

GULF ISLAND FABRICATION, INC.

AUDIT COMMITTEE CHARTER

The purpose of the Audit Committee (the “Committee”) is to assist the Board of Directors (the “Board”) of Gulf Island Fabrication, Inc. (the “Company”) in fulfilling the Board’s oversight responsibilities relating to: (1) the quality and integrity of the accounting, auditing, disclosure controls and procedures, internal control over financial reporting and financial reporting practices of the Company, (2) the independent registered public accounting firm’s qualifications and independence, (3) the performance of the Company’s independent registered public accounting firm and internal audit firm, and (4) review and approval or ratification of any transaction that may require disclosure under Item 404 of Regulation S-K of the rules and regulations of the Securities and Exchange Commission (the “SEC”). The Committee shall review and reassess the adequacy of this charter at least annually and recommend any proposed changes to the Board for approval.

Composition and Independence

The Committee shall be appointed by the Board upon the recommendation of the Corporate Governance and Nominating Committee and shall consist of a minimum of three directors. The Board, upon the recommendation of the Corporate Governance and Nominating Committee, may appoint and remove any members of the Committee, with or without cause, and fill vacancies on the Committee.

All Committee members shall meet the standards of independence, experience and other qualifications required by the SEC and the Nasdaq Stock Market (“NASDAQ”) (or such other exchange or trading market on which the Company’s common stock is listed), including the heightened standards of independence contained therein. Each Committee member must be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement, and cash flow statement and otherwise must comply with all financial literacy requirements under the NASDAQ rules. At least one member of the Committee shall have past employment experience in finance or accounting, requisite professional certification in accounting or other comparable experience or background that leads to financial sophistication. At least one member of the Committee shall, in the judgment of the Board, be an “audit committee financial expert,” as defined by the SEC. Any person who qualifies as an audit committee financial expert will be presumed to have financial sophistication. No member of the Committee shall have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years.

One member of the Committee shall be appointed by the Board, upon recommendation of the Corporate Governance and Nominating Committee, as chair. The chair shall be responsible for leadership of the Committee, including scheduling and presiding over meetings, preparing agendas, and making regular reports to the Board. The Committee may not designate subcommittees except with the prior approval of the Board.

Responsibilities

The primary role of the Committee is to oversee the financial reporting and disclosure process. Management is responsible for the preparation of the Company's financial statements and the independent registered public accounting firm is responsible for auditing those financial statements and the effectiveness of internal control over financial reporting, if applicable. The internal audit firm is responsible for objectively assessing management's accounting processes and internal controls and the extent of compliance therewith. The Committee and the Board recognize that management and the independent registered public accounting firm have more resources and time, and more detailed knowledge and information regarding the Company's accounting, auditing, disclosure controls and procedures, internal control over financial reporting and financial reporting practices than the Committee does. Accordingly the Committee's role does not provide any guarantees as to the financial statements and other financial information provided by the Company to its shareholders and others.

The Committee shall have the authority and responsibilities set forth below. The Committee shall report its actions to the Board at each of its meetings, as warranted. Except as otherwise expressly provided, the Committee shall have the sole authority with respect to the responsibilities delegated below, and further action by the Company's Board shall not be required in order for the act of the Committee to constitute the act of the Company.

- The Committee shall be directly responsible for oversight of the Company's internal auditors, which audit function can either be performed by employees or outsourced. If outsourced, the Committee also shall be directly responsible for the selection, appointment, compensation, retention and termination, if necessary, of the internal auditors and shall pre-approve all services permitted by law and Committee policy (including the fees and terms of such services) to be performed for the Company by the internal audit firm.
- The Committee shall be directly responsible for the selection, appointment (including selection of the lead audit partner), compensation, retention, termination, if necessary, and oversight of the work of any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attestation services, as applicable, for the Company (including resolution of disagreements between management and the independent registered public accounting firm regarding financial reporting), and each such independent registered public accounting firm shall report directly to the Committee.
- The Committee shall pre-approve all audit services, audit-related services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by any registered public accounting firm, subject to the de minimis exception for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act that are approved by the Committee prior to the completion of the audit. The Committee may delegate such responsibility (other than with respect to the audit of the Company's annual financial statements) to one or more members, provided that decisions made pursuant to such delegated authority shall be presented to the full Committee at its next meeting.

- The Committee shall obtain at least annually from the independent registered public accounting firm a formal written statement describing (i) the accounting firm’s internal quality control procedures, (ii) any issues raised in the most recent internal quality control review, peer review or Public Company Accounting Oversight Board review or other 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 such issues and (iii) all relationships between the independent registered public accounting firm and the Company, consistent with the applicable requirements of Public Company Accounting Oversight Board (“PCAOB”) Rule 3526 *Communications with Audit Committees Concerning Independence* (or any successor standard). The Committee shall actively engage in a dialogue with the independent registered public accounting firm with respect to any relationships or services that may impact the objectivity and independence of the independent registered public accounting firm and shall take appropriate actions to oversee and satisfy itself as to the independence of the independent registered public accounting firm.
- The Committee shall review the Company’s audited financial statements and discuss them with management and the independent registered public accounting firm. These discussions shall include the quality of the Company’s accounting principles as applied in its financial reporting, including a review of particularly sensitive accounting estimates, reserves and accruals, judgmental areas, audit adjustments (whether or not recorded), and other such inquiries as the Committee or the independent auditor shall deem appropriate. Based on such review, the Committee shall make its recommendation to the Board as to the inclusion of the Company’s audited financial statements in the Company’s Annual Report on Form 10-K (or the Annual Report to Shareholders, if distributed prior to the filing of the Form 10-K).
- The Committee shall issue annually a report to be included in the Company’s proxy statement as required by the rules of the SEC.
- The Committee shall review and discuss with a representative of management and the independent registered public accounting firm: (1) the interim financial information contained in the Company’s Quarterly Reports on Form 10-Q and the annual audited financial information and the form of audit opinion to be issued by the independent registered public accounting firm on the financial statements contained in the Company’s Annual Report on Form 10-K prior to filing, (2) the disclosure under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and other sections of the Company’s periodic reports that pertain principally to financial matters to be included in the Company’s Annual Report on Form 10-K prior to filing, (3) quarterly results announcements prior to release, and (4) the results of the review of such information by the independent registered public accounting firm. These discussions may be held with less than the full Committee, provided at least a quorum of the Committee or the chair of the Committee is present in person or by telephone or other electronic means.
- The Committee shall review the Company’s annual and quarterly financial statements, and management certifications thereof, with management and the independent registered public accounting firm and discuss with them the quality of management’s accounting judgments in preparing the financial statements.

- The Committee shall discuss with management, the independent registered public accounting firm, as applicable and the internal auditor the quality and adequacy of and compliance with the Company's disclosure controls and procedures and internal control over financial reporting, including any significant deficiencies or material weaknesses identified by management in connection with its annual and quarterly certifications.
- The Committee shall obtain and review timely reports by the independent registered public accounting firm describing (1) all critical accounting policies and practices to be used, (2) all material 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 registered public accounting firm, and (3) other material written communications between the independent registered public accounting firm and management, such as any management letter or schedule of unadjusted differences.
- The Committee shall review and discuss with the independent registered public accounting firm (i) the independent registered public accounting firm's responsibilities under generally accepted auditing standards and the responsibilities of management in the audit process, (ii) the overall audit strategy, (iii) the scope and timing of the annual audit, (iv) any significant risks identified during the independent registered public accounting firm's risk assessment procedures, (v) when completed, the results, including significant findings, of the annual audit, (vi) any significant unusual transaction, including the business rationale and accounting implications for such transactions and (vii) any critical audit matters (CAMs) identified during the audit of the Company's financial statements that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved especially challenging, subjective or complex auditor judgment. The Committee shall also review and discuss with the independent registered public accounting firm any other matters required to be discussed by PCAOB Auditing Standard No. 1301, *Communications with Audit Committees*, and PCAOB Auditing Standard No. 2410, *Related Parties*, that have not otherwise been discussed and other applicable requirements of the PCAOB and the SEC.
- The Committee shall discuss with management and/or the Company's counsel any legal matters (including the status of pending or threatened litigation) that may have a material impact on the Company's financial statements, internal controls, or corporate compliance procedures, and any material reports or inquiries from regulatory or governmental agencies.
- The Committee shall oversee and discuss with management cyber risks, information security and technology risks, including management's actions to identify, assess, mitigate and remediate material cyber issues and risks. At least annually, the Committee, together with management, will provide a report to the full Board regarding potential cybersecurity threats and the status of the Company's defenses against such threats. The report will include an overall cyber risk assessment, potential risk mitigation tactics and action items to decrease cyber risks.

- The Committee shall establish and oversee the implementation of procedures for (1) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (2) the confidential, anonymous submission by the Company's employees and others of concerns regarding questionable accounting or auditing matters.
- The Committee shall perform such responsibilities as may be delegated to it pursuant to the Company's Code of Ethics for CEO and Senior Financial Officers and Code of Business Conduct and Ethics.
- The Committee shall conduct an appropriate review and oversight of all related party transactions for potential conflict of interest situations on an ongoing basis, and all such transactions must be approved or ratified by the Committee. For this purpose, "related party transaction" shall refer to those transactions that may be required to be disclosed pursuant to SEC Regulation S-K, Item 404.
- The Committee shall ensure the rotation of all audit partners (as defined by the SEC) of the independent registered public accounting firm having primary responsibility for the audit, and the reviewing audit partner of the independent registered public accounting firm, as required by law.
- The Committee shall maintain free and open communication with the independent registered public accounting firm, internal auditors, Company management and the Board.
- In discharging its oversight role, the Committee is empowered to investigate any matter relating to the Company's accounting, auditing, disclosure controls and procedures, internal control over financial reporting or financial reporting practices brought to its attention, with full access to all Company books, records, facilities and personnel.
- The Committee shall perform such other duties as may be assigned to it from time to time by the Board, the CEO or the Chairman of the Board.

Advisors and Funding

The Committee shall have the authority, to the extent it deems necessary or appropriate, to retain independent legal counsel, accountants or other advisors.

The Company shall provide for appropriate funding, as determined by the Committee, for payment of (1) 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, as applicable for the Company, (2) compensation to any independent counsel and other advisors employed by the Committee as it determines to be necessary to carry out its duties and (3) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

Meetings

The Committee shall meet at least four times annually or more frequently as circumstances dictate. The Committee will meet periodically in executive sessions with the independent registered public accounting firm and the internal audit firm, and will request that the independent registered public accounting firm and the internal audit firm bring any matters they deem to be pertinent to the attention of the Committee in such sessions. The Committee may also meet separately with management from time to time as the Committee deems appropriate. To foster open communications, the Committee may invite other directors or representatives of management, the independent registered public accounting firm or the internal audit firm to attend any of its meetings, but reserves the right in its discretion to meet at any time in executive session.

Meetings may be called by the chair of the Committee, or at the request of a majority of the members of the Committee, the Chief Executive Officer or Chairman of the Board. Meetings of the Committee may be held either in person or by telephone or other means of remote or virtual communication, and a majority of the members of the Committee shall constitute a quorum. The Committee will maintain written minutes of all of its meetings, which will be available to every member of the Board.

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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 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 accounting firm.

Recommended by the Audit Committee on February 27, 2024 and adopted by the Board of Directors on February 28, 2024.