

# FIRST FINANCIAL CORPORATION

## AUDIT COMMITTEE CHARTER

### Purpose

The Audit Committee (“*Committee*”) is appointed by the Boards of Directors of First Financial Corporation and First Financial Bank, N.A. (collectively, the “*Boards*”) to assist the Boards with oversight of (1) the integrity of the financial statements of First Financial Corporation (“*Company*”), (2) the independent registered public accountant's performance, qualifications, and independence, (3) the performance of the Company's internal audit function, (4) the compliance by the Company with legal and regulatory requirements, and (5) the Company's system of disclosure controls and system of internal controls regarding finance, accounting, legal and regulatory compliance. The Committee shall prepare the report required by the rules of the Securities and Exchange Commission (“*Commission*”) to be included in the Company's annual proxy statement.

### Membership

In consultation with the Nominating and Governance Committee, the Company Board will annually appoint to the Committee three (3) or more directors (“*Members*”), all of whom must meet the independence requirements of the Securities Exchange Act of 1934 and the NASDAQ Stock Market, or such other exchange or system upon which the Corporation's securities are listed, quoted, or traded. While at least one (1) Member 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, each Member must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow analysis. Collectively, the Committee will comply with all other standards of independence, experience, or expertise as may be prescribed for purposes of any federal securities, tax, banking, or other laws and rules relating to the Committee's duties and responsibilities. To this end, by way of example, and not limitation, in accord with 12 CFR 363, no member of the Committee may be a “large customer” and at least two (2) Members will be “banking or financial management experts.” Further, any Member of the Committee that meets the definition of an “audit committee financial expert,” as defined by the Commission, shall be so designated. Members and the Committee chairperson (“*Chair*”) shall be appointed and removed by the Boards. The Chair will designate a Committee secretary, who need not be a Member (“*Secretary*”).

### Meetings

The Chair shall have the right to call meetings of the Committee as may be necessary to carry out the Committee's responsibilities, provided the Committee will meet no less than quarterly. The Committee shall meet periodically with management, the internal auditors, and the independent registered public accountants in separate executive sessions.

The Chair or his/her designee(s) will establish the agenda and preside at Committee meetings. The Secretary is responsible for documenting Committee meetings in the minutes. Following each meeting, the Secretary will circulate draft minutes to each Member for review prior to the subsequent meeting, at which time the draft minutes will be considered by Members for approval.

Each Member shall be entitled to one (1) vote with a majority of the Members constituting a quorum. Members may attend meetings in person or remotely via telephone or the Internet. In lieu of a meeting, the

Committee may act by unanimous written consent. The Chair shall report regularly to the Boards on the Committee's meetings, actions, and recommendations.

### **Authority and Responsibilities**

In such a manner as the Committee deems necessary and appropriate, the Committee shall have the authority and responsibility to:

#### ***Financial Statement and Disclosure Matters***

1. Review and discuss the annual audited financial statements and the audit of internal control over financial reporting with management and the independent registered public accountant, including disclosures made in management's discussion and analysis, accounting and auditing principles, practices, and standards, and the adequacy of internal controls that could significantly affect the Company's financial statements, and recommend inclusion of the financial statements in the 10-K to the Company Board.
2. Review and discuss with management and the independent registered public accountant the Company's financial results prior to the filing of Form 10-Q and review the quarterly financial statements included in Form 10-Q.
3. Review and discuss with management and the independent registered public accountant:
  - a) all critical accounting policies and estimates and practices to be used.
  - b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent registered public accountant.
  - c) other material written communications between the independent registered public accountant and management including, but not limited to, the management letter and schedule of unadjusted differences.
  - d) an analysis of the independent registered public accountant's judgment as to the quality of the Company's accounting principles, setting forth significant reporting issues and judgments made in connection with the preparation of the financial statements.
4. Review with management and the independent registered public accountant the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.

#### ***Oversight of the Company's Relationship with the Independent Accountant***

5. Report annually to the Boards on the selection and retention of the independent registered public accountant and monitor its fees, duties, and independence.
6. Approve in advance all audit services to be provided by the independent registered public accountant, including any written engagement letters related thereto.
7. Pre-approve, oversee, and review both audit and permissible non-audit services, including fees relating thereto, to be provided by the independent registered public accountant (other than with respect to de minimis exceptions permitted by the Sarbanes Oxley Act of 2002). This duty may be delegated to one or more designated members of the Committee with any such pre-approval reported to the Committee at its next regularly scheduled meeting. Fees for routine preapproved services will be reported to the Committee as invoiced. The Committee may also adopt policies and procedures for the pre-approval of audit and permissible non-audit services.

8. Review the control procedures of the independent registered public accountant and the experience and qualifications of the senior members of its team.
9. Approve the retention of the independent registered public accountant for any non-audit service and the fee for such service.
10. Receive and discuss periodic reports from the independent registered public accountant regarding their independence, discuss such reports with the independent registered public accountant, and if necessary, recommend that the Boards take appropriate action.
11. Terminate and replace the independent registered public accountant.
12. Discuss with the independent registered public accountant the matters required to be discussed by Statement on Auditing Standards No. 114 or other standards that may in time modify, supplement or replace SAS 114 relating to the conduct of the audit.
  - a) on an annual basis, the Committee shall ensure receipt of, and review with the independent registered public accountant, the written statement required by Independence Standards Board (ISB) Standard No. 1, as may be modified, supplemented or replaced, and discuss with the auditors their independence; and
  - b) other material written communications between the independent registered public accountant and management, such as any management letter or schedule of unadjusted differences.
13. Review with the independent registered public accountant any significant difficulties encountered in conducting the audit or working with management and any management letter provided by the independent registered public accountant and the Company's response to that letter. Such review should include:
  - a) any significant difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information, and any disagreements with management.
  - b) any changes required in the planned scope of the audit.
  - c) any significant concerns about the internal audit department's responsibilities, budgeting and staffing.
14. Ensure the rotation of the lead audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law.
15. Obtain and review a report from the independent registered public accountant periodically regarding (a) the independent registered public accountant's internal quality control procedures, and (b) any material issues raised by the most recent quality control review or peer review of the firm.

#### ***Oversight of the Company's Internal Audit Function***

16. Review the appointment, performance, and replacement of the Director of Internal Audit, who is the chief audit executive.
17. Review the reports to management prepared by the internal auditing department and management's responses.
18. Periodically review with the internal auditors any significant difficulties, disagreements with management, or scope restrictions encountered in the course of the internal auditor's work.
19. Review and approve the annual internal audit plan.
20. Monitor the internal auditing department and management's response to any actual or perceived impairment of independence or objectivity of members of the internal auditing department staff, as

may be reported to the Committee from time to time by the chief audit executive, management, or outside independent accountants or auditors.

#### ***Additional Oversight Responsibilities***

21. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
22. Discuss with management and the independent registered public accountant any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies.
23. Discuss with the independent registered public accountant any illegal act(s) identified during the conduct of the audit, if applicable, and any conclusions reached regarding such matter(s).
24. Ascertain whether there have been violations of the Company's Code of Business Conduct and Ethics.
25. Review and approve related party transactions under the Company's Code of Business Conduct and Ethics and as may be required under applicable regulations.
26. Ensure the Company adheres to regulatory guidelines regarding the hiring of employees and former employees of the independent registered public accountant.
27. Periodically review and discuss the adequacy and effectiveness of the Company's internal and disclosure controls and procedures related to financial reporting and management and independent registered public accountant reports thereon.

#### ***Other Responsibilities***

28. Select, retain, or replace the independent registered public accountant. The Committee shall be directly responsible for approving the engagement, and the compensation and oversight of the work of the independent registered public accountant for the purpose of preparing or issuing an audit report or related work. The independent registered public accountant shall report directly to the Committee.
29. Retain special legal or other third-party consultants to advise the Committee in fulfilling its responsibilities as described herein.
30. Request any officer or employee of the Company or the Company's outside counsel or independent registered public accountants to attend a meeting of the Committee or to meet with any members of, or consultants to, the Company.
31. No less than annually, review and assess the adequacy of this Charter and make recommendations to the Boards.
32. Perform other activities consistent with this Charter, as the Committee deems appropriate, or as the Boards may direct.

#### **Limitation of Committee's Role**

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the independent registered public accountant.

<b>Audit Committee Charter – History</b>	
November 3, 2020	Amended and restated charter presented to and approved by the Audit Committee
November 17, 2020	Amended and restated charter presented to and approved by the Board of Directors
November 2, 2021	Approved by the Audit Committee
November 1, 2022	Approved by the Audit Committee