

## **BOARD GOVERNANCE GUIDELINES INSTEEL INDUSTRIES, INC.**

These Board Governance Guidelines, adopted by the Board of Directors (the “Board”) of Insteel Industries, Inc. (the “Company”), together with the Company’s certificate of incorporation, bylaws and Board committee charters, form the framework for governance by the Board.

### **Role of the Board and Management**

The Board is elected by and responsible to the shareholders of the Company. The Company’s business is conducted by its employees, managers and officers, under the direction of the chief executive officer (the “CEO”) and the oversight of the Board, to enhance the long-term value of the Company for its shareholders. The Board monitors the performance of the CEO to assure that the long-term interests of the shareholders are being served.

### **Board Leadership**

The position of Chairman of the Board may be combined with the position of CEO at the discretion of the Board, in which case the Board will designate an independent Lead Director.

### **Board and Shareholder Meetings**

1. Meetings and Attendance. The Board will meet as frequently as required to review and discuss reports by management on the performance of the Company, its plans and prospects, as well as immediate issues facing the Company. Directors are expected to participate in board meetings, review relevant materials, serve on Board committees and adequately prepare for meetings and discussions with management. Directors are expected to attend all meetings, including the annual meeting of shareholders.

2. Meeting Materials. The Company will provide directors preparatory materials in advance of a meeting as appropriate and directors are expected to review such materials in advance of the meeting.

3. Agenda. The Chairman of the Board will establish an agenda for each Board meeting. Each Board member is free to suggest the inclusion of items on the agenda. Each Board member is free to raise, at any Board meeting, subjects that are not on the agenda for that meeting. The Board will review the Company’s performance, corporate strategy and leadership on a regular basis.

4. Executive Session. The non-employee directors will meet periodically in executive session, including at each regularly-scheduled meeting. Executive sessions will include only independent directors. When the Chairman of the Board is not independent, the Lead Director will preside during executive sessions.

5. Meeting Participation. With the permission of the Chairman of the Board, the Lead Director in the case of an executive session, or the committee chair in the case of committee meetings, directors may participate in a meeting being held in-person by a secure teleconference

call or similar means. The Chairman of the Board, or the Lead Director in the case of an executive session, may set up the meeting so that all participants participate by teleconference or similar means.

6. Use of Advisors. The Board and each committee have the power to hire, at the expense of the Company, independent legal, financial, compensation or other advisors as they may deem necessary. Generally, such independent advisors would be obtained with the knowledge of the CEO.

### **Board Committees**

1. Standing Committees. The Board currently has an Audit Committee, an Executive Compensation Committee and a Nominating and Governance Committee. Each of the members of the Audit, Executive Compensation and Nominating and Governance Committees must satisfy the membership requirements set forth in the relevant committee charter.

2. Other Committees. The Board may establish additional standing, ad hoc and temporary committees as appropriate. The Nominating and Governance Committee annually proposes to the Board a slate of chairs and members of all committees.

3. Committee Charters. The Audit, Executive Compensation and Nominating and Governance committees will each have its own charter, which shall be approved by the Board. The charters will set forth the purposes and responsibilities of the committees, the obligation to report to the Board, and if relevant, specific membership requirements. Each standing committee will review its charter annually.

4. Committee Meetings. The committee chairs determine the frequency of meetings consistent with the charters of their respective committees and set meeting times and develop committee agendas. Each committee reports on its actions and discussions to the Board as soon as practicable.

### **Director Qualifications**

1. Selection. The Nominating and Governance Committee is responsible for recommending to the Board (i) persons to be nominated by the Board for election at the Company's Annual Meeting of Shareholders, and (ii) nominees for Board membership to fill vacated or newly created positions on the Board. The Board as a whole is responsible for selecting such nominees, and the invitation to join the Board shall be extended by the Board via the Chairman.

2. Number of Directors. The Company's bylaws currently specify that the number of directors shall be not less than five nor more than 10. The Governance and Nominating Committee shall consider and make recommendations to the Board from time to time concerning the number of directors.

3. Independence. The Board will have a majority of directors who will meet the criteria for independence required by the New York Stock Exchange ("NYSE") and any other applicable regulatory requirement. The Company defines an "independent" director in accordance with Section 303A.02 of the NYSE Rules. In addition, each director must meet the heightened

independence criteria and other standards required by applicable law, the New York Stock Exchange and any other applicable regulatory requirements specific to the Board committees on which such director serves.

4. Board Composition. In selecting directors, the Board will review and consider many factors, including experience, integrity, leadership, diversity, ability to exercise sound judgment, existing time commitments and independence. The Board believes it is appropriate to include one or more members of management on the Board.

5. Joining Other Boards. Directors should advise the Chairman of the Board and the Chair of the Nominating and Governance Committee in advance of accepting an invitation to serve on another public-company board. The Board's current policy is that a director who is retired from full-time employment shall not have more than four public-company directorships (including Insteel), and a director who is not retired from full-time employment shall not have more than three public company directorships (including Insteel).

6. Director Resignations. A Director shall tender his or her resignation upon the occurrence of any of the following:

- a. A substantive change in the director's career or vocation;
- b. The director, or any company of which he or she is (or within the two preceding years was) an executive officer, general partner or director, is the subject of bankruptcy or insolvency proceeding;
- c. The director is convicted in a criminal proceeding or is the named subject of a criminal proceeding (other than traffic violations and other minor offenses);
- d. The director (a) is enjoined (and such injunction is not dissolved or the order entering it is not reversed, suspended or vacated) from engaging in any type of business practice or from engaging in any activity in connection with the purchase or sale of any security or in connection with any violation of federal or state securities laws, (b) is found by a court to have violated federal or state securities laws or (c) is a named defendant in any proceeding seeking such an injunction or alleging such a violation;
- e. The director, or any company of which he or she is an executive officer or general partner, is a named plaintiff in any court proceeding brought against the Company or any significant customer of the Company;
- f. The director becomes associated with another person or entity, where such association presents an actual or apparent conflict of interest, including but not limited to any association with a competitor or customer of the Company; or
- g. The failure of a director to receive a majority of the shares voted in an uncontested election for director.

When a resignation is tendered because of the occurrence of such circumstances, the Nominating and Governance Committee will recommend to the Board whether or not such resignation should be accepted.

## **Director Elections**

A nominee for director is elected if he or she receives a plurality of the votes cast. However, if a candidate for director fails to receive a majority of the votes cast in an uncontested election, such director shall, within 10 days of the certification of the election results, tender his or her resignation as a member of the Board. For purposes of this policy, an election is “uncontested” if none of the Company’s shareholders provides the Company notice of an intention to nominate one or more candidates to compete with the Board’s nominees in a director election or if the Company’s shareholders have withdrawn all such nominations on or prior to the fourteenth day preceding the date the Company mails its notice of meeting to shareholders.

The Nominating and Governance Committee will consider the tendered resignation and recommend to the Board the action to be taken with respect to the resignation. The Board will act on the tendered resignation, taking into account the recommendation of the Nominating and Governance Committee, and publicly disclose its decision regarding the tendered resignation within 90 days from the date of the certification of the election results. The director whose resignation is under consideration will not participate in the recommendation of the Nominating and Governance Committee with respect to his or her resignation

## **Board Assessment Process**

The Nominating and Governance Committee is primarily responsible to facilitate an annual Board self-assessment process. At a minimum, the assessment will address the overall effectiveness of the Board, its discharge of responsibilities, structure, meetings, processes and relationships with management.

## **Director Orientation and Continuing Education**

Management, working with the Board, will provide an orientation process for new directors and coordinate director continuing education programs. The orientation programs are designed to familiarize new directors with the Company’s businesses, strategies, and challenges and to assist new directors in developing and maintaining skills necessary or appropriate for the performance of their responsibilities. As appropriate, management shall prepare additional educational sessions for directors on matters relevant to the Company and its business. Directors are also encouraged to participate in educational programs relevant to their responsibilities, including programs conducted by universities and other educational institutions.

## **Director Access to Management**

1. General Access. Directors shall have full and complete access to the executive officers of the Company. Directors may arrange for access to other employees of the Company through the CEO. All parties will attempt to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent appropriate, copy the CEO on any written communications between a director and an officer or employee.

2. Board and Committee Meetings. Either at the request of the Board or as recommended by the Chairman of the Board, senior management and other employees may make presentations to, or be included in, discussions at Board and committee meetings.

### **Management Succession Planning**

The Board will periodically review a management succession plan that includes, among other things, an assessment of the experience, performance, and skills for possible successors to the CEO, as well as a plan regarding succession in the event of an emergency or the retirement of the CEO.

### **Communications to the Board**

All communications from external sources to the Board of Directors, Lead Director, the non-management directors or any individual director, must be in writing and addressed to them c/o Secretary, Insteel Industries, Inc., 1373 Boggs Drive, Mount Airy, NC 27030 or by e-mail to secretary@insteel.com.

### **Director Compensation**

1. Non-Employee Directors. Non-employee directors and committee chairs shall receive reasonable compensation for their services to be determined by the Board upon recommendation of the Executive Compensation Committee. Other than the pre-approved retainers for non-employee directors and committee chairs, the Company does not normally provide additional compensation, such as compensation for consulting services, to a non-employee director. The amount of compensation for non-employee directors and committee chairs will generally be consistent with market practices of comparable companies.

2. Employee Directors. Directors who are employees receive no additional pay for serving as directors.

### **Evolving Guidelines**

The Board recognizes its operations and these guidelines to be an evolving process and therefore subject to periodic review and revision. The Board, with the assistance of the Nominating and Governance Committee, shall periodically review these Board Governance Guidelines to determine whether any changes are appropriate. These guidelines are not intended to cover all issues which may arise, but rather to provide a general frame of reference to assist the Board in the performance of its duties.

*Adopted February 16, 2021*

*Amended May 18, 2021*