



FLIR SYSTEMS, INC.

**CHARTER OF THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS
(Amended & Restated as of December 13, 2019)**

Purpose:

The purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of FLIR Systems, Inc. (the “Company”) is to assist the Board in oversight and monitoring of:

- the integrity of the Company’s financial statements and financial reporting process;
- the Company’s financial reporting process and related systems of disclosure controls and internal quality-control procedures;
- the independent auditor’s qualification, appointment and independence;
- the performance of any internal audit function;
- review of all related-party transactions involving, directly or indirectly, the Company and any of its directors or executive officers; and
- the adequacy of the Company’s accounting and internal control systems.

The Committee shall prepare the report of the Committee that is required by the rules of the Securities and Exchange Commission (the “SEC”) to be included in the Company’s annual proxy statement.

The Committee will otherwise carry out the duties and responsibilities set forth in this Charter of the Audit Committee of the Board (this “Charter”) and such other responsibilities and duties that the Board may assign from time to time.

The primary role of the Committee is to oversee the financial reporting and disclosure process. The Committee does not itself prepare financial statements or perform audits, and its members are not auditors or certifiers of the Company’s financial statements. It is not the duty of the Committee to conduct audits or to determine that the Company’s financial statements and disclosures are complete and accurate and are in accordance with U.S. Generally Accepted Accounting Principles (“GAAP”) and applicable rules and regulations. These duties are the responsibilities of management and the independent auditors.

Membership:

The Committee membership shall be as follows:

- **Number of Members.** The Committee shall consist of not less than three

directors.

- **Appointment and Term.** The members of the Committee shall be appointed by the Board. The Committee members shall serve for such terms as the Board may determine, or until their earlier resignation, death or removal, and may be removed by the Board in its discretion at any time with or without cause.
- **Committee Chair.** The Committee Chair shall be appointed by the Chairman of the Board after consultation with the Committee members. If a Committee Chair is not present, the members of the Committee may designate a Chair by majority vote of the Committee membership.
- **Vacancies.** Vacancies on the Committee shall be filled by the Chairman of the Board.
- **Qualification of Members.** Each member of the Committee shall qualify as an “independent director” and otherwise meet the applicable requirements of the listing rules of the NASDAQ Stock Market LLC (the “NASDAQ Listing Rules”) and Section 10A-3 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). No member of the Committee can have participated in the preparation of the Company’s or any of its subsidiaries’ financial statements at any time during the past three years. In addition, each member shall, at the time of appointment to the Committee, be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement and statement of cash flows, and to meet such other applicable standards of financial literacy as may be required by the NASDAQ Listing Rules. No member of the Committee may serve simultaneously on the audit committee of more than two other public companies without prior approval of the Board.
- **Financial Expert and Knowledge.** The Committee shall at all times include among its membership at least one member who qualifies as an “audit committee financial expert” and is “financially sophisticated,” as such terms are defined by applicable regulations of the SEC and the NASDAQ Listing Rules. The Board annually determines which of its members meets this requirement.

Meetings:

The Committee shall meet with such frequency and at such intervals as it determines are necessary, but at least quarterly, to carry out its duties and responsibilities:

- Meetings may be called by the Chair of the Committee or any two Committee members; the Chair shall set the agenda (unless a special meeting is called by the other members) and conduct the meetings.
- The Committee may permit attendance at meetings by management and consultants as the Committee may determine appropriate or advisable from time to time.
- A majority of the Committee members shall constitute a quorum.
- Concurrence of a majority of the quorum present at a meeting, or unanimous

written consent (as provided below), shall be required to take formal action of the Committee.

- The Committee may act by unanimous written consent, and may conduct meetings via teleconference or similar communications equipment by which the members participating may simultaneously see and minimally hear each other during the meeting.
- The Committee shall report regularly to the Board on matters within the Committee's responsibilities and shall maintain minutes of Committee meetings, reflecting all matters considered and actions taken. A copy of the minutes of each meeting and all consents will be placed in the Company's minute book.

Duties and Responsibilities:

In accordance with the purpose of the Committee and requirements of the Company's Corporate Governance Principles, the Committee shall have the following duties and responsibilities:

1. **Retention and Oversight of Auditors.** The Committee shall have the sole authority to appoint, evaluate, determine funding for, oversee and, where appropriate, replace the Company's independent auditors for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The independent auditors shall report directly to the Committee and shall obtain the Committee's authorization before providing any services (whether or not related to the audit). The Committee shall resolve any disputes between the auditors and the Company's financial management regarding financial reporting.
2. **Pre-Approval.** The Committee shall approve all audit engagement fees and terms; and to pre-approve all audit and permitted non-audit and tax services that may be provided by the Company's independent auditors or other registered public accounting firms, subject to any exceptions provided in the Exchange Act, and establish policies and procedures for the Committee's pre-approval of permitted services by the Company's independent auditors or other registered public accounting firms on an on-going basis.
3. **Evaluation and Rotation.** At least annually, the Committee shall evaluate the qualifications, performance and independence of the Company's independent auditors, the lead audit partner, assuring customary regular rotation of said partner, and periodically consider rotation of the accounting firm serving as the Company's independent auditors.
4. **Related-Party Transactions.** The Committee shall have the responsibility for reviewing all related-party transactions involving, directly or indirectly, the Company and any of its directors or executive officers. The Committee shall approve or ratify such transactions in accordance with such guidelines as the Committee may from time to time adopt. The Company shall not enter into any

related-party transaction unless it has been approved by the Committee. A “related-party” transaction for these purposes shall mean a transaction for which disclosure would be required pursuant to Item 404 of Regulation S-K.

5. **Meetings with the Independent Auditors.** The Committee shall meet regularly with the independent auditors, which meetings may include management, to review and discuss the scope and results of the auditors’ audits and reviews. The meetings shall include discussions on the following: the auditors’ responsibilities under GAAP and the responsibilities of management in the audit process; the overall audit strategy; the scope and timing of the annual audit; any significant risks identified during the auditors’ risk assessment procedures; and when completed, the results, including significant findings, of the annual audit. The Committee shall also review and discuss with the Company’s independent auditors all critical accounting policies and practices to be used in the audit; all alternative treatments of financial information within GAAP that have been discussed with management, the ramifications of the use of such alternative treatments and the treatment preferred by the auditors; and other material written communications between the auditors and management. Additionally, the meetings shall include a review of any audit problems or difficulties, including any disagreements with management, and a review of any significant disagreements between the Company’s audit team and its national office regarding auditing or accounting issues pertaining to the Company. The Committee shall provide at each meeting an opportunity for the independent auditors to meet privately with the Committee outside the presence of management to discuss such issues as the auditors or Committee members may deem appropriate.
6. **Annual Financial Information.** The Committee shall review and discuss with the Company’s independent auditors and management the Company’s annual audited financial statements (including the related notes), the form of audit opinion to be issued by the auditors on the financial statements and the disclosure under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” to be included in the Company’s Annual Report on Form 10-K (“Form 10-K”) before the Form 10-K is filed. Based upon these discussions, the Committee shall recommend to the full Board that the audited financial statements be included in the Company’s Form 10-K.
7. **Financial Statement Issues.** The Committee shall review with management and the Company’s independent auditors: any major issues regarding accounting principles and financial statement presentation, including any significant changes in the Company’s selection or application of accounting principles; any significant financial reporting issues and judgments made in connection with the preparation of the Company’s financial statements, including the effects of alternative GAAP methods; and the effect of regulatory and accounting initiatives and off-balance sheet structures on the Company’s financial statements.

8. **Oversight of Auditor Independence.** The Committee shall ensure receipt from the independent auditor of a formal written statement delineating all relationships between the auditor and the Company, consistent with applicable requirements of the Public Company Accounting Oversight Board (the “PCAOB”) regarding the independent auditor’s communications with the Committee concerning independence, actively engage in a dialogue with the auditor about any disclosed relationships or services that may impact the objectivity and independence of the auditor, and take appropriate action to oversee the independence of the independent auditor.
9. **Meetings with Internal Audit.** The Committee shall review with management, a representative of the internal audit function, and the Company’s independent auditors the adequacy and effectiveness of the Company’s internal controls, including any significant deficiencies or material weaknesses in the design or operation of, and any material changes in, the Company’s internal controls and any special audit steps adopted in light of any material control deficiencies, and any fraud involving management or other employees with a significant role in such internal controls, and review and discuss with management and the Company’s independent auditors disclosure relating to the Company’s internal controls and the independent auditors’ report on the effectiveness of the Company’s internal control over financial reporting and the required management certifications to be included in or attached as exhibits to the Company’s Form 10-K or quarterly report on Form 10-Q, as applicable. The Committee shall provide at each meeting for the representative of the internal audit function to meet privately with the Committee outside the presence of Company management to discuss such issues as internal audit or Committee members may deem appropriate.
10. **Internal Audit.** The Committee shall review, discuss with the Company’s independent auditors, and approve the functions of the Company’s internal audit function, including its purpose, authority, organization, responsibilities, budget and staffing; review the scope and performance of the department’s internal audit plan, including the results of any internal audits, any reports to management and management’s response to those reports; and review and approve the hiring or dismissal of the head of the Company’s internal audit function.
11. **Earnings Information.** The Committee shall review and discuss with the management disclosure committee, the Company’s independent auditors and the Company’s investor relations the Company’s earnings press releases, including the type of information to be included and its presentation and the use of any pro forma, adjusted or other non-GAAP financial information, prior to public disclosure.

12. **Other Communications with Auditors.** The Committee shall review and discuss with the Company's independent auditors any other matters required to be discussed under the standards of the PCAOB.
13. **Complaint Procedure.** The Committee shall establish and maintain 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 employees of the Company of concerns regarding questionable accounting or auditing matters. The Committee shall take such action as may be necessary or required to ensure that complaints are treated confidentially and anonymously.
14. **Reports to the Board.** The Committee shall, at least quarterly, review with the Board any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's financial reporting process and related systems of disclosure controls and internal quality-control procedures, the performance and independence of the Company's independent auditor and such other matters as the Committee may deem appropriate.
15. **External Counsel/Advisors/Consultants.** The Committee is authorized, to the extent it deems necessary or appropriate, to seek advice from internal and external legal counsel and other advisors or consultants as the Committee deems necessary or appropriate to assist in the performance of its duties. The Company will pay all reasonable compensation and expenses and oversee the work of legal counsel, advisors, or consultants engaged by the Committee.
16. **Committee Charter.** The Committee shall, at least annually, review this Charter and, as appropriate from time to time, recommend amendments to this Charter to the Board.
17. **Code of Ethics.** The Company has adopted a Code of Ethical Business Conduct and a Code of Ethics for Senior Financial Officers (together, the "Codes"). The Committee shall have the responsibility for participating in the administration of the Codes in connection with any matters that may have a material impact on the Company's financial statements or internal accounting controls or auditing matters.
18. **Oversight Regarding Hedging Instruments and Related Matters.** The Committee shall be empowered to exercise all of the authority of the Board with regard to the oversight of the Company's use of hedging instruments such as swaps, collars, caps, floors and similar financial instruments designed to manage interest rate, foreign currency, commodity and other such risks. The Committee shall, to the extent it determines necessary, develop and review appropriate policies and procedures governing the Company's use of swaps and similar financial instruments.

19. **Delegation of Authority.** The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees or to a committee of the independent members of the Board as the Committee may deem appropriate in its sole discretion.
20. **Additional Duties and Responsibilities.** In addition to the foregoing, the Committee shall have such additional responsibilities, duties and authority consistent with this Charter, the articles of incorporation and bylaws of the Company, governing law, the NASDAQ Listing Rules, the federal securities laws and other such requirements applicable to the Company, delegated to the Committee by the Board.
21. **Necessary Authority.** The Committee shall have the authority to undertake any action required to fulfill its responsibilities and shall have direct access to the independent auditors as well as any employee of the Company.
22. **Committee Performance.** The Committee shall annually review its own performance and report to the Board the results of its evaluation.