

**AUDIT COMMITTEE CHARTER**  
**APPLIED DIGITAL CORPORATION**

**As adopted by the Board of Directors, effective January 6, 2026**

**Purpose**

The purpose of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Applied Digital Corporation. (the “**Company**”) shall be to assist the Board in fulfilling its oversight responsibilities relating to:

- the Company’s accounting and financial reporting processes;
- the Company’s compliance with legal and regulatory requirements;
- the qualifications and independence of the Company’s external auditor (the “**Independent Auditor**”);
- the sufficiency of the Company’s internal controls;
- the performance of the Company’s internal auditing function (“**Internal Audit**”);
- the performance of the Independent Auditor;
- oversight of the Company’s compliance program as well as the principal legal and regulatory standards applicable to the Company’s operations; and
- risk assessment and management, including the oversight of information technology and the management’s implementation of adequate cybersecurity measures, cyber incident policies and cyber insurance.

While the Board has delegated to the Committee oversight duties and responsibilities pursuant to this Charter, the fundamental responsibility for (i) risk assessment and management (including cybersecurity policies and procedures), (ii) the accuracy of the Company’s financial statements and disclosures, and (iii) the quality of the Company’s accounting and financial reporting processes, remains with management and, with respect to (ii) and (iii), also the Independent Auditor.

In furtherance of these purposes, the Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board may from time to time prescribe.

**Membership and Organization**

**Composition.** The Committee shall be comprised of three or more directors. The Board may designate one member of the Committee as its chair.

**Independence.** Each member of the Committee shall:

- be an “independent director” as defined by The Nasdaq Stock Market LLC (“**Nasdaq**”) Rule 5605(a)(2) and otherwise meet the applicable criteria for independence set forth in Rule 5605(d)(2) of the Nasdaq rules;

- meet the criteria for independence set forth in Rule 10A-3(b)(1) of the Exchange Act;
- not have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years; and
- be able to read and understand fundamental financial statements, including a Company's balance sheet, income statement, and cash flow statement.

In addition to the factors above, each member of the Committee must not accept any consulting, advisory, or other compensatory fee from the Company other than for board service, and they must not be an affiliated person of the Company. At least one member of the Committee shall be an “audit committee financial expert” in accordance with the rules of the Securities and Exchange Commission (the “SEC”). Committee members shall not simultaneously serve on the audit committees of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such director to serve effectively on the Committee.

***Selection and Removal.*** Members of the Committee shall be appointed by, and serve at the discretion of, the Board. The Board may remove members of the Committee, with or without cause, at any time and from time to time.

#### **Procedures and Administration.**

- **Meetings.** The Committee will set its own schedule of meetings and will meet at least four times annually, with the option of holding additional meetings at such times as it deems necessary or appropriate to carry out its duties and responsibilities. Meetings of the Committee may be held in person, telephonically or by video conference. The Committee may conduct special meetings to discharge its duties and responsibilities only if such special meeting is (i) called by the Chair of the Committee, or (ii) by any two members of the Committee. The Committee may also act by unanimous written consent in lieu of a meeting. The Committee shall meet separately and periodically with management, Internal Audit and the Independent Auditor. The Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board in accordance with Company’s bylaws.
- **Invitations.** The Committee or the Chairman may invite to its meetings any director, officer or employee of the Company and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee or the Chairman may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities, including non-management directors who are not members of the Committee.
- **Subcommittees.** The Committee may form subcommittees for any purpose that the Committee or the Chairman deems appropriate (including a subcommittee consisting of a single member) and may delegate to such subcommittees such power and authority as the Committee deems appropriate. The Committee shall not delegate to a subcommittee any power or authority required by law, regulation or listing standard to be exercised by the Committee as a whole.
- **Compensation.** Members of the Committee shall receive such fees, if any, for their service as Committee members as may be determined by the Board in its sole discretion. Such fees may include retainers or per meeting fees. Fees may be paid in such form of consideration as is determined by the Board. Members of the Committee may not receive, directly or indirectly, any consulting, advisory or other compensatory fee from the Company, except the fees that they receive for service as a member of the Board or any committee thereof. The Committee shall receive appropriate funding from the Company, as determined by the Committee.

- Reports. The Committee shall report regularly to the Board (i) following meetings of the Committee, (ii) with respect to such other matters as are relevant to the Committee's discharge of its responsibilities and (iii) with respect to such recommendations as the Committee may deem appropriate. The report to the Board may take the form of an oral report by the chair or any other member of the Committee designated by the Committee to make such report.
- Investigations. The Committee shall have full, unrestricted access to Company books, records, facilities and personnel. The Committee shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it shall deem appropriate, including the authority to request any officer, employee or advisor of the Company to meet with the Committee or any advisors engaged by the Committee.
- Self-Evaluation. The Committee shall periodically evaluate its own performance and review and reassess the adequacy of this Charter at least annually, and recommend any proposed changes to the Board for approval.

In discharging its oversight role, the Committee shall be empowered to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company and shall have the power and authority to determine funding for ordinary administrative expenses of the Committee as well as to retain and determine funding for outside counsel, Independent Auditor or other advisers the Committee deems necessary to carry out the Committee's purposes, duties and responsibilities so enumerated herein. The Company will provide appropriate funding, as determined by the Committee, for compensation to the Independent Auditor, to any advisers that the Committee chooses to engage, and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

### **Responsibilities and Duties**

To the extent deemed necessary or appropriate, the Committee shall:

#### ***Independent Audit, Financial Statements and Internal Controls***

- Appoint (and recommend that the Board submit for stockholder ratification, if applicable), compensate, retain, oversee the work of and terminate the Independent Auditor and any other independent registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The Committee shall also be responsible for the resolution of disagreements between management and the Independent Auditor, or any other such firm, regarding accounting and financial reporting. The Independent Auditor and any other such firm shall report directly to the Committee.
- Obtain and review, at least annually, a report by the Independent Auditor describing: (i) the Independent Auditor's internal quality control procedures, (ii) any material issues raised by the most recent internal quality control review or peer review of the Independent Auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years respecting one or more independent audits carried out by the Independent Auditor, (iii) any steps taken to deal with any such issues, (iv) all relationships between the Independent Auditor and the Company and (v) any other information pertaining to the independence of the Independent Auditor. Discuss with the Independent Auditor any issues or relationships disclosed in such report that, in the judgment of the Committee, may have an impact on the competence or independence of the Independent Auditor. The Committee shall present its conclusions with respect to the Independent Auditor to the Board. Upon receipt of such written report, the Committee shall discuss with the Independent Auditor any such disclosed relationships and their impact on the Independent

Auditor's objectivity and independence, and take appropriate actions to oversee the independence of the Independent Auditor.

- Review and evaluate the Independent Auditor, including the lead audit partner of the Independent Auditor and assure the regular rotation of the lead audit partner, the concurring partner and other audit partners engaged in the Independent Auditor's annual audit of the Company's year-end financial statements (the "**Annual Audit**"), to the extent required by law. In making its evaluation, the Committee shall take into account the opinions of management and, if applicable, the Internal Audit (or other personnel responsible for the internal audit function). In addition to assuring the regular rotation of the audit partners on the engagement team as required by law, the Committee shall consider whether, in order to assure continuing auditor independence, there should be regular rotation of the audit firm itself.
- Discuss with Internal Audit and management their views as to the competence, performance and independence of the Independent Auditor.
- Pre-approve all audit and permitted non-audit and tax services to be provided to the Company by the Independent Auditor.
- Review and discuss the annual audited financial statements and quarterly financial statements with management and the Independent Auditor, including the annual and quarterly report disclosures under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations." The Committee shall make a recommendation to the Board as to whether the annual audited financial statements should be included in the Company's Annual Report on Form 10-K.
- Review and discuss earnings press releases, as well as financial information and earnings guidance provided to analysts and ratings agencies, including the type and presentation of the information presented, with particular attention paid to *pro forma* or adjusted non-GAAP information.
- Review reports to management prepared by the Independent Auditor or Internal Audit and any responses by management. Review internal control reports (or summaries thereof), other relevant reports or financial information submitted by the Company to any governmental body, or the public, and relevant reports rendered by the Independent Auditor (or summaries thereof) and consider the risk, if any, of management's ability to override the Company's internal controls.
- Understand the scope of the audit plan, including the Independent Auditor's review of internal control over financial reporting.
- Obtain and review annually, prior to the completion of the Annual Audit, a report from the Independent Auditor describing (i) all critical accounting policies and practices to be reflected in the Annual Audit, (ii) (a) all alternative treatments of financial information within generally accepted accounting principles ("**GAAP**") for policies and procedures related to material items that have been discussed with management, (b) ramifications of the use of such alternative disclosures and treatments and (c) the treatment preferred by the Independent Auditor and (iii) other material written communications between the Independent Auditor and management, such as any management letter or schedule of unadjusted differences. Review any reports on such topics or similar topics prepared by management. Discuss with the Independent Auditor any material issues raised in such reports.
- Review the Company's financial reporting processes and internal controls in consultation with the Independent Auditor and Internal Audit. Such review shall include a consideration of major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, major issues as to the

adequacy of the Company's internal controls and any special audit steps adopted in light of identified deficiencies. Review any analyses 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 GAAP methods on the financial statements.

- Discuss with the Independent Auditor the matters required in accordance with the applicable requirements of the Public Company Accounting Oversight Board (the "PCAOB") Auditing Standards No. 1301, Communications Audit Committees, including such matters as: the quality and acceptability of the accounting principles applied in the financial statements; new or changed accounting policies, the effect of regulatory and accounting initiatives, and significant estimates, judgments, uncertainties or unusual transactions; the selection, application and effects of critical accounting policies and estimates applied by management; issues raised by any "management" or "internal control" letter from the auditors, problems or difficulties encountered in the audit and management's response to such problems or difficulties, significant disagreements with management or other significant aspects of the audit; and any off-balance sheet transactions, and relationships with any unconsolidated entities or any other persons, which may have a material current or future effect on the financial condition or results of operations of the Company and are required to be reported under SEC rules.
- Review with the Independent Auditor any audit problems or difficulties and management's response thereto. Such review shall include a review of any difficulties the Independent Auditor encountered in the course of the audit work, including any restrictions on the scope of the Independent Auditor's activities or access to requested information, and any significant disagreements with management. This review shall include (1) any difficulties encountered by the Independent Auditor in the course of performing its audit work, including any restrictions on the scope of its activities or its access to information, (2) any significant disagreements with management and (3) a discussion of the responsibilities, budget and staffing of the Company's internal audit function. This review may also include: (i) any accounting adjustments that were noted or proposed by the auditors but were "passed" (as immaterial or otherwise); (ii) any communications between the audit team and the audit firm's national office regarding auditing or accounting issues presented by the engagement; and (iii) any management or internal control letter issued, or proposed to be issued, by the Independent Auditor.
- Review with the Independent Auditor, Internal Audit and management the extent to which changes or improvements in financial or accounting practices and internal controls that were previously reviewed and/or approved by the Committee have been implemented.
- Review and discuss with the Independent Auditor any critical audit matter ("CAM") addressed in the audit of the Company's financial statements and the relevant financial statement accounts and disclosures that relate to each CAM.
- Approve hiring policies for employees or former employees of the Independent Auditor and oversee the hiring of any personnel from the Independent Auditor in accordance with applicable law.

### ***Internal Audit***

- Review and assess the annual internal audit plan, the process used to develop the plan and the status of activities, significant findings, recommendations and management's response. Provide oversight of Internal Audit, including by reviewing and discussing with management reports and other communications prepared by Internal Audit.

- Oversee Internal Audit's structure, objectivity, responsibilities, staffing, resources and budget. Discuss with the Independent Auditor the Independent Auditor's judgment about the competence, performance and cooperation of Internal Audit and management and Internal Audit's responsibilities, budget and staffing. Recommend for Board approval (i) the appointment and, if appropriate, replacement of (a) the head of Internal Audit, where the head of Internal Audit is a Company employee, or (b) any third-party service provider (other than the Independent Auditor) that is providing Internal Audit services to the Company, and (ii) the Internal Audit budgets.
- Annually, review and recommend changes (if any) to the internal audit charter.
- Periodically review, with the Internal Audit director, any significant difficulties, disagreements with management, or scope restrictions encountered in the course of the function's work. Periodically review, with the Independent Auditor, the Internal Audit function's responsibility, budget, and staffing.

### ***Related Party Transactions and Compliance***

- Review and approve any transaction between the Company and any related person (as defined in Item 404 of Regulation S-K) in accordance with the Company's Related Person Transaction Policy. The Committee shall notify the Board at least quarterly of all related person transactions approved or ratified by the Committee or its chair in accordance with such policy.
- Review periodically the Company's Related Person Transaction Policy and Whistleblower Policy and recommend amendments thereto for Board approval.
- Discuss with the Independent Auditor its evaluation of the Company's identification of, accounting for, and disclosure of its relationships with related parties as set forth under the standards of the PCAOB. Establish and oversee management's implementation of procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters, including procedures for confidential, anonymous submissions by Company employees regarding questionable accounting or auditing.
- Review periodically with the Company's chief compliance officer the Company's compliance with legal and regulatory requirements and the design and implementation of the Company's compliance program and its sufficiency.

### ***Financial and Reporting Processes, Accounting Policies and Internal Control Structure***

- Receive and review any disclosure from the Company's CEO and CFO made in connection with the certification of the Company's quarterly and annual reports filed with the SEC of: (a) significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize, and report financial data; and (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls.
- Review any significant changes in the Company's selection or application of accounting principles, major issues as to the adequacy of the Company's internal controls, and any special audit steps adopted in light of material control deficiencies.
- Review analyses prepared by management and 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 GAAP methods on the financial statements.

- Review the effect of legal, regulatory and accounting initiatives, as well as off-balance-sheet transactions and structures, on the financial statements of the Company.
- Establish and oversee management's implementation of procedures for the receipt, retention and treatment of complaints, whether received from employees of the Company or other persons, regarding accounting, internal accounting controls or auditing matters, financial disclosures or actions of the Chief Compliance Officer, including procedures to apply in the case that complaints are received with a request for confidential or anonymous treatment. Review periodically with management and Internal Audit these procedures. Review all such complaints and concerns received by the Company.

#### ***Committee Report, Evaluation and Charter***

- Prepare the report of the Committee required to be included in the Company's Annual Reports on Form 10-K and Proxy Statement on Schedule 14A.
- Perform such other duties and responsibilities as reasonably determined by the Committee to be consistent with its mandate (under this Charter, the Company's bylaws, governing law, the rules and regulations of Nasdaq, the federal securities laws and such other requirements applicable to the Company) or as further delegated to the Committee by the Board. This includes the authority to conduct or authorize investigations into any matter, including, but not limited to, complaints relating to accounting, internal accounting controls or auditing matters within the scope of duties and responsibilities delegated to the Committee.

#### ***Risk Management & Cybersecurity Oversight***

- Discuss policies with respect to risk assessment and risk management, the Company's major litigation and financial risk exposures and the steps management has taken to monitor and control such exposures, including (a) the Company's guidelines and policies with respect to financial risk management and financial risk assessment, including the Company's major financial risk exposures and the steps taken by management to monitor and control these exposures, (b) management risks relating to data privacy, information technology and cybersecurity, including (i) the potential impact of those exposures on the Company's business, financial results, operations and reputation, (ii) the steps management has taken to monitor and mitigate such exposures, (iii) the Company's information governance policies and programs and (iv) major legislative and regulatory developments that could materially impact the Company's privacy and data security risk exposure.
- Meet periodically with management and then report to the Board concerning the adequacy of: (i) the Company's cybersecurity policies and measures; (ii) the Company's cyber incident policy, including responses to cyber incidents, ransom demands and security breaches; and (iii) the adequacy of the Company's cyber-security insurance.

#### ***Consultants and Other Advisors***

- The Committee shall have authority to retain such outside counsel, experts and other advisors as the Committee may deem appropriate in its sole discretion.
- The Committee shall have sole authority to approve related fees and retention terms. The Committee shall receive appropriate funding from the Company, as determined by the Committee,

for any expense related to any external advisors and for the ordinary administrative expenses of the Committee.

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