

WATSCO, INC.
COMPENSATION COMMITTEE CHARTER

PRIMARY ROLE

The Compensation Committee (the “Committee”) is the arm of the Board of Directors (the “Board”) of Watsco, Inc. (the “Company”) that has overall responsibility for evaluating, designing, and approving executive compensation of the Company’s Chief Executive Officer (“CEO”) and President, and for reviewing the compensation arrangements with its other Section 16b Executive Officers.

STRUCTURE AND MEMBERSHIP

- The Board shall appoint the chairperson of the Committee and other members of the Committee, on an annual basis.
- The Committee shall be composed of at least two (2) members of the Board, each of whom qualifies as an “independent director” consistent with applicable rules and regulations of the Securities and Exchange Commission (“SEC”) and the New York Stock Exchange (“NYSE”).
- The compensation of Committee members shall be as determined by the Board. No member of the Committee may receive, directly or indirectly, any consulting, advisory or other compensatory fee from the Company or any of its subsidiaries, other than fees paid in his or her capacity as a member of the Board or a committee of the Board.
- The Board may remove members of the Committee, with or without cause.

AUTHORITY AND DELEGATION

The Committee shall:

- Discharge its responsibilities, and assess the information provided by the Company's management, in accordance with its business judgment.
- Have the sole authority to:
 - Retain and terminate any compensation consultant, legal counsel, accounting counsel or other advisor to be used to assist in the evaluation of the compensation arrangements with Directors, the CEO, and President,
 - Approve the consultant’s/advisor’s fees and other retention terms, and
 - Grant options and make awards of shares, under the Company’s incentive compensation plan, to the individuals for whom it is responsible for compensation.

The Committee may:

- Form and delegate authority to subcommittees when appropriate, provided any action taken by a subcommittee is subsequently reported to the Committee and ratified.
- Delegate to the CEO and President the authority to grant options and make awards of shares under the Company’s incentive compensation plan under conditions established by the Committee.
- Conduct or authorize investigations into any matters within the scope of its responsibilities as it deems 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.

SCOPE OF RESPONSIBILITY

The Committee shall:

- Establish an executive compensation philosophy for the Company.
- Design and approve an executive compensation program that uses a mix of fixed and variable pay elements that:
 - Support the executive compensation philosophy,
 - Emphasize performance-based pay through incentive and other forms of long-term compensation linked to Company performance and the creation of shareholder value, and
 - Recognize the Company's goal to secure and retain the services of top performing talent.
- Regularly evaluate its executive compensation practices to assure the fairness, relevance, and support of the strategic goals of the Company and their contribution[s] to the creation of long-term shareholder value.
- Determine (within the first 90 days of the calendar year) the CEO's and President's base salaries and incentive compensation arrangements for that year.
- Review changes to the compensation arrangements of other Section 16b Executive Officers.
- Review, administer, interpret, and make recommendations regarding the Company's incentive compensation and equity-based plans. It may also review any tax-qualified, non-discriminatory employee benefit plans (and any nonqualified plans) not requiring shareholder approval and pursuant to which equity may be acquired by officers, directors, employees, or consultants of the Company.
- Conduct the performance evaluations of the CEO and President and determine the nature and frequency of the evaluations and prepare assessments to be discussed periodically with the Board.
- Consider the results of the most recent shareholder advisory vote on executive compensation required by Section 14A of the Securities Exchange Act of 1934, as amended, and consider the relationship between risk management policies or practices and compensation.
- Approve a report on executive compensation for inclusion in the Company's Proxy Statement, and review, approve, and recommend to the Board that the Compensation Discussion & Analysis (CD&A) be included in the Company's Proxy Statement in accordance with applicable rules and regulations.
- Remain knowledgeable about trends and changes in executive compensation including any regulatory, legislative or exchange listing requirements for publicly-traded companies.
- Annually review non-executive compensation.
- Establish a director compensation philosophy.

OPERATIONS AND PROCESS

The Committee shall:

- Carry out its responsibilities primarily through its chairperson who shall:
 - Formulate a fair and equitable compensation proposal for the CEO and President and review that proposal with the other Committee members, as well as the Board.
 - Discuss with the CEO and President the performance of the other Section 16b Executive Officers and review their compensation packages after discussion and agreement with the other members of the Committee.
- Meet without the presence of the CEO, President, and other Section 16b Executive Officers when approving or deliberating on the CEO's and/or President's compensation, but may, in its

discretion, invite the CEO and/or the President to be present during the review of, or deliberations with respect to, compensation of the other Section 16b Executive Officers.

- Approve the computation of, and amount of, incentive compensation earned by the CEO and the President during the prior year.
- Meet as needed, either in person or by phone, but at least twice per year.
- Perform and document an annual self-assessment of its performance.
- Annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
- Develop and annually review a calendar of events for the Committee based on its scope of responsibility.
- Report regularly to the Board.

Adopted by the Board on March 11, 2024