

## **DIGI INTERNATIONAL INC.**

### **Audit Committee Charter** **(Last Revised November 9, 2021)**

#### **Purpose**

There shall be an Audit Committee of the Board of Directors of Digi International Inc., a Delaware corporation (the “Company”).

The Committee’s primary purpose is to oversee accounting, internal controls and financial reporting processes of the Company and the annual audit and quarterly reviews of the consolidated financial statements of the Company. The Committee has the authority to conduct any investigation it deems appropriate, with full access to all books and records, facilities, personnel and independent advisors of the Company. The Committee has authority to engage independent counsel and other advisers, as it determines necessary to carry out its duties. The Company must provide for appropriate funding, as determined by the Committee, for payment of: (i) compensation to any registered public accounting firm engaged by the Company for the purpose of performing an integrated or other audit, review or attest services for the Company; (ii) any advisers engaged by the Company or the Audit Committee; and (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

#### **Committee Membership**

The Committee shall consist of at least three directors. The Committee members will be appointed by the Board of Directors and may be removed by the Board of Directors in its discretion. Each director appointed to the Committee shall:

- a) be an “independent director” within the meaning of the listing standards of the Nasdaq Stock Market;
- b) meet the criteria for independence set forth in Rule 10A-3(b)(1) under the Securities Exchange Act of 1934;
- b) not have participated in the preparation of the consolidated financial statements of the Company or the financial statements of any current subsidiary of the Company at any time during the past three years; and
- c) be financially literate as contemplated by applicable Nasdaq listing standards, in that such director is able to read and understand fundamental financial statements, including the Company’s consolidated balance sheet, income statement and cash flow statement.

The Audit Committee shall endeavor to have at all times on the Audit Committee at least one member who satisfies the definition of an “audit committee financial expert” as defined by applicable regulations of the Securities and Exchange Commission, and shall have at all times at

least one member who has the requisite financial experience under applicable Nasdaq listing standards.

Compliance with the foregoing requirements shall be determined by the Board of Directors in its business judgment and in accordance with applicable rules, regulations and standards in effect from time to time.

### **Meetings**

The Committee shall meet as often as its members deem necessary to perform the Committee's responsibilities, which shall be no less than one time per quarter. The Committee shall meet at least quarterly with the independent registered public accounting firm and periodically with management and the Company's internal audit function in separate executive sessions. The Committee shall report regularly to the Board of Directors through presentations at meetings of the Board of Directors or by submission of minutes of the Committee meetings to the Board of Directors.

### **Committee Authority and Responsibilities**

The preparation of the Company's consolidated financial statements and other financial information is the responsibility of the Company's management and the auditing, or conducting limited reviews, of those consolidated financial statements and other financial information is the responsibility of the Company's independent registered public accounting firm. The Company's management is also responsible for establishing and maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting. The independent registered public accounting firm is also responsible for the audit of the effectiveness of the Company's internal control over financial reporting. The Committee's responsibility is to oversee management and the independent registered public accounting firm in regard to the accounting, internal controls and financial reporting processes of the Company and the annual audit and quarterly reviews of the consolidated financial statements of the Company. In addition, the Committee shall oversee financial risk relating to the Company's consolidated financial statements, financial reporting processes and internal control over financial reporting,

The Committee has sole authority and responsibility to appoint, compensate, retain, oversee and, where appropriate, replace any independent registered public accounting firm engaged by the Company for the purpose of performing an integrated audit or other audit, review or attest services for the Company, subject, if applicable, to ratification of the independent registered public accounting firm by the stockholders upon recommendation of the Committee; provided, however, that if the selection is not ratified, the Audit Committee will reconsider its selection. Each such independent registered public accounting firm must report directly to the Committee.

The Committee has sole authority and responsibility to retain, oversee and, where appropriate, terminate, if necessary, any other registered accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company.

In carrying out its oversight responsibilities, the Committee shall:

- a) review and reassess the adequacy of the Audit Committee Charter annually and recommend any proposed changes to the Board of Directors for approval;
- b) require that the independent registered public accounting firm provide the Committee with a formal written statement delineating all relationships between the independent registered public accounting firm and the Company, and discuss with the independent registered public accounting firm its independence;
- c) actively engage in a dialogue with the independent registered public accounting firm regarding any disclosed relationships or services that may impact the objectivity and independence of the independent registered public accounting firm;
- d) take appropriate action to oversee the independence of the independent registered public accounting firm;
- e) review and discuss with the independent registered public accounting firm and management the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board (“PCAOB”);
- f) review the annual audit plan of the Company’s independent registered public accounting firm, including a discussion with management and such firm regarding financial and internal control risk;
- g) review the annual internal audit plan of the Company’s internal audit function, including a discussion with management and any internal audit firm retained regarding financial and internal control risk;
- h) review annually the activities and organizational structure of the internal audit function, as well as the qualifications of its personnel.
- i) review annually the internal audit charter and recommend any changes;
- j) review with representatives of the internal audit function any significant findings and difficulties, disagreements with management, or scope restrictions encountered in the course of the function’s work;
- k) meet periodically with representatives of the internal audit function privately to discuss any appropriate matters;
- l) review the terms of proposed engagements of any internal audit firm engaged for the purpose of performing internal audit services;
- m) review with the Company’s general counsel legal matters that may have a material impact on the Company’s consolidated financial statements, the Company’s related compliance programs, and any material reports or inquiries received from regulators or governmental agencies;

- n) obtain periodic reports from the Company's chief compliance officer concerning any significant issues regarding the monitoring of compliance with the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's code of ethics;
- o) review and discuss the Company's audited consolidated financial statements that are to be included in the Company's Form 10-K with the independent registered public accounting firm and management and determine whether to recommend to the Board of Directors that the consolidated financial statements be included in the Company's Form 10-K for filing with the Securities and Exchange Commission;
- p) review, or the Committee's Chairman shall review, any matters identified by the independent registered public accounting firm pursuant to the applicable requirements of the PCAOB regarding the Company's interim consolidated financial statements. Any such review shall occur prior to the filing of such interim consolidated financial statements on the Company's Form 10-Q;
- q) approve all audit engagement fees and terms and pre-approve all audit and permitted non-audit and tax services that may be provided by the independent registered public accounting firm or other registered public accounting firms, and to establish and maintain policies and procedures for the Committee's pre-approval of permitted services on an ongoing basis; provided, however, that the Committee delegates the authority to grant pre-approvals of non-audit services related to engagements occurring between Committee meetings to the Committee's Chairman and requires that Chairman report to the Committee on any decisions made by the Chairman at the Committee's next regularly scheduled meeting;
- r) consider whether the provision of the services by the independent registered public accounting firm (other than those services rendered in respect of the audit or review of the Company's annual or quarterly consolidated financial statements, respectively) is compatible with maintaining the independent registered public accounting firm's independence;
- s) oversee the resolution of all disagreements between management and the independent registered public accounting firm regarding financial reporting;
- t) approve the report of the Committee that will be included in the Company's proxy statement for its annual meeting of stockholders;
- u) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting or auditing matters and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
- v) review any hiring of employees or former employees of the Company's independent registered public accounting firm that may impact the independence of the independent registered public accounting firm;

- w) monitor regular rotation of the lead audit partner and the reviewing audit partner of the Company's independent registered public accounting firm in accordance with applicable SEC regulations;
- x) review and discuss with the Company's independent registered public accounting firm at least annually:
  - (i) all critical accounting policies and practices to be used in the audit;
  - (ii) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management of the Company, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Company's independent registered public accounting firm; and
  - (iii) other material written communications between the Company's independent registered public accounting firm and the management of the Company, such as any internal control-related letter or schedule of unadjusted differences;
- y) as required by the certifications pursuant to SEC Rules 13a-14(a) and 15d-14(a), receive information from the Company's management about any significant deficiencies and material weaknesses in the design or operation of internal controls which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial data and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting;
- z) oversee financial risk relating to the Company's consolidated financial statements, financial reporting processes and internal controls over financial reporting;
- aa) review and discuss management's report on internal control over financial reporting and the report of the independent registered public accounting firm as to the Company's internal control over financial reporting with the independent registered public accounting firm and management;
- bb) review, and determine whether to deny, approve or ratify, with or without conditions, any transaction subject to the Company's Related Person Transaction Approval Policy;
- cc) keep the independent registered public accounting firm informed of the Committee's understanding of the Company's relationships and transactions with related parties that are significant to the Company;
- dd) review and discuss with the Company's independent auditors the auditors' evaluation of the Company's identification of, accounting for, and disclosure of its relationships and transactions with related parties, including any significant matters arising from

the audit regarding the Company's relationships and transactions with related parties.  
and

ee) conduct an annual performance evaluation of the Committee in accordance with procedures approved by the Nominating and Governance Committee.

The Company's management, its internal audit function and its independent registered public accounting firm, in the exercise of their responsibilities, acquire greater knowledge and more detailed information about the Company's financial affairs than the members of the Committee. The Committee is not responsible for providing any expert or other special assurance as to the Company's consolidated financial statements and other financial information, In addition, the Committee is entitled to rely on information provided by the Company's management, its internal audit function and the independent registered public accounting firm, including information with respect to the nature of services provided by the independent registered public accounting firm and the fees paid for such services.