# FIRST BUSINESS FINANCIAL SERVICES, INC.
# FIRST BUSINESS BANK
# CORPORATE GOVERNANCE AND NOMINATING COMMITTEE CHARTER

**Approved: December 12, 2025**

## COMMITTEE PURPOSE

The Corporate Governance and Nominating Committee (the "Committee") is appointed by the First Business Financial Services, Inc. and First Business Bank (the "Company") Boards of Directors (the "Board") to assist the Board in causing the Board and its committees to be appropriately constituted so that the Board and its members ("Directors") may effectively meet their fiduciary obligations to shareholders and the Company. The Committee is responsible for performing duties relating to: (1) identifying prospective directors not only for their individual strengths, but also for their contribution to the Board as a whole, (2) considering the Criteria for Director nominees as outlined in the Corporate Governance Guidelines, (3) recommending nominees to fill vacancies on the Board and committees, (4) recommending the slate of nominees for election at the annual meeting of shareholders, (5) leading the Board in its review of its performance and (6) responsibility delegated by the Board for oversight of the Company's key environmental, social and governance ("ESG") risks, opportunities and initiatives.

## COMMITTEE AUTHORITY

The Committee shall have the power and authority to conduct or authorize studies and investigations into any matter of interest or concern within the scope of its duties that the Committee deems appropriate and shall have the authority, in its sole discretion, to retain independent legal, financial or other advisors to assist in the conduct of any such study or investigation, including the authority to approve fees payable to such advisors and any other terms of retention. The Committee is empowered to:

- Monitor key risks relating to corporate governance structure, Director independence, succession; ESG; and

- Evaluate and make recommendations related to maintaining a Board comprised of directors with a mix of skills, experience, and attributes to perpetuate the Company's success.

## COMMITTEE COMPOSITION AND MEETINGS

The Committee shall consist of members of the Company's Board, each of whom shall meet the independence requirements of the Securities Exchange Commission ("SEC"), the Nasdaq Stock Market ("Nasdaq") Listing Rule 5605(e)(1), and any other regulatory entity with relevant jurisdiction over the Company.

The Committee Chair and the members of the Committee shall be appointed by the Board annually or as necessary to fill vacancies on the recommendation of the Company's Corporate Governance and Nominating Committee. Each member shall serve until their successor is duly elected and qualified or until such member's earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

Notwithstanding the foregoing, the Board has delegated authority to the FBFS Board Chair to appoint an alternate independent "Non-Employee Director" to the Committee for purposes including but not limited to filling a vacancy on the Committee until the next Board meeting, at which time the full Board shall fill the vacancy and/or appoint the Committee member. The alternate Committee member appointed by the Board Chair will count toward a quorum and will have the same responsibilities and voting rights as the Board-appointed Committee members. The Board has further delegated the authority and discretion to the FBFS Board Chair to designate an alternate member of the Committee to serve as the Chair of the Committee if the Committee Chair is unable to attend a Committee meeting.

The Committee shall meet as frequently as circumstances dictate. The Committee Chair will chair all meetings and will prepare and/or approve an agenda in advance of each meeting. The Committee may invite to its meetings any officer, employee or Director of the Company and such other persons as it deems appropriate in order to carry out its duties. The Committee shall meet regularly in executive session without Company management present. The Committee may also meet in management session with any invited officer, employee or director of the Company and such other persons as it deems appropriate to carry out its responsibilities.

A majority of the Committee members shall constitute a quorum for the transaction of business. The action of the majority of the Committee members at a meeting at which a quorum is present shall be the act of the Committee.

The Committee shall maintain minutes of meetings and report regularly to the Board: (1) following meetings of the Committee, (2) with respect to such other matters as are relevant to the Committee's discharge of its duties and (3) with respect to such recommendations as the Committee may deem appropriate. The report to the Board may take the form of an oral report by the Committee's Chair or any other member of the Committee designated by the Committee to make such report.

**COMMITTEE RESPONSIBILITIES AND DUTIES**

The Committee shall fulfill the following responsibilities and duties:

<u>Size, Composition, Organization, Operational and Leadership Structure of the Board</u>

1. Review, at least annually, the structure of the Board to assure that the proper skills, attributes, and experience are represented and the optimal leadership structure for the Company is in place. This review should include consideration of the number of Directors and the criteria for a Director, including the skills, attributes, and experience, not only necessary but also desirable.

2. Evaluate and make recommendations related to Board diversity to ensure the Board, as a whole, reflects a range of viewpoints, backgrounds, skills, experience, and expertise which collectively reflect the strategic needs of the business, shareholders, and communities in which the Company operates.

3. Review and make recommendations regarding the responsibilities of Board committees and the composition of Board committees, in light of those responsibilities, including the qualifications, appointment, and removal of committee members.

4. The Committee shall annually recommend to the Board the Director nominees to be appointed to the various committees of the Board. The Committee shall consider the desired qualifications for membership on each committee, the availability of the Director to meet the time commitment

required for membership on the particular committee and the extent to which there should be a policy of periodic rotation of committee members.

5. The Committee shall consider and make recommendations to the Board on matters relating to the retirement of Board members, including term limits or age caps.

<u>Nominees for Election as Directors</u>

1. The Committee shall recommend to the Board the Director nominees for the annual meeting of shareholders and persons to fill vacancies on the Board that occur between meetings of shareholders. In carrying out this responsibility, the Committee shall:

    a. Determine the desired Board skills, attributes, and experience and, as needed, conduct searches for prospective Board members whose skills, attributes, and experience reflect those desired, which shall include the Criteria for Director Nominees set forth in the Company's Corporate Governance Guidelines;

    b. Consider nominees submitted to the Board by shareholders; and

2. Prior to recommending a nominee for election, determine that the election of the nominee as a Director would effectively further the policies set forth in the Company's Mission, Vision and Belief Statements and the Operating Philosophy/Guiding Principles. In the foregoing capacity, the Committee shall have authority, in its sole discretion, to retain and to terminate any search firm to be used to assist it in identifying candidates to serve as Directors of the Company, including authority, in its sole discretion, to approve the fees payable to such search firm and any other terms of retention.

3. The Committee shall recommend to the Board whether to accept the resignation tendered by a Director who receives a greater number of votes "withheld" or "against" their election than votes "for" their election as required by the Director Resignation Policy in the Corporate Governance Guidelines.

<u>Corporate Governance Oversight</u>

1. The Committee shall annually review the Corporate Governance Guidelines for the purposes of:

    a. Determining whether the Corporate Governance Guidelines are being effectively implemented and followed;

    b. Ensuring that the Corporate Governance Guidelines are appropriate for the Company and comply with applicable laws, regulations, and listing standards; and

    c. Recommending any desirable changes in the Corporate Governance Guidelines to the Board.

2. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee shall also review the Charters of all other committees annually and submit recommendations for approval to the Board.

3. The Committee shall be responsible for the review of compliance with the Stock Ownership Guidelines and Share Retention Policy.

4. The Committee shall review and consider corporate governance matters, best practices and emerging trends, and develop appropriate recommendations to the Board and its committees.

Board and Committee Orientation and Continuing Education

1. The Committee shall be responsible for the development and ongoing review and implementation of an orientation program for new Directors and new committee members.

2. The Committee shall monitor and annually report to the Board regarding Director compliance with the continuing education requirements outlined in the in the Director Education Procedure.

3. The Committee shall have oversight of Board education and coordinate educational materials or presentations to keep Directors informed of current and relevant issues and developments.

Performance Evaluation

1. The Committee shall oversee the annual Board, committees, and individual Director evaluation process.

2. The Committee shall determine the evaluation format, review all evaluation findings, and report any recommendations as a result of the evaluations to the Board.

Independent Director Determinations

1. The Committee shall annually, or more frequently if necessary and appropriate based on changes in an individual Director's circumstances, review and determine whether each Director (or any individual director) is "independent" within the meaning of the appropriate Nasdaq Listing rules or the rules of any exchange or automated quotation system then applicable to the Company.

2. The Committee shall determine, as outlined in the Corporate Governance Guidelines , if a Director's continued independence and performance on the Board and its committees will be adversely impacted if:

   a. The Director moves their primary residence outside the continental United States,

   b. The Director changes their principal occupation, position or responsibility they held when elected to the Board,

   c. The Director intends to accept a directorship with another public or private company or will be appointed to the audit or compensation committee of another public company on which they are currently a director.

Succession Planning

1. The Committee shall be responsible for review of a succession plan for the First Business Financial Services, Inc. Chief Executive Officer ("CEO"), report to the Board annually on CEO succession planning, and work with the Board to evaluate potential CEO successors.

2. The Committee shall review the succession plan for the other Executive Officers.

Corporate Policies

The Committee shall approve corporate policies as designated by the Board from time to time including, but not limited to, the policies set forth on the Corporate Governance Policy Schedule, as amended and updated from time to time, within the scope of the Committee's responsibilities and duties as described in this Charter.

Environmental, Social and Governance

1. The Board, acting as a whole and through its committees, is responsible for oversight of the Company's ESG framework. The Board has expressly delegated to the Company's Corporate Governance and Nominating Committee oversight of the Company's ESG program. Board committees, which meet regularly and report back to the Board, provide monitoring of certain ESG framework components to ensure alignment with the Company's ESG principles.

2. To ensure alignment with the Company's ESG principles, as appropriate, the Committee shall review risks and opportunities related to, without limitation:

    a. Oversight of the Company's ESG framework;

    b. Corporate Governance/Shareholder Rights; and

    c. Delegated key risks as outlined under "Risk Management", below.

Risk Management

1. The Board, acting as a whole and through its committees, is responsible for oversight of the Company's enterprise-wide risk management. The Board has expressly delegated to the Company's Operational Risk Committee responsibility for assuring the Company's overall risk management program is operating effectively. Board committees, which meet regularly and report back to the Board, provide oversight of the monitoring of certain key risks as delegated by the Board and oversee effective risk remediation when and as appropriate.

2. The Committee shall oversee management of key risks as delegated by the Board from time to time including risk relating to corporate governance structures and policies, ESG, and Director independence.

Other Duties

1. The Committee shall perform any other activities under this Charter, the Company's By-laws or governing law as the Committee or the Board deems appropriate.

2. The Committee shall serve in an advisory capacity to the Board regarding organization and governance issues and assume responsibility for governance related projects assigned by the Board from time to time.

3. The Committee shall periodically perform an assessment of the Committee's performance as recommended annually or biennially.