

**AUDIT COMMITTEE CHARTER  
OF  
SAFE AND GREEN DEVELOPMENT CORPORATION**

**(Amended and Restated as of September 12, 2023)**

**MEMBERSHIP**

The Audit Committee (the “Committee”) of the board of directors (the “Board”) of Safe and Green Development Corporation (the “Company”) shall consist of three or more directors. Each member of the Committee shall be independent in accordance with the requirements of Rule 10A-3 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and the rules of the Nasdaq Stock Market, Inc. No member of the Committee shall have participated in the preparation of the Company’s or any of its current subsidiaries’ financial statements at any time during the past three years.

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement and cash flow statement. At least one member of the Committee must 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.

It is also expected that at least one member of the Committee will be an “audit committee financial expert” as defined by the applicable rules of the Securities and Exchange Commission (“SEC”), who may be the same person with the financial sophistication described in the preceding paragraph. The designation or identification of a person as an audit committee financial expert does not (i) impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Committee and the Board in the absence of such designation or identification, or (ii) affect the duties, obligations or liability of any other member of the Committee or the Board.

The members of the Committee shall be appointed by the Board. One member of the Committee shall be appointed as chairperson by the Board. The chairperson will chair all meetings of the Committee. Each member shall serve until his or her successor shall be appointed and qualified or until his or her resignation, removal or death. The Board may remove any member from the Committee at any time with or without cause. The Board shall have the authority to fill vacancies or add additional members to the Committee.

**PURPOSE**

The purpose of the Committee is to oversee the Company’s accounting and financial reporting processes and the audit of the Company’s financial statements.

**DUTIES AND RESPONSIBILITIES**

The Committee shall have the following authority and responsibilities:

- (a) Be directly responsible for the appointment, compensation, retention and oversight of the work of the independent auditors engaged (including resolution of disagreements between management and the independent auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The independent auditors shall report directly to the audit committee.

(b) Pre-approve all audit and permitted non-audit services that may be provided to the Company by the independent auditors. Comply with all pre-approval requirements of Section 10A(i) of the Exchange Act and all SEC rules relating to the administration by the Committee of the auditor engagement to the extent necessary to maintain the independence of the auditor as set forth in 17 C.F.R. Part 210.2-01(c)(7). The Committee may establish pre-approval policies and procedures in compliance with applicable SEC rules.

(c) At least annually, to obtain and review a report by the Company's independent auditors that describes (1) the independent auditors' internal quality-control procedures, and (2) any material issues raised by the most recent internal quality control review, or peer review, of the independent auditors, or by any other inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more audits carried out by the firm and any steps taken to deal with any such issues.

(d) Ensure its receipt from the outside auditors of a formal written statement delineating all relationships between the independent auditors and the Company; actively engage in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditors; and take, or recommend that the full Board take, appropriate action to oversee the independence of the independent auditors.

(e) Confirm the rotation of the audit partners on the audit engagement team as required by law.

(f) Review and discuss reports from the independent auditors that describe (1) all critical accounting policies and practices to be used; (2) all alternative treatments of financial information within generally accepted accounting principles ("GAAP") that have been discussed with management, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors; and (3) other material written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences.

(g) Discuss with management and the independent auditors significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal controls over financial reporting.

(h) Review with the independent auditors the matters required to be discussed by the applicable auditing standards adopted by the PCAOB and approved by the SEC from time to time, including, without limitation, any difficulties encountered in the course of the audit work, any restriction on the scope of activities or access to requested information and any significant disagreements with management, and management's responses to such matters.

(i) Review and discuss the Company's annual and quarterly financial statements with management and the independent auditors, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

(j) Make a recommendation to the Board as to whether the audited financial statements should be included in the Company's Form 10-K.

(k) Produce the audit committee report required to be included in the Company's proxy statement.

(l) Oversee the Company's internal audit function, if applicable.

(m) Review and discuss with management the Company's earnings press releases, including the type of information to be included and its presentation and the use of any pro forma or adjusted non-GAAP information; and any financial information and earnings guidance provided to analysts and ratings agencies or otherwise made public, including the type of information to be disclosed and type of presentation to be made. The Committee's discussion in this regard may be general in nature (i.e., discussion of the types of information to be disclosed and the type of presentation to be made) and need not take place in advance of each earnings release or each instance in which the Company may provide earnings guidance.

(n) Review and discuss the Company's policies and practices with respect to risk assessment and risk management, including its major financial risk exposures, and the steps management has taken to monitor and control such exposures.

(o) Establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and (ii) the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.

(p) The Committee shall review transactions that would be required to be disclosed pursuant to Item 404 of Regulation S-K in accordance with the Company's Related Person Transaction Policy. The Committee will discuss with the independent auditors 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.

(q) Annually review and assess the adequacy of this Charter and recommend to the Board any proposed changes to this Charter.

(r) Make an annual performance evaluation of the Committee.

## **OUTSIDE ADVISORS**

The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of outside legal counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. The Committee shall set the compensation, and oversee the work, of its outside legal counsel and other advisors.

The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of (i) compensation to any 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; (ii) compensation to its outside legal counsel and any other advisors employed by the Committee; and (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

## **STRUCTURE AND OPERATIONS**

The Committee shall meet at least quarterly and at such other times as it deems necessary to fulfill its responsibilities. Subject to the foregoing, the chairperson will, in consultation with Committee members and members of management, determine the frequency and length of Committee meetings and develop the Committee's agenda for each meeting. The Committee will cause to be kept adequate minutes of all of its

proceedings, and shall report regularly to the Board regarding its actions. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephonic or electronic communications), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

The Committee shall meet separately, and periodically, with management, members of the Company's internal audit department, if any, and representatives of the Company's independent auditors, and shall invite such individuals to its meetings as it deems appropriate, to assist in carrying out its duties and responsibilities. However, the Committee shall meet regularly without such individuals present.

### **DELEGATION OF AUTHORITY**

Any duties and responsibilities of the Committee, including, but not limited to, the authority to pre-approve all audit and permitted non-audit services of the independent auditors, may be delegated to a subcommittee of the full Committee. The Committee may also delegate to one or more designated members the authority to pre-approve all audit and permitted non-audit services. The decisions of any member or subcommittee to which authority is delegated to pre-approve an audit or permitted non-audit service of the independent auditors shall be presented to the full Committee at each of its scheduled meetings.

### **LIMITATIONS**

The Committee is responsible for the duties and responsibilities set forth in this Charter, but its role is oversight and therefore it is not responsible for either the preparation or certification of the Company's financial statements or the auditing of the Company's financial statements. The members of the Committee are not employees of the Company and may not be accountants or auditors by profession or experts in accounting or auditing. Management has the responsibility for preparing the financial statements and implementing internal controls and the independent auditors have the responsibility for auditing the financial statements and monitoring the effectiveness of the internal controls, subject, in each case, to the oversight of the Committee described in this Charter. The review of the financial statements by the Committee is not of the same character or quality as the audit performed by the independent auditors. The oversight exercised by the Committee is not a guarantee that the financial statements will be free from mistake or fraud. In carrying out its responsibilities, the Committee believes its policies and procedures should remain flexible in order to best react to a changing environment.