

MIDDLESEX WATER COMPANY

AUDIT COMMITTEE

CHARTER

I. PURPOSE

There shall be a standing committee of the Board of Directors (the “Board”) of Middlesex Water Company (the “Company”) to be known as the Audit Committee (the “Committee”).

The Committee’s responsibilities include overseeing the Company’s accounting and financial reporting processes and the audits of its financial statements, including internal control over financial reporting.

Management is responsible for the preparation, presentation, and integrity of the Company’s financial statements, for the appropriateness of the accounting principles and reporting policies that are used by the Company and for establishing and maintaining internal control over financial reporting. The Company’s independent registered public accounting firm (Independent Auditor) is responsible for auditing the Company’s financial statements and the effectiveness of internal control over financial reporting, and for reviewing the Company’s unaudited interim financial information.

The Committee shall be primarily responsible for oversight of the Company’s Independent Auditor and its audit of the Company’s financial statements and internal control over financial reporting. The Committee’s responsibilities also include (i) overseeing the Company’s internal audit function; (ii) reviewing and approving related persons transactions; (iii) determining whether to grant waivers with respect to the Company’s Code of Conduct; and (iv) investigation of “whistleblower” and any other ethics complaints. In all its actions, the Committee shall comply with the requirements, rules and regulations of the Sarbanes-Oxley Act of 2002, Nasdaq Marketplace listing standards and all other applicable federal and state laws, rules and regulations.

II. COMPOSITION AND APPOINTMENT

There shall be a minimum of three (3) members of the Committee appointed by the Board. Each shall be an independent director of the Company as defined by applicable laws, regulations and listing requirements, including Nasdaq Rule 5605(a)(2) and Rule 10A-3(b)(1) of the Securities Act of 1933, as amended.

All Committee members must, as determined within the business judgment of the Board at the time such members are appointed to the Committee, be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement, and cash flow statement. Additionally, at least one (1) member of the Committee must either meet the definition of “Audit Committee Financial Expert,” as that term is defined under Item 407(d)(5)(ii) and (iii) of Regulation S-K, or, otherwise qualify as a financially sophisticated Committee member under Rule 5605(c)(2)(a) of Nasdaq’s Corporate Governance Requirements, as determined by the Board within its business

judgment. In determining a member's financial expertise, the Board may consider one's past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background resulting in the member's financial sophistication. The Board may also take into consideration a member's status as, or having been, a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

The Board will determine annually that the Committee members are able to read and understand fundamental financial statements as explained in this Charter. The duties and responsibilities of a member of the Committee are in addition to those duties set out for a member of the Board.

The Board shall designate one member of the Committee to serve as its Chair. The members of the Committee shall serve one-year terms, and shall be appointed annually on such date as the Board shall determine. The Board may remove any member of the Committee at any time with or without cause. Upon the removal, death or resignation of a member of the Committee, a replacement member may be appointed by the Board.

III. PROCEDURES AND ADMINISTRATION

- a. The Committee will meet at least quarterly, or more frequently as circumstances may require. A majority of the members of the Committee shall constitute a quorum for the transaction of business.
- b. Regular meetings of the Committee shall be determined by the Committee Chair, who will set the dates, times and locations.
- c. Special meetings of the Committee may be called by the Chair of the Committee or at the request of any two (2) Committee members. The Chair of the Board or the Chief Executive Officer may recommend to the Chair of the Committee that a special meeting be held.
- d. Notice for any meeting shall be provided to members of the Committee at least twenty-four hours prior to the meeting (provided that participation in any meeting shall be deemed to constitute waiver of any deficiency in such notice).
- e. The Committee may request that members of management or outside consultants be present to assist the Committee in the performance of its duties.
- f. In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company. The Committee also has the authority to (a) retain outside advisors, including legal counsel, auditors, or other experts, as it deems appropriate in its sole discretion; (b) approve the fees and expenses of such advisors; and (c) incur such other ordinary administrative expenses as are necessary or appropriate in carrying out its duties. The Committee shall receive appropriate funding from the Company for the payment of the fees and expenses set forth in the foregoing clauses (b) and (c).

- g. Minutes of each meeting will be kept by the Company's Corporate Secretary, or their designee, and distributed to the full Board.
- h. The Committee Chair shall report at the next meeting of the Board all significant items discussed at any regular or special Committee meeting or actions otherwise taken by the Committee.
- i. Action may be taken by the Committee upon the affirmative vote of a majority of the members of the Committee present at a meeting (in person, by telephone, or remotely by video or dial-in). Action may be taken by the Committee without a meeting if all of the members of the Committee indicate their approval thereof in writing.
- j. The Committee shall review the adequacy of the Audit Committee Charter (the "Charter") annually and submit Charter revisions to the Board for consideration and approval.
- k. The Committee shall review and approve waivers of the Company's Code of Conduct and the Company's public disclosure to shareholders of any such waiver.
- l. The Committee shall investigate any matter brought to the Committee's attention, that in the Committee's sole determination, are appropriate for investigation.
- m. The Committee shall establish and maintain 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, officers or directors of concerns regarding questionable accounting or auditing matters. As part of its responsibilities the Committee shall review the Company's method of communicating such procedures to all employees, officers and directors.
- n. The Committee shall review, and as deemed appropriate by the Committee, investigate or cause the investigation of reports or concerns received through the Company's independent and confidential Ethics hotline.
- o. The Committee shall review and approve the "Report of the Audit Committee" containing required disclosures to be included in the Company's annual proxy statement to shareholders.
- p. The Committee shall review and approve the Company's hiring policies for employees and former employees of the Independent Auditor.
- q. The Committee shall perform such additional activities and consider such other matters within or beyond the scope of its responsibilities as required by the Company's Charter or By-laws, the Board, or applicable listing standards, rules, regulations or statutes.

IV. FINANCIAL REPORTING OVERSIGHT

In carrying out its responsibilities, the Committee shall:

- a. Review the Company's Form 10-K Annual Report, 10-Q Quarterly Reports, current reports on Form 8-K that contain historical financial information of the Company (including earnings releases), and recommend to the Board the inclusion of the audited financial statements in the Company's Form 10-K Annual Report to the Securities and Exchange Commission.
- b. Ascertain that the Board and senior officers of the Company have annually submitted a compliance attestation confirming they have complied with the Company's Code of Conduct.
- c. Review contingent liabilities and off-balance sheet structures that may be material to the Company's financial statements, if any, for proper financial accounting and reporting.
- d. Review the effect of new regulations and accounting pronouncements, on the financial statements of the Company.
- e. Review and discuss the attestations of the Principal Executive Officer and the Principal Financial Officer regarding Section 404 of the Sarbanes-Oxley Act of 2002.

V. INDEPENDENT AUDITOR OVERSIGHT

In carrying out these responsibilities, the Committee shall:

- a. Have sole authority to engage, dismiss and replace the Company's Independent Auditor. The Committee shall have sole authority to review and set the fees to be paid to the Company's Independent Auditor.
- b. Obtain from the Independent Auditor a formal written statement delineating all relationships between the Independent Auditor and the Company, consistent with Public Company Accounting Oversight Board Ethics and Independence rules.
- c. At least annually, obtain and review a report by the Independent Auditor describing the audit firm's internal quality-control procedures, any material issues raised by the most recent quality control or peer review, or governmental or professional inquiry within the preceding five years, and steps taken by the Independent Auditor to address any such issues.

- d. Have the sole authority to preapprove each permitted non-audit, review or attest service to be performed by the Independent Auditor, and oversee the work done by them. As part of the exercise of that authority, the Committee shall adopt a written policy governing the preapproval of non-audit services to be performed by the Independent Auditor and review such policy annually. The Committee shall have authority to delegate preapproval authority of Independent Auditor non-audit services to one (1) or more of its members. The decisions of any member(s) to whom authority is delegated shall be presented to the full Committee at each of its scheduled meetings.
- e. Obtain a report from the Independent Auditor containing communications required by professional and regulatory standards, including critical accounting policies, practices, and estimates, significant unusual transactions, and the quality of the Company's financial reporting
- f. Meet with the Independent Auditor and financial management of the Company to oversee and review the scope of the proposed audit for the current year and the salient audit procedures to be utilized, and at the conclusion thereof, review such audit, including any comments or recommendations of the Independent Auditor.
- g. Review with the Independent Auditor and financial and accounting personnel the adequacy and effectiveness of the accounting and financial controls of the Company, and any recommendations of the Independent Auditor for the improvement of such internal control procedures.
- h. Provide opportunity for the Independent Auditor to meet with members of the Committee without members of management present to discuss the conduct of their audit, and matters of relevance.

VI. INTERNAL AUDITOR OVERSIGHT

In carrying out these responsibilities, the Committee shall:

- a. At least annually, review the performance and approve the appointment of the Internal Auditor.
- b. Review and approve, as applicable, internal audit risk assessments and related methodology, audit plan/budget and organizational structure of the Audit Department at least annually. The Committee also approves any changes made during the year to the risk assessment or audit plan/budget.
- c. Review the relationship with, and independence and qualifications of, any third party performing any functions normally performed by the Internal Auditor in an outsourced capacity.
- d. Review and accept significant reports prepared by the Internal Auditor together with management's response and the Internal Auditor's follow-up to these reports.

- e. Review the status of Internal Audit's audit plan/budget and the current status of significant exceptions noted by the Internal Auditor.

Most Recently Reviewed and Approved: March 30, 2026