

# CONTEMPORARY AMPEREX TECHNOLOGY CO., LIMITED

## 寧德時代新能源科技股份有限公司

### TERMS OF REFERENCE FOR THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

#### Chapter 1 General Provisions

- Article 1** In order to strengthen the decision-making function of the Board of Directors of Contemporary Amperex Technology Co., Limited (hereinafter referred to as the “**Company**”), conduct ex ante and professional audit, ensure effective supervision over the senior management by the Board of Directors, and improve its corporate governance structure, the Board of Directors of the Company hereby resolves to set up an audit committee under the Board of Directors (hereinafter referred to as the “**Audit Committee**” or “**Committee**”).
- Article 2** In an effort to ensure that the work is carried out in a standardized and efficient manner, the Board of Directors of the Company has formulated these terms of reference (the “**Terms of Reference**”) in accordance with the relevant provisions of the Company Law of the People’s Republic of China (hereinafter referred to as the “**Company Law**”) and other relevant laws, administrative regulations, departmental rules, regulatory documents, the securities regulatory rules of the place(s) where the shares of the Company are listed (including Shenzhen Stock Exchange and The Stock Exchange of Hong Kong Limited) and the Articles of Association of Contemporary Amperex Technology Co., Limited (hereinafter referred to as the “**Articles of Association**”).
- Article 3** The Audit Committee of the Board of Directors is a specialized working body established by the Board of Directors, primarily responsible for the communication with, supervision and verification of the internal and external audits of the Company.
- Members of the Audit Committee shall be diligent and responsible, supervise and evaluate the internal and external audits of the Company in a practical and efficient manner, and support the Company’s establishment of robust internal controls and the production of accurate, truthful and complete financial reports.
- Article 4** The Audit Committee shall make resolutions in accordance with the Articles of Association, the Terms of Reference and the requirements of other relevant laws, administrative regulations, departmental rules, regulatory documents, as well as the securities regulatory rules of the place(s) where the shares of the Company are listed.

## **Chapter 2 Composition**

- Article 5** The Audit Committee consists of three non-executive directors who are not senior management of the Company, of whom at least two shall be independent directors, and at least one independent director must possess appropriate professional qualifications or accounting or relevant financial management expertise, which is in line with the qualification requirements for financial professionals in the Audit Committee of the stock exchange where the shares of the Company are listed.
- The meaning of “independent directors” in the Terms of Reference is the same as that of “independent non-executive directors” under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
- Members of the Audit Committee shall possess the professional knowledge and experience to carry out the duties of the Audit Committee.
- Article 6** Members of the Audit Committee shall be nominated by Chairman of the Board of Directors, more than half of the independent directors or one-third of all directors and shall be elected by the Board of Directors. Once the proposal to elect members of the Audit Committee is approved, the new members shall take office immediately after the Board meeting.
- Article 7** The Audit Committee shall have a chairman who shall be an independent director and an accounting professional. The chairman of the Audit Committee shall be elected from the members, subject to the approval of the Board of Directors.
- Article 8** The chairman of the Audit Committee is responsible for convening and presiding over the meetings of the Audit Committee, considering and signing the reports of the Audit Committee, and reporting to the Board of Directors on behalf of the Audit Committee. In case of failure or inability to perform his/her duties, the chairman of the Audit Committee shall designate another member to act on his/her behalf.
- Article 9** The term of office of the members of the Audit Committee shall be the same as that of directors of the Board of Directors of the same session. A member of the Audit Committee may serve consecutive terms if re-elected upon the expiration of his/her term. If a member resigns from the position of director of the Company during his/her term of office, he/she will automatically cease to be qualified as a member of the Audit Committee, the vacancy shall be filled by the person elected by the Board of Directors in accordance with the provisions of the Terms of Reference.
- Article 10** If the number of the Audit Committee members falls to less than three as a result of resignation or removal of members or for other reasons, the Board of Directors of the Company shall elect new members as soon as possible.
- Article 11** The requirements of the Company Law, the securities regulatory rules of the place(s) where the shares of the Company are listed and the Articles of Association on obligations of directors are applicable to the members of the Audit Committee.

### **Chapter 3 Duties and Authority**

**Article 12** The main duties and authority of the Audit Committee shall be as follows:

(I) Relationship with the Company's external auditor

1. to make recommendations to the Board of Directors on the appointment, reappointment and change of the external auditor, to make recommendations to the Board of Directors on the remuneration and terms of engagement of the external auditor, and to handle any matters on resignation or dismissal of that auditor;
2. to review and monitor the independence and objectivity of the external auditor and the effectiveness of the audit process in accordance with applicable standards; the Committee shall discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences;
3. to develop and implement policies on the engagement of an external auditor to provide non-audit services. For this purpose, "an external auditor" shall include any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm's domestic or international operations; the Committee shall report and make recommendations to the Board of Directors on any matters it considers that action or improvement is needed.

(II) Review of financial information of the Company

to ensure the integrity of financial statements of the Company and the Company's annual report and accounts, half-year report and quarterly reports (if intended for publication), and to review significant financial reporting judgements contained in them. In reviewing these statements and reports before submission to the Board of Directors, the Committee should focus particularly on:

1. any changes in accounting policies and practices;
2. areas involving important judgement;
3. significant adjustments resulting from audit;
4. the going concern assumptions and any qualified opinion;
5. compliance with accounting standards;
6. compliance with the securities regulatory rules of the place(s) where the shares of the Company are listed and legal requirements in relation to financial reporting.

In regard to the item (II) of this Article, the members of the Committee must liaise with the Board of Directors and senior management of the Company. The Committee shall meet with the Company's external auditor at least twice a year. The Committee should consider any significant or unusual matters that are, or may need to be, reflected in such reports and accounts and must give due consideration to any matters raised by the Company's accounting and financial reporting staff, compliance department or external auditors.

(III) Oversight of the Company's financial reporting systems, risk management and internal control systems

1. to review the Company's financial controls, and to review the Company's risk management and internal control systems and risk management systems;
2. to discuss with the management the systems of risk management and internal control and ensure that management has discharged its duty to have effective systems. This discussion should include whether the Company has adequate resources, staff qualifications and experience in accounting and financial reporting functions, and sufficient training programmes and budget for staff development;
3. to consider major investigation findings on risk management and internal control matters and management's response to these findings as delegated by the Board of Directors or on its own initiative;
4. to ensure co-ordination between the internal and external auditors, to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company if the Company has set an internal audit function, and to review and monitor its effectiveness;
5. to review the Company and its subsidiaries' financial and accounting policies and practices;
6. to review the Explanatory Letter on Audit issued by the external auditor to the management, any material queries raised by the external auditor to management about accounting records, financial accounts or systems of control and management's response;
7. to ensure that the Board of Directors provides a timely response to the issues raised in the Explanatory Letter on Audit issued by the external auditor to the management;
8. to report to the Board of Directors on the matters contained in this Article;
9. to consider other topics, as defined by the Board of Directors.

(IV) to exercise the powers of the supervisory committee under the Company Law;

- (V) to be responsible for other matters authorised by laws, administrative regulations, departmental rules, regulatory documents, the securities regulatory rules of the place(s) where the shares of the Company are listed, the Articles of Association and the Board of Directors.

#### **Article 13**

The Audit Committee is responsible for reviewing and disclosing the Company's financial information, supervising and evaluating internal and external audit work and internal control. The following matters shall be submitted to the Board of Directors for deliberation after the consent of more than half of all members of the Audit Committee:

- (I) Disclosure of financial information and the internal control evaluation report in financial accounting reports and periodic reports;
- (II) Appoint or dismiss the accounting firm responsible for the Company's auditing;
- (III) Appoint or dismiss the Company's head of finance;
- (IV) Changes in accounting policies, accounting estimates or corrections of major accounting errors for reasons other than changes in accounting standards;
- (V) Other matters as stipulated by laws, administrative regulations, departmental rules, regulatory documents, the securities regulatory rules of the place(s) where the shares of the Company are listed and the Articles of Association.

#### **Article 14**

After considering the matters set out in the previous article hereof, the Audit Committee shall form the resolutions of the meeting of the Audit Committee, and report the same, along with relevant proposals, to the Board of Directors of the Company for consideration.

#### **Article 15**

The Audit Committee shall, in accordance with the law, examine the Company's financial affairs and supervise the acts of the directors and senior management in complying with the laws, administrative regulations, departmental rules, regulatory documents, the securities regulatory rules of the place(s) where the shares of the Company are listed, and the Articles of Association, as well as their performance of duties. The Audit Committee may require the directors and senior management to submit reports on the performance of their duties. The directors and senior management shall truthfully provide the Audit Committee with relevant information and materials, and shall not obstruct the Audit Committee in the exercise of its powers.

Where the Audit Committee discovers that any director or senior management has violated the laws, administrative regulations, departmental rules, regulatory documents, the securities regulatory rules of the place(s) where the shares of the Company are listed, or the Articles of Association, it shall report such matters to the Board of Directors or to the shareholders' meeting, and disclose the same in a timely manner. The Audit Committee may also report directly to the regulatory authorities.

The expenses necessary for the Audit Committee to exercise its powers shall be borne by the Company.

**Article 16** The Audit Committee shall review the Company's financial accounting reports, provide opinions on their authenticity, accuracy and completeness, and focus on significant accounting and audit issues. It shall pay particular attention to potential fraud, malpractice and material misstatements in the financial accounting reports, and oversee the rectification of any issues identified.

Where the financial accounting reports published by the Company contain false records, misleading statements or material omissions, the Audit Committee shall urge the relevant departments of the Company to develop corrective measures and timelines, conduct follow-up reviews, supervise the implementation of these measures, and ensure timely disclosure of the completion of the corrective actions. The Audit Committee shall make recommendations to the Board of Directors regarding the appointment or replacement of the external audit firm and review the audit fees and engagement contracts for the external audit firm, ensuring that these decisions are made without undue influence from the Company's substantial shareholders, de facto controllers or Directors and senior management.

The Audit Committee shall urge the external audit firm to be honest, trustworthy and diligent, to strictly comply with business regulations and industry self – regulatory standards, to strictly implement the internal control system, to inspect and verify the Company's financial accounting reports, to exercise special care in its duties and to provide professional opinions with due prudence.

**Article 17** In the course of performing its supervisory duties, the Audit Committee may propose the removal of any director or senior management who violates laws, administrative regulations, departmental rules, regulatory documents, the securities regulatory rules of the place(s) where the shares of the Company are listed, the Articles of Association, or resolutions of the shareholders' meeting.

**Article 18** The Company shall disclose the annual performance of the Audit Committee in its annual reports, mainly including the convening of the Audit Committee meetings and the specific information on the performance of duties.

If the Audit Committee makes recommendations to the Board of Directors of the Company on matters within the scope of its duties and responsibilities, and the Board of Directors does not adopt such recommendations, the Company shall disclose such matters and fully explain the reasons.

**Article 19** The Audit Committee shall exercise its powers and duties in compliance with the provisions of the Company Law, the securities regulatory rules of the place(s) where the shares of the Company are listed, the Articles of Association and the Terms of Reference without detriment to the interests of the Company and the shareholders.

**Article 20** The Company shall provide the Audit Committee with the necessary working conditions and designate the office of the Board of Directors to undertake the daily work of the Audit Committee such as work liaison, meeting organization, material preparation and file management. The management of the Company and relevant departments shall cooperate with the Audit Committee during its course of undertaking its duties.

The Audit Committee may conduct investigations upon discovering irregularities in the Company's operations. The Audit Committee may appoint intermediary institutions to provide professional opinions at the cost of the Company as it deems necessary.

#### **Chapter 4 Convening and Notices of Meetings**

**Article 21** The meetings of the Audit Committee comprise regular meetings and extraordinary meetings. Regular meetings shall be held at least once per quarter.

An extraordinary meeting may be convened upon the proposal of the Board of Directors, Chairman of the Board of Directors, or two and more members or when deemed necessary by the chairman of the Audit Committee.

**Article 22** In principle, meetings of the Audit Committee shall be held on site, and may be convened by video call, telephone or other means in accordance with the procedures, when necessary, provided that all attendees can fully communicate and express their opinions.

If voting by correspondence other than physical meetings is adopted, members of the Audit Committee who have signed the meeting resolutions shall be deemed to have attended the relevant meeting and have agreed on the contents of the resolutions.

**Article 23** If the Audit Committee is to convene a meeting, the office of the Board of Directors of the Company shall, in principle, issue a notice of the meeting no later than three days before the Audit Committee meeting (excluding the day of the meeting). However, if a meeting needs to be convened as soon as possible due to an emergency, with the consent of all the members, it may be exempt from the above-mentioned period of notice, provided that each member can fully express his/her views and the chairperson or convener of the meeting shall make an explanation at the meeting.

**Article 24** A notice of the Audit Committee meeting shall include at least the following information:

- (I) the time and venue of the meeting;
- (II) the duration of the meeting;
- (III) topics to be discussed at the meeting;
- (IV) the contact person of the meeting and contact details; and



(V) the date of the meeting notice.

**Article 25** A complete set of proposals shall be attached to the notice of the meeting of the Audit Committee issued by the office of the Board of Directors of the Company.

**Article 26** Notices of Audit Committee meetings may be given in writing, by telephone, email or other expedited means.

## **Chapter 5 Consideration and Voting Procedures**

**Article 27** The Audit Committee meeting will not be convened unless more than two thirds of the members are present.

The Directors of the Company, who are not members of the Audit Committee, may attend the Audit Committee meeting without voting rights on proposals tabled at the meeting.

**Article 28** A member of the Audit Committee may attend the meeting in person or appoint another member of the Audit Committee to attend and exercise the voting rights at the meeting on his/her behalf.

A member of the Audit Committee may appoint only one other member to exercise the voting rights on his/her behalf, and an appointment of two or more members is invalid.

**Article 29** A member of the Audit Committee who appoints another member to attend and vote at the meeting on his/her behalf shall submit a power of attorney to the chairman of the meeting.

The power of attorney shall include at least the following information:

- (I) the name of the appointer;
- (II) the name of the proxy;
- (III) matters entrusted;
- (IV) instructions as to how to exercise the voting rights on topics of the meeting (for, against, abstain) and, in the absence of specific instructions, descriptions on if the proxy may vote at his/her discretion;
- (V) validity of the authorisation; and
- (VI) the date of signature of the power of attorney.

The power of attorney shall be signed by the appointer and the proxy.

**Article 30** A member of the Audit Committee who does not attend a meeting in person or appoint another member to attend on his/her behalf shall be considered to be absent from such meeting.



Should a member fail to attend the meetings of the Audit Committee twice in a row, he shall be deemed to be unable to carry out his/her duties and the Board of Directors of the Company may revoke his/her membership.

**Article 31** Resolutions made by the Audit Committee shall not be valid unless passed by more than half of all members (including those who are not present) voting thereon.

Each member of the Audit Committee shall have one vote.

**Article 32** The members of the Audit Committee would be free to discuss the subject matters considered at the meeting, but order shall be maintained at the meeting.

The chairperson of the meeting shall have the right to decide the time for discussion.

**Article 33** Matters proposed at the Audit Committee meeting are subject to collective consideration and voting on a case-by-case basis, i.e. all the proposals are considered by all members present and then are put to vote one by one according to the order of consideration.

**Article 34** The Audit Committee may, if considered necessary, invite other persons in connection with the proposals to attend the meeting to provide detailed information or express their opinions. Those who are not members of the Audit Committee, however, do not have voting rights on the proposals.

**Article 35** Members present at the meeting shall consider the proposals and give full expression of their personal opinions with a conscientious and responsible attitude; members shall be responsible for their own votes.

**Article 36** When the Audit Committee meeting is held on site, voting can be done by either open ballot or a show of hands.

If voting is done by a show of hands, the order of voting shall be “for”, “against” and “abstain”. Each member present shall have only one vote on one proposal by a show of hands; should a member put his/her hand up more than once, only the last show of hand is valid. If a member attends the meeting on his/her own and another member’s behalves, one vote cast by him by a show of hands shall be considered two votes to the extent that his/her appointer agrees with him/her on the proposal; otherwise he may cast votes separately according to his/her own and his/her appointer’s opinions; in case the proxy makes no special statements during the voting, an appointer is deemed to agree with his/her proxy.

The chairperson of the meeting shall count the votes on each proposal and announce the voting results on the spot, which shall be recorded by the minute taker.

Voting at off-site meetings of the Audit Committee shall be conducted by means of correspondence.

**Article 37** Meetings of the Audit Committee shall be recorded by the staff of the office of the Board of Directors of the Company.

## **Chapter 6 Resolutions and Minutes of Meetings**

**Article 38** Each proposal on which a prescribed number of valid votes are cast shall become a resolution of the Audit Committee upon announcement by the chairperson of the meeting.

The resolutions of the Audit Committee come into effect after being signed by the members present at the meeting. No modification or alteration shall be made to the resolutions of the Audit Committee that have become effective without going through the legitimate procedures as required by laws, administrative regulations, departmental rules, regulatory documents, the securities regulatory rules of the place(s) where the shares of the Company are listed, the Articles of Association and the Terms of Reference.

**Article 39** A member of the Audit Committee or the staff of the office of the Board of Directors of the Company designated by the said member shall report details of the resolutions to the Board of Directors of the Company no later than the day after such resolutions have been passed.

**Article 40** The chairman of the Audit Committee or another member designated by the chairman shall follow and monitor the implementation of the resolutions of the Audit Committee and may request and supervise persons concerned to remedy the violations of the resolutions found. Should the persons concerned fail to follow such instructions, the chairman of the Audit Committee or his/her designated member shall report the situation to the Board of Directors of the Company which will be responsible to manage the case.

**Article 41** The Audit Committee shall prepare minutes of the meeting in accordance with the regulations. The minutes of the Audit Committee meetings shall be true, accurate and complete, fully reflecting the opinions of the attendees on the matters deliberated. Committee members who attend the meeting and the person who takes the minutes shall both sign their names. Committee members present at the meeting have the right to request their explanatory remarks of his/her or her speech at the meeting to be recorded in the minutes.

**Article 42** The minutes of the meeting of the Audit Committee shall include at least the following information:

- (I) the date and venue of the meeting and the name of the convener;
- (II) the names of attendees, those attendees who are proxies should be specified;
- (III) the agenda of the meeting;
- (IV) the highlights of speeches of the members;
- (V) the voting method on each subject or proposal and the corresponding voting results (numbers of votes for and against and the number of votes to abstain shall be set out);
- (VI) other matters that shall be stated and recorded in the meeting minutes.

**Article 43** The resolutions and minutes of meetings of the Audit Committee meeting shall be kept as the Company's record in the office of the Board of Directors of the Company for a term of not less than 10 years during the period of continued existence of the Company.

## **Chapter 7 Supplementary Provisions**

**Article 44** Unless otherwise specified, in the Terms of Reference, the terms "not less than", "not more than" and other terms shall include the number following such terms.

**Article 45** Any matters not covered in the Terms of Reference shall be conducted in accordance with the requirements of the relevant laws, administrative regulations, departmental rules, regulatory documents, the securities regulatory rules of the place(s) where the shares of the Company are listed and the Articles of Association. Where there is a conflict between the Terms of Reference and the laws, administrative regulations, departmental rules, regulatory documents, the securities regulatory rules of the place(s) where the shares of the Company are listed to be promulgated in the future or the Articles of Association as legally modified in the future, the requirements of the laws, administrative regulations, departmental rules, regulatory documents, the securities regulatory rules of the place(s) where the shares of the Company are listed and the Articles of Association shall prevail.

**Article 46** Considered and approved by the Board of Directors of the Company, the Terms of Reference take effect on the day when the new Articles of Association are considered and approved by the shareholders' meeting of the Company.

**Article 47** The Terms of Reference shall be interpreted by the Board of Directors of the Company.

**Contemporary Amperex Technology Co., Limited**  
December 2025