



## CSW INDUSTRIALS, INC.

### AUDIT COMMITTEE CHARTER

#### Purpose

The purpose of the Audit Committee (the "Committee") is to assist the Board of Directors (the "Board") of CSW Industrials, Inc. (the "Company") in fulfilling the Board's oversight responsibilities with respect to (a) the integrity of the Company's financial statements, (b) the qualifications, independence and performance of the Company's independent registered public accounting firm (the "independent auditors"), (c) the performance of the Company's internal audit function, and (d) the Company's compliance with legal and regulatory requirements relating to financial reporting.

#### Composition

**Size.** The size of the Committee will be determined by the Board, subject to any requirements or limitations in the Company's Certificate of Incorporation or Bylaws, but will consist of no fewer than three members.

#### ***Qualifications.***

- (1) **Independence from the Company.** Each Committee member shall meet the applicable independence standards of (a) the listing requirements of the New York Stock Exchange ("NYSE") for boards of directors and audit committee members, as such requirements are interpreted by the Board in its business judgment and subject to the cure provisions provided by the NYSE rules, (b) Section 301 of the Sarbanes-Oxley Act of 2002 and the rules and listing requirements promulgated thereunder by the Securities and Exchange Commission ("SEC"), including Rule 10A-3(b)(1) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and subject to the exemptions provided in Rule 10A-3(b)(1) and Rule 10A-3(c) under the Exchange Act and (c) any other requirements imposed by the Company's Corporate Governance Guidelines and any other applicable legal requirements.

Notwithstanding the foregoing qualifications, all actions taken by the duly appointed members of the Committee in accordance with the Bylaws of the Company shall be the valid actions of the Committee.

- (2) **Service on Multiple Audit Committees.** No Committee member may serve on the audit committee of more than three public companies (including the Company) unless the Board (a) determines that such simultaneous service would not impair the ability of such member to effectively serve on the Committee, and (b) discloses such determination either through the Company's website or in the annual proxy statement.

- (3) **Financial Literacy.** Each Committee member shall be financially literate and have a working familiarity with basic finance and accounting practices, including an ability to read and understand financial statements, as determined by the Board in its discretion. At least one member must have “accounting or related financial management expertise” in accordance with the rules of the NYSE, and at least one member (who may be the same member as that with “accounting or related financial management expertise”) must be an “audit committee financial expert” as defined by the SEC. The designation or identification of a person as having such financial expertise or as an audit committee financial expert will not (a) 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 Board in the absence of such designation or identification or (b) affect the duties, obligations or liability of any other member of the Committee or Board.

**Selection.** The Board selects Committee members, including to fill member vacancies following the resignation or removal of a Committee member, based on recommendations of the Nominating and Corporate Governance Committee. The Committee Chair will be selected as set forth in the Company’s Corporate Governance Guidelines.

**Resignation and Removal.** Each Committee member will serve at the pleasure of the Board for such term as the Board may decide or until such Committee member is no longer a Board member. A Committee member may resign from the Committee upon written notice to the Board. Resignation from the Committee does not automatically resign the member from the Board. If a member of the Committee ceases to meet the independence criteria set forth above for reasons outside the member’s reasonable control, then, in accordance with the cure provisions under the NYSE listing rules, the Board may determine that such person, with notice by the Company to the NYSE, may remain a Committee member until the earlier of the next annual meeting of stockholders or one year from the occurrence of the event that caused the member to no longer be independent.

### **Compensation of Committee Members**

Each Committee member will receive as compensation from the Company only those forms of compensation that are not prohibited by Section 301 of the Sarbanes-Oxley Act of 2002 and the rules and listing requirements promulgated thereunder by the SEC and NYSE. Permitted compensation includes (a) director’s fees (which includes all forms of compensation paid to directors of the Company for service as a director or member of a committee of the Board) and (b) fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Company provided that such compensation is not contingent in any way on continued service. In addition, the Board, upon recommendation of the Compensation and Talent Development Committee, may determine to pay additional directors’ fees to Committee members to compensate them for the significant time and effort they expend in performing their duties as Committee members.

## Duties and Responsibilities

The Committee is responsible for overseeing the Company's financial reporting and disclosure processes and the Company's ethics and compliance program on behalf of the Board. To fulfill this obligation, the Committee relies on: (a) management for the preparation, presentation, and integrity of the Company's financial statements and for establishing effective internal controls and procedures to ensure the Company's compliance with accounting standards, financial reporting procedures and applicable laws and regulations, and (b) the Company's independent auditors for diligent audit or review, as applicable, of the Company's financial statements and the effectiveness of the Company's internal controls. The members of the Committee are not employees of the Company and are not responsible for conducting the audit or performing other accounting procedures.

In performing its responsibilities, the Committee will:

- (1) Retain the Independent Auditors. The Committee has the sole authority to:
  - (a) select, retain and terminate the Company's independent auditors for the purpose of auditing the Company's annual financial statements, books, records, accounts and internal controls over financial reporting,
  - (b) approve all audit engagement fees, terms and services,
  - (c) oversee the work done by the Company's independent auditor, and
  - (d) approve any non-audit engagements with the Company's independent auditors.

The Committee will exercise this authority in a manner consistent with Section 10A(m)(2) and Rule 10A-3 of the Exchange Act and the rules and listing requirements of the NYSE. The Committee may delegate the authority to grant any pre-approvals of non-audit engagements required by such sections to one or more members of the Committee as it designates, subject to the delegated member or members reporting any such pre-approvals to the Committee at its next scheduled meeting.

- (2) Other Accountants. Select, retain, compensate, oversee and terminate, if necessary, any other 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.
- (3) Review and Discuss the Quality and Independence of the Auditors. The Committee will, at least annually, review and discuss the information provided by management and the auditors relating to the independence of the audit firm, including, among other things, information related to the non-audit services provided and expected to be provided by the auditors. The Committee is responsible for, at least annually, obtaining and reviewing a report by the independent auditor that describes (a) the accounting firm's internal quality control procedures, (b) any material issues raised by the most recent internal quality control review, peer review or Public Company Accounting Oversight Board review or inspection of the firm or by any other inquiry or investigation by governmental or professional authorities in the past five years regarding one or more audits carried out by the firm and any steps taken to deal with any such issues, and (3) all relationships between the firm and the Company or any of its

subsidiaries; to actively engaging in a dialogue with the auditors with respect to any disclosed relationship or services that may impact the objectivity and independence of the auditors.

In connection with the Committee's evaluation of the auditors' qualifications, performance and independence, the Committee will, at least annually, review and evaluate the lead partner of the independent auditor and take such steps as may be required by law with respect to the identification and regular rotation of the audit partners serving on the Company's audit engagement team. The Committee will further consider whether, in order to assure continuing auditor independence, there should be regular rotation of the audit firm itself.

- (4) Set Hiring Policies. The Committee will set hiring policies, consistent with governing laws and regulations, for hiring employees or former employees of the independent auditors, which include the restrictions set forth in Section 206 of the Sarbanes-Oxley Act of 2002 and any rules promulgated thereunder by the SEC.
- (5) Review and Discuss the Audit Plan. The Committee will review and discuss with the independent auditors the plan for, and the scope of, the annual audit and other examinations, including the adequacy of staffing and compensation.
- (6) Review and Discuss the Conduct of the Audit. The Committee will review and discuss with the independent auditors the matters required to be discussed by Auditing Standard No. 1301, "*Communications with Audit Committees*" as adopted by the Public Company Accounting Oversight Board and other generally accepted accounting standards relating to the conduct of the audit, as well as any audit problems or difficulties and management's response, including (a) any restriction on audit scope or on access to requested information, (b) any disagreements with management and (c) significant issues discussed with the independent auditors' national office. The Committee will decide all unresolved disagreements between management and the independent auditors regarding financial reporting.
- (7) Review and Discuss Financial Statements and Disclosures. The Committee will review and discuss with appropriate officers of the Company and the independent auditors the annual audited and quarterly unaudited financial statements of the Company, including footnotes thereto, as well as the Company's disclosures in its Exchange Act reports (a) under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and (b) regarding internal controls and other matters required by Sections 302 and 404 of the Sarbanes-Oxley Act of 2002 and the rules promulgated thereunder by the SEC.

- (8) Review and Discuss Earnings Press Releases. The Committee will review and discuss earnings and other financial press releases (including any use of “pro forma” or “adjusted” non-GAAP information), as well as financial information and earnings guidance provided to analysts and rating agencies (which review may occur after issuance and may be done generally as a review of the types of information to be disclosed and the form of presentation to be made).
- (9) Review and Discuss the Systems of Internal Accounting Controls. The Committee will review and discuss with the independent auditors and management (a) the adequacy of the Company’s internal accounting controls, the Company’s financial, auditing and accounting organizations and personnel, and the Company’s policies and compliance procedures with respect to business practices, (b) the Company’s disclosures regarding internal controls and (c) any matters required by Sections 302 and 404 of the Sarbanes-Oxley Act of 2002 and any rules promulgated thereunder by the SEC. The Committee will also review and discuss with the independent auditors their opinion on the effectiveness of management’s assessment of internal controls over financial reporting and any matters that have come to the attention of the independent auditors that lead them to believe that modification to the Company’s disclosures about changes in internal control over financial reporting is necessary for management’s certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 to be accurate.
- (10) Review and Discuss the Recommendations of Independent Auditors. The Committee will review and discuss with management recommendations made by the independent auditors, as well as such other matters, if any, as such persons or other officers of the Company may desire to bring to the attention of the Committee.
- (11) Review and Discuss the Audit Results. The Committee will review and discuss with the independent auditors (a) the report of their annual audit, or proposed report of their annual audit, (b) the accompanying management letter, if any, (c) the reports of their reviews of the Company’s interim financial statements, and (d) the reports of the results of such other examinations outside of the course of the independent auditors’ normal audit procedures that the independent auditors may from time to time undertake. The foregoing will include the reports required by Section 204 of the Sarbanes-Oxley Act of 2002 and any rules promulgated thereunder by the SEC and, as appropriate, a review of (a) major issues regarding (i) accounting principles and financial statement presentations, including any significant changes in the Company’s selection or application of accounting principles, and (ii) the adequacy of the Company’s internal controls and any special audit steps adopted in light of material control deficiencies, (b) analyses prepared by management and/or the independent auditors 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, and (c) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company.

- (12) Obtain Assurances under Section 10A(b) of the Exchange Act. The Committee will obtain assurance from the independent auditors that in the course of conducting the audit, there have been no acts detected or that have otherwise come to the attention of the audit firm that require disclosure to the Committee under Section 10A(b) of the Exchange Act.
- (13) Discuss Risk Management Policies. The Committee will discuss management's guidelines and policies with respect to enterprise risk assessment and enterprise risk management that management uses to assess and manage the Company's exposure to risk. Without limiting the foregoing, the Committee should discuss the Company's major financial risk exposures and the steps management has taken to monitor and control these exposures.
- (14) Internal Audit. The Committee will (a) oversee and monitor the performance of the Company's internal audit function, which may be outsourced to a third-party service provider, (b) review the significant reports to management prepared by the internal audit function and management's responses, and (c) review and discuss with the independent auditor the responsibilities, budget and staffing of the Company's internal audit function.
- (15) Obtain Reports Regarding Conformity with Legal Requirements and the Company's Code of Business Conduct. The Committee will periodically obtain reports from management and the independent auditors that the Company and its subsidiary/foreign affiliated entities are in conformity with applicable legal requirements and the Company's Code of Business Conduct. The Committee will review and discuss reports and disclosures of insider and affiliated party transactions. The Committee should advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Code of Business Conduct.
- (16) Oversight of the Company's Ethics and Compliance Program. The Committee is responsible for the oversight of the Company's ethics and compliance program. In fulfilling its duties, the Committee will periodically, and not less than annually, receive reports from management on the effectiveness of the program. In addition, a compliance officer of the Company is expressly authorized to communicate directly and promptly to the Audit Committee: (a) any matter involving criminal conduct, potential criminal conduct, or violations of the Company's ethics and compliance policies and (b) not less than annually on the implementation and effectiveness of the Company's ethics and compliance program. The Committee will also report to the Board with respect to the program.
- (17) Review and Approve Related Party Transactions. The Committee will review and approve all related party transactions that are required to be disclosed pursuant to Item 404 of Regulation S-K promulgated by the SEC. The Committee will report its actions with respect to any related party transaction to the Board.

- (18) Establish and Maintain Procedures for Complaints Regarding Financial Statements or Accounting Policies. The Committee will establish and maintain procedures for (a) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters as required by Section 301 of the Sarbanes-Oxley Act of 2002 and the rules and listing requirements promulgated thereunder by the SEC and NYSE.
- (19) Review and Discuss Other Matters. The Committee should review and discuss such other matters that relate to the accounting, auditing and financial reporting practices and procedures of the Company as the Committee may, in its own discretion, deem desirable in connection with the review functions described above.
- (20) Committee Reports to the Board. The Committee should report its activities regularly to the Board in such manner and at such times as the Committee and the Board deem appropriate, but in no event less than once a year. Such report should 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, and the performance and independence of the Company's independent auditors.
- (21) Preparation of Audit Committee Report. The Committee will prepare, with the assistance of management and any outside advisors the Committee deems appropriate, an Audit Committee Report for inclusion in the Company's proxy statement in the manner required by the SEC's rules and regulations.

### **Meetings of the Committee**

The Committee will meet as frequently as necessary to carry out its responsibilities under this Charter at such times, places and by such means as the Committee Chair may determine. The Committee Chair, in consultation with the other members of the Committee and senior management of the Company, will establish the agenda for each Committee meeting. Any Committee member may submit items to be included on the agenda. Committee members may also raise subjects that are not on the agenda at any meeting. The Committee Chair or a majority of the Committee members may call a meeting of the Committee at any time. A majority of the Committee members will constitute a quorum for conducting business at a meeting of the Committee. The act of a majority of Committee members present at a Committee meeting at which a quorum is in attendance will be the act of the Committee, unless a greater number is required by law, the Company's Certificate of Incorporation or its Bylaws. The Committee Chair will supervise the conduct of the meetings and will have other responsibilities as the Committee may specify from time to time. Minutes will be kept of each meeting of the Committee and will be duly filed in the Company records.

The Committee will meet periodically in executive session without Company management present. The Committee may request any officer or employee of the Company, the Company's outside legal counsel, independent auditors, or the internal audit staff to attend

a meeting of the Committee or to meet with any members of, or consultants to, the Committee. The Committee will meet with the Company's management and the independent auditors periodically in separate private sessions to discuss any matter that the Committee, management, the independent auditors or such other persons believe should be discussed privately. Any Committee member may be excused from a meeting to permit the remaining members of the Committee to act on any matter in which such member's participation is not appropriate, and such member's absence will not destroy the quorum for the meeting. The Committee may act without a meeting by unanimous written consent. Such consents shall be treated for all purposes as votes at a meeting.

### **Resources and Authority of the Committee**

The Committee will have the resources and authority appropriate to discharge its responsibilities as required by law, including the authority to engage independent counsel and other advisors as the Committee deems necessary to carry out its duties. The Committee may also, to the extent it deems necessary or appropriate, meet with the Company's investment bankers or financial analysts who follow the Company.

The Company will provide for appropriate funding, as determined by the Committee, for payment of (a) compensation to the Company's independent auditors engaged for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the Company, (b) compensation to independent counsel or any other advisors employed by the Committee and (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

### **Annual Review**

At least annually, the Committee will (a) review and assess the adequacy this Charter with, and recommend any changes to, the Board and (b) evaluate its own performance against the requirements of this Charter and report the results of this evaluation to the Board. The evaluation will include establishment of the goals and objectives of the Committee for the upcoming year. The Committee will conduct its review and evaluation in such manner as it deems appropriate.

Approved and Adopted: February 12, 2025