



**WATSCO, INC.
CODE OF CONDUCT FOR EXECUTIVES**

March 11, 2024

TABLE OF CONTENTS

Introduction	3
<i>Definition of Executives Covered</i>	3
Policy Statement	3
Integrity	3
<i>Business Practices</i>	4
Administration of Code of Conduct	4
Annual Questionnaire	4
Your Responsibility to Report Violations	4
Abuse of the System	5
Making a Direct Report	5
Business Gifts	5
Bribes	5
Political Contributions	6
Insider Trading and “Blackout” Periods	6
Confidentiality of Information	6
Integrity of Records and Accounting Practices	6
External Communications	7
<i>Personal Practices</i>	7
Company Property, Security, Privacy, and Searches	7
Conflicts of Interest and Relationships	7
Compliance with Anti-Trust Laws	8
Internet and E-mail Personal Usage	8
Social Media	8
<i>Disposition of Claims</i>	9
Certification	10
Conflicts Disclosure Form	11
Security Trading Guidelines	
Executive Clawback Policy	

WATSCO, INC.
CODE OF CONDUCT FOR EXECUTIVES

Introduction

This document is the Code of Conduct for Executives (the “Code”) for the directors, executive officers, and other identified employees of Watsco, Inc. (“Watsco” or the “Company”) and its subsidiaries (“Executives”). It is designed to reaffirm and further implement Watsco’s standing policy of strict observance of all laws and ethical standards. This Code is intended to influence how each Executive operates in the workplace and to identify areas where, if additional guidance is needed, such guidance can be received. Compliance with this Code is not subject to waivers or exceptions in the name of competitive or commercial demands, social traditions, or other local exigencies. Waivers, if any, shall be made in writing and only by the Audit Committee of Watsco acting as a whole. Any such waivers shall be reported to Watsco’s Board at the next scheduled Board meeting. Watsco is a publicly held company and, as such, may be required to publicly report violations and/or waivers of violations of this Code.

Definition of Executives Covered

In this Code, Executives are defined as members of Watsco’s Board of Directors, Advisory Board members, executive officers, and senior operating, financial, and technology personnel, including each President and Principal Accounting Officer at Watsco’s business units and any other positions identified by the Audit Committee.

Policy Statement

It is the policy of the Company to conduct its business in accordance with all applicable laws, rules, and regulations (“Laws”) of the jurisdictions in which such business is conducted and to do so with complete honesty and integrity and in accordance with the highest moral and ethical standards.

Integrity

Watsco strives to achieve and maintain the highest ethical standards in all of its actions. This manner of operation has earned Watsco a reputation as an honest and ethical organization. It is Watsco’s objective to ensure that all employees, especially Executives, continue to uphold its standards. All Executives, therefore, need to be familiar with and strictly adhere to this Code as well as Watsco’s separately published Employee Code of Business Ethics and Conduct (the “Employee Code”).

The basis of all of our business dealings must be honesty and integrity. We must continue to conduct our business in accordance with both the letter and the spirit of all applicable Laws. It is the personal responsibility of all Executives to acquaint themselves with the legal and policy standards and restrictions applicable to their assigned duties and responsibilities and to conduct themselves accordingly.

Executives are always expected to comply with all applicable Laws. In this Code, we cite several areas where our policies are clear, and Executives are expected to comply fully with such policies. It is not possible, however, to list all of the various situations in which questions of conduct might arise. Business conduct can be subjective. Some issues will require the exercise of your own best judgment given a particular set of circumstances.

If you have doubt as to whether your actions comply with all applicable Laws, ask yourself:

- Are my actions legal?
- Am I being honest?
- Will my action stand the test of time?
- How will I feel about myself afterward?
- How will it look in the newspaper?
- Will I sleep soundly tonight?
- Would I advise my child or a family member to take this action?

If you are still not sure what to do, ask... and keep asking until you are certain you are doing the right thing. If you are still in doubt as to what constitutes proper conduct, you should contact the Chairperson of the Watsco Audit Committee or his or her designee.

All employees are responsible for upholding our Company's policies and ethical standards. Employees often look to the Company's leaders to be champions of our Code. As a leader your responsibilities extend to the following:

- Lead by example in terms of ethical behavior.
- Foster a positive work environment to ensure and reinforce legal and ethical behaviors consistent with our Code.
- Listen respectfully and respond appropriately and timely to employees who seek guidance or raise concerns.
- Achieve performance goals in ways that are consistent with the Code.
- Obtain the knowledge, resources, and training needed to follow the law and our Code.
- Never retaliate against an employee who makes a report in good faith.

Business Practices

Administration of the Code

This Code is administered by Watsco's Audit Committee, which has been charged with responsibility for monitoring performance under this Code and for resolving concerns. Executives are encouraged to seek guidance regarding the application or interpretation of this Code from Watsco's Vice President of Legal Affairs (Legal Counsel), Chief Financial Officer (CFO), or Executive Vice President (EVP). Executives are expected to cooperate fully in any investigation of any potential violation of this Code.

Annual Questionnaire

Each year, you will be asked to acknowledge that you have re-read this Code, understand it, and that you will report any violations or apparent violations of which you are aware.

Your Responsibility to Report Violations

Watsco calls upon every Executive to report any violation or apparent violation of this Code. You are encouraged to work with the Watsco's Legal Counsel, CFO, or EVP in making a report. The Legal Counsel, CFO, or EVP will contact the Chairperson of the Audit Committee or his or her designee. If you

feel that it is not appropriate to report your concern to the Legal Counsel, CFO or EVP, you may also report a violation directly to the Chairperson of the Audit Committee or his or her designee.

If you make a report:

- Reports will be handled as confidentially as possible. No individual will suffer indignity or retaliation because of a report he or she makes.
- Your concerns will be seriously addressed and, if not resolved at the time you call, you will be informed of the outcome.
- Remember there is never a penalty for making a proper report of a Code violation. People in a position of authority cannot stop you; if they try, they are subject to disciplinary action up to and including termination.

Abuse of the System

You must make a good faith report. Unfortunately, a program like this can be abused. From time to time, an individual may attempt to harm or slander another individual by false accusation, malicious rumors, or other irresponsible actions. Such attempts or any misuse of this system for reporting employee concerns will be subject to disciplinary action.

Making a Direct Report

Contact: Denise Dickins, Chairperson of the Watsco Audit Committee, (561) 234-9432, watscoaudit@watsco.com

Business Gifts

You may accept non-monetary gifts, meals, or attend entertainment events if reasonable in value and a common courtesy associated with normal business relationships. You should not solicit or accept any gift, entertainment, gratuities, or favor that commits you or Watsco to a business obligation, or which appears lavish or improper. You should not seek to gain special advantage for Watsco or yourself through the use of gifts, favors, or entertainment if it could create even the appearance of impropriety.

In certain settings, it may be customary or appropriate to provide business courtesies such as reasonable entertainment and modest gifts. Any gifts, meals or entertainment you provide should be for a proper business purpose, be reasonable in value, frequency, and appropriate under the circumstances, be legal and accurately documented, and not intended to secure an improper advantage or otherwise influence the recipient inappropriately.

Gifts to a spouse or other family members motivated by or related to a business relationship are subject to this policy.

Bribes

A bribe is the offering or giving of something of value in exchange for a decision or action that, except for the bribe, would not have been made or not made in the same amount or manner. You should not give or take bribes, kickbacks, gratuities, or any other illegal payments in exchange for favorable treatment.

All Executives who come in contact with government officials – domestic or foreign – must maintain the highest professional standards. Never offer anything of value to such officials to obtain a

particular result for the Company. Take particular care when dealing with companies that are government-owned or that have ties to government agencies: their employees might be considered “government officials” whom we must be careful not to influence unlawfully. Federal law – The Foreign Corrupt Practices Act – deals specifically with U.S. companies operating in foreign countries.

Political Contributions

Funds or assets of the Company, with the approval of the Watsco CEO, may be used for federal, state, or local political campaign contributions only if in compliance with statutory guidelines. These guidelines cover not only direct contributions but also indirect assistance or support of candidates or political parties through the purchase of tickets to special lunches or dinners or other fund-raising events or the furnishing of any other goods or services to candidates, political parties, or committees.

Insider Trading and “Blackout” Periods

The Company, the New York Stock Exchange (“NYSE”) and the Securities and Exchange Commission (“SEC”) all have policies or laws forbidding “insider trading.” Insider trading is a serious crime. Anyone violating insider trading laws is subject to personal liability and could face criminal penalties, including a jail term. The offense occurs when a person buys or sells securities of a publicly held company, such as Watsco, while in the possession of material non-public information about that Company or when an employee “tips” or discloses to someone else material, non-public information about that Company. Federal securities laws also create a strong incentive for the Company to deter insider trading by its employees.

Because this area has complex rules, Watsco has developed “Securities Trading Guidelines”. **Be sure to read the Securities Trading Guidelines closely.**

Confidentiality of Information

Executives must, at all times, while representing the Company or employed, and thereafter, keep in confidence all non-public information of or about the Company. Confidential information refers to information of a confidential or proprietary nature related to the Company, its employees, its business, its customers or vendors, and their businesses which were gained as a result of your position as a representative or an employee of Watsco. Access to employee records is strictly limited to managers and others with a specific need for the information to perform their duties. Confidential information must not be disclosed to anyone outside the Company, except to a person authorized by the Company to receive that information. Even within the Company, Executives should only disclose or discuss confidential information, especially financial information, with those employees who have a valid need to know. Executives must keep Company’s documents and computers protected and secure.

Integrity of Records and Accounting Practices

It is understood that it is the responsibility of every Executive to do his or her best to assure that the Company has only full, fair, accurate, timely, and understandable disclosure in reports and documents that the Company files with, or submits to, the SEC and in other public communications made by the Company.

In addition, because of your position, it may be your special obligation to assure that all business transactions are properly authorized and accurately recorded and described on the Company’s books and records in accordance with generally accepted accounting principles and established Company financial policy. Compliance with accounting procedures and internal control procedures is required at all times.

Executives should never participate in misrepresenting the Company's consolidated financial statements and no circumstances ever exist to justify the maintenance of "off the books" accounts to facilitate questionable or illegal payments or transactions.

No Executive shall make a false or misleading statement to the Company's Audit Committee, its designees, independent auditors, or internal auditors, nor shall any Executive conceal or fail to reveal any information necessary to make the statements made to such persons not misleading.

Because this area has complex rules, Watsco has developed an "Executive Clawback Policy". **Be sure to read the Executive Clawback Policy closely.**

Every Executive shall do his or her best to assure only fair, accurate, timely, and understandable disclosure in reports and documents that are filed with, or submitted to, the SEC and in other public communications by the Company.

External Communications

All external communications, including media inquiries, but excluding normal course of business activities, that make reference to Watsco or that might be considered "inside information" (e.g., significant information regarding the operations or financial results of the Company or its subsidiaries) must be reviewed and approved by Watsco's EVP prior to publication. Such communications include press releases, videos, and any external communications produced by one Watsco business unit that refers to any other Watsco business units.

Personal Practices

Company Property, Security, Privacy, and Searches

Everything we use or create at work belongs to Watsco, and we have a duty to protect it. This includes tools, equipment, information, ideas, and more. Whatever it is, we must use it safely, take care of it professionally and protect it appropriately. When we leave our employment at Watsco, we also leave behind all of our work product and confidential information because it belongs to Watsco.

Watsco reserves the right, at all times, and without prior notice, to inspect and search any and all Watsco property for the purpose of determining whether this Code or any other Watsco policy has been violated or for the purpose of promoting safety in the workplace or compliance with all applicable state and federal laws. Such inspections and searches may be conducted during or after business hours in or outside of your presence. Executives should not have an expectation of privacy as to any information or files maintained in or on Watsco's property or transmitted or stored in or through Watsco's voicemail, computers, or other technical resources.

Conflicts of Interest and Relationships

It is the Company's policy that every Executive must avoid any interest, activity, or relationship that conflicts or appears to conflict with the Company's interest. A duty of loyalty is owed to the Company, and it is important to avoid situations in which there is even the appearance of actions for reasons other than the benefit of the Company. Personal interests must not conflict with Company interests.

Here are some ways a conflict of interest could arise:

- Employment by a competitor, supplier, or related business, or other relationship that might be opposed to the interest of Watsco, while employed by Watsco.
- Placement of business with a firm owned or controlled by an employee or his or her family.
- Ownership of, or substantial interest in, a company that is a competitor or supplier.
- Transactions with the Company that are outside the customary employment relationship.

Relationships (which may include family members or other personal relationships within any supervisory chain) that might impair an employee's independence or judgment, or result in disruptions in the workplace or other performance problems may result in a conflict of interest. Reporting levels between a supervisor and a family member should exist to preclude conflict of interest concerns. To assure that potential conflicts of interest related to family relationships may be evaluated properly:

- Disclose to Watsco's Legal Counsel any existing direct or indirect family relative that is currently employed by your organization (see the reporting form attached hereto).
- Future hiring of any direct or indirect family member shall also be reported to Watsco's Legal Counsel on a timely basis (see attached form).
- The President and CFO of Watsco or any business unit should not be direct or indirect members of the same family.

Compliance with Anti-Trust Laws

Watsco and all employees must strictly comply with state and federal antitrust laws. These laws prohibit agreements or understandings among competitors to fix or control prices, to boycott specified suppliers or customers, to allocate products, territories, or markets, or to limit the sale of products or product lines.

Such agreements are against public policy and against Watsco policy. No employee should engage in discussions of such matters with representatives of other companies. You should report any instance in which other companies initiate such discussions.

Internet and E-mail Personal Usage

All Executives have the responsibility to use computer resources in an efficient, moral, ethical, and lawful manner. All Internet/Intranet data that is composed, transmitted or received via Company communication systems is considered to be part of the official records of the Company and is subject to disclosure to law enforcement officials and other third parties. The Company has the right to monitor any and all aspects of its computer systems (including portable computers owned or purchased by the Company), including employee electronic messaging, to ensure compliance with this policy. Employees should not have an expectation of privacy in anything they create, send, or receive via the Company's electronic communications systems.

Social Media

We recognize that employees often engage in social media to connect with others. Executives who choose to use social media should not share anything that could reasonably be viewed as malicious, obscene, threatening or intimidating, that disparages customers, suppliers, or employees, or that might constitute harassment or bullying. All executives must respect the privacy of the Company, coworkers, customers, and suppliers, and never share or discuss any matters regarding them for any purpose on social media. They should NEVER publish or share confidential, sensitive, and nonpublic Company information in any format, including social media. If you identify yourself as an employee of the Company or are known to be one,

what you post can affect the reputation of Watsco. Assume that everything you post on social media will become public, and there could be consequences for what you publish.

Disposition of Claims

Appropriate personnel will investigate all claims of violations of this Code, and the Company reserves the right to determine, in its own discretion and on the basis of the information available to it, whether this Code has been violated. A determination that an individual has violated this Code will subject the individual to appropriate discipline, including dismissal. However, the Code does not set forth all of the reasons or situations in which an individual may be disciplined. It is not necessary for the Company to await the filing or conclusion of a civil or criminal action against the alleged violator before taking disciplinary action.

This Code supersedes all prior Codes for Executives and is not an employment contract. The Company may modify this Code at any time it deems appropriate. Watsco has separately published the Employee Code that also governs you and all other employees. Business units may supplement either code of conduct from time to time but to the extent of any conflict between this Code, the Employee Code, and such supplements, the terms of this Code, followed by the Employee Code, will prevail.

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CERTIFICATION

After you have read and understand the Code of Conduct for Executives (the “Code”), please sign this certification below and return it to:

Watsco, Inc.
Attention: Legal Department
2665 S. Bayshore Drive, Suite 901
Miami, FL 33133

I hereby certify that,

- 1. I have read and understand the Code dated March 11, 2024.**
- 2. I will adhere to the Code to the best of my ability.**
- 3. I acknowledge my responsibility to make a good faith effort to report observed or suspected violations of the law and Code to the Watsco Legal Counsel, CFO, EVP, or the Audit Committee, or to their designees.**
- 4. I certify that, to the best of my knowledge, I have disclosed actual or potential conflicts of interest on the Company’s “Code of Conduct Conflicts Disclosure Form”.**
- 5. I acknowledge and confirm that I have received and reviewed a copy of Watsco, Inc.’s Securities Trading Guidelines.**
- 6. I understand that I am an “insider” and the law restricts times when I may trade Watsco, Inc. securities.**
- 7. I acknowledge and confirm that I have received and reviewed a copy of Watsco, Inc.’s Executive Clawback Policy (the “Policy”). Capitalized terms used but not otherwise defined in this Certification shall have the meanings ascribed to such terms in the Policy. By signing this Certification, I acknowledge and agree that I am and will continue to be subject to the Policy and that the Policy will apply both during and after my employment with the Company. Further, by signing below, I agree to abide by the terms of the Policy, including, without limitation, by returning any Erroneously-Awarded Compensation (as defined in the Policy) to the Company to the extent required by, and in a manner permitted by, the Policy.**

Signature _____

Printed Name _____

Date _____

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CONFLICTS DISCLOSURE FORM

Instructions: If you have a conduct or a conflict of interest to disclose, please complete all necessary information below. Print, sign, date, and return the statement to the Legal Department at Watsco, Inc..

Name:

Job Title:

Company Name:

Location:

Telephone:

Email Address:

Disclosure:

I wish to report an actual/potential conflict of interest or other situation or compliance risk, as follows:

Signature _____

Printed Name _____

Date _____