of the independent auditor team(s);
- confirm and evaluate the rotation of the audit partners on the audit engagement team as required by law;
- consider whether the independent auditor should be rotated, so as to assure continuing auditor independence; and
- obtain the opinion of management and the internal auditors of the independent auditor's performance.
- The Committee shall establish policies for the Company's hiring of current or former employees of the independent auditor.

Internal Audit

- At least annually, the Committee will review the activities and structure of the internal audit function including the internal audit plan, and will advise the Board on the selection and removal of an internal audit director, if applicable. The Committee shall periodically meet separately with the internal auditor to evaluate the performance, responsibilities, budget and staffing of the Company's internal audit function with the internal auditor and any issues that the internal auditor believes warrant the Committee's attention. In addition, the Committee will discuss with the internal auditor any significant reports to management prepared by the internal auditor and any responses from management.

Financial Statements; Disclosure and Other Risk Management and Compliance Matters

- The Committee shall meet to review and discuss with management and the independent auditor the annual audited financial statements and unaudited quarterly financial statements, including reviewing the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," prior to the filing of the Company's Form 10-K or Form 10-Q with the SEC;
- The Committee shall review with management, the internal auditors and the independent auditor, in separate meetings whenever the Committee deems appropriate:
 - any analyses or other written communications prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative Generally Accepted Accounting Principles ("GAAP") methods on the financial statements;
 - the critical accounting policies and practices of the Company;
 - information regarding any "second" opinions sought by management from an independent auditor with respect to the accounting treatment of a particular event or transaction;

- the effect of regulatory and accounting initiatives, as well as off-balance sheet transactions and structures, on the Company's financial statements;
 - any major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles; and
 - related party transactions in accordance with the Company's Related Person Transaction Policy.
- The Committee, or the Chair of the Committee, shall review the Company's earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies, paying particular attention to the use of non-GAAP financial information.
 - The Committee shall, in conjunction with the Chief Executive Officer and Chief Financial Officer (or another person acting as principal financial officer) of the Company, review the Company's disclosure controls and procedures and internal control over financial reporting. The review of internal control over financial reporting shall include whether there are any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to affect the Company's ability to record, process, summarize and report financial information and any fraud involving management or other employees with a significant role in internal control over financial reporting. The Committee shall also review any special audit steps adopted in light of material control deficiencies.
 - The Committee shall review and discuss with the independent auditor and management any current accounting trends and developments, and take such action with respect thereto as may be deemed appropriate.
 - The Committee shall review and discuss with the independent auditor any audit problems or difficulties and management's response thereto, including those matters required to be discussed with the Committee by the auditor pursuant to established auditing standards, as amended, such as:
 - any restrictions on the scope of the independent auditor's activities or on access to requested information;
 - any accounting adjustments that were noted or proposed by the auditor but were not adopted or reflected;
 - any communications between the audit team and the audit firm's national office regarding auditing or accounting issues presented by the engagement;
 - any management or internal control letter issued, or proposed to be issued, by the auditor; and
 - any significant disagreements between management and the independent auditor.

- In connection with its oversight responsibilities, the Committee shall be directly responsible for the resolution of disagreements between management and the auditor regarding the Company's financial reporting.
- The Committee shall review the Company's policies and practices with respect to risk assessment and risk management, including discussing with management the Company's major financial risk exposures and the steps that have been taken to monitor and control such exposures.
- The Committee shall establish 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.
- The Committee shall prepare the Committee report that the SEC rules require to be included in the Company's annual proxy statement.
- The Committee shall review the Company's compliance with laws and regulations, including major legal and regulatory initiatives. In consultation with management, the Committee shall also review any major litigation or investigations against the Company that may have a material impact on the Company's financial statements.

Reporting to the Board

- The Committee shall report to the Board periodically. This report shall include a review of 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, the independence and performance of the Company's independent auditor, the performance of the internal audit function and any other matters that the Committee deems appropriate or is requested to include by the Board.
- At least annually, the Committee shall evaluate its own performance and report to the Board on such evaluation.
- The Committee shall review and assess the adequacy of this charter annually and recommend any proposed changes to the Board.

Authority and Delegations

The Committee is authorized (without seeking Board approval) to retain special legal, accounting or other advisers and may request any officer or employee of the Company or the Company's outside counsel or independent auditor to meet with any members of, or advisers to, the Committee.

The Committee shall have available appropriate funding from the Company as determined by the Committee for payment of:

- compensation to any accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company;

- compensation to any advisers employed by the Committee; and
- ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee may delegate its authority to subcommittees or the Chair of the Committee when it deems appropriate and in the best interests of the Company.

Procedures

The Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this charter, but not less frequently than quarterly. The Chair of the Committee shall preside at each meeting and, in the absence of the Chair, one of the other members of the Committee shall be designated as the acting chair of the meeting. The Chair of the Committee, in consultation with the other committee members, shall determine the frequency and length of the committee meetings and shall set meeting agendas consistent with this charter.

Meetings of the Committee may be in person or by telephone conference or similar communications equipment by means of which all persons participating in the meeting can hear each other. Meetings of the Committee will be held at such time and place as the Chair of the Committee may from time to time determine. Meetings may, at the discretion of the Committee, include other directors, members of management, independent advisors and consultants, representatives of the Company's independent registered public accounting firm, the Company's internal auditor, any other personnel employed or retained by the Company or any other persons whose presence the Committee believes to be necessary or appropriate. Those in attendance may observe meetings of the Committee, but may not participate in any discussion or deliberation unless invited to do so by the Committee, and in any event are not entitled to vote. Notwithstanding the foregoing, the Committee may also exclude from its meetings any persons it deems appropriate, including, but not limited to, any director that is not a member of the Committee.

The Committee shall meet separately, periodically, with management, with internal auditors (or other personnel responsible for the internal audit function) and with the independent auditor.

The Committee may also act by unanimous written consent in lieu of a meeting. A quorum of the Committee for the transaction of business will be a majority of its members. The Chair of the Committee will designate a secretary for each meeting, who need not be a member of the Committee. The Committee will 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.

Limitations Inherent in the Committee's Role

It is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with GAAP and applicable rules and regulations. This is the responsibility of management and the independent auditor. Furthermore, while the Committee is responsible for reviewing the Company's policies and practices with respect to risk assessment and management, it is the responsibility of the Chief Executive Officer and senior management to determine the appropriate level of the Company's exposure to risk.