

## LINCOLN ELECTRIC HOLDINGS, INC.

### COMPENSATION AND EXECUTIVE DEVELOPMENT COMMITTEE CHARTER

#### **Purpose of the Compensation and Executive Development Committee**

Except to the extent that the Board of Directors (the “Board”) of Lincoln Electric Holdings, Inc. (the “Company”) may otherwise specifically delegate part of its authority to another Board committee or expressly reserves such authority for itself, the primary purposes of the Compensation and Executive Development Committee (the “Committee”) of the Board are to:

1. assist the Board in meeting its responsibilities with regard to oversight and determination of Executive Officer compensation, including the compensation of the Company’s Chief Executive Officer (“Chief Executive Officer”);
2. administer or provide for the administration of (a) equity-based and other incentive compensation plans and (b) other executive compensation or employee benefits plans or arrangements in which the Company’s Executive Officers participate;
3. monitor senior management performance and depth as well as potential succession matters;
4. oversee the implementation and effectiveness of the Company’s human capital policies and practices; and
5. take such other actions within the scope of this charter (this “Charter”) as the Committee or Board deems necessary or appropriate.

For purposes of this Charter, the term “Executive Officers” refers to the Company’s Section 16 “officers” (as defined under Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) and all other participants in the Executive Management Incentive Plan. Without limiting the generality of the foregoing, the Committee shall have and may exercise the authority set forth below.

#### **Membership of the Compensation and Executive Development Committee**

***Number and Appointment; Meetings.*** The Committee will be comprised of a minimum of three members of the Board (“Directors”). The Chairperson of the Board, in conjunction with the Nominating and Corporate Governance Committee, will recommend to the Board and the Board will appoint Directors to the Committee and will also appoint its chair. Committee members serve at the pleasure of the Board and for such term or terms as the Board may determine. A meeting of the Committee may be called at any time by either (1) the chair of the Committee or (2) a majority of the members of the Committee. The Committee will meet as frequently as it may determine

necessary to discharge its responsibilities as set forth in this Charter. The chair of the Committee will, in consultation with the other members of the Committee and appropriate Executive Officers, be responsible for calling meetings of the Committee, establishing the agenda therefor and supervising the conduct thereof. Any Committee member may submit items to be included in the agenda, and Committee members may also raise subjects that are not on the agenda at any meeting. As appropriate, background materials and the agenda should be distributed to the Committee members in advance of a meeting. The Committee may request any Executive Officer or other employee of the Company, or any representative of the Company's legal counsel or other advisers, to attend a meeting or meet with any members or representatives of the Committee. Meetings and actions of the Committee will be governed by the same rules applicable to other Board committees.

**Qualifications.** Each Committee member must be an independent director under the applicable rules and requirements of the NASDAQ Stock Market ("Nasdaq") or any stock exchange on which the Company's shares are primarily listed or traded. Each member of the Committee shall also be a non-employee Director for purposes of Rule 16b-3 under the Exchange Act. In determining whether a Director is eligible to serve on the Committee, the Board also must consider all factors specifically relevant to determining whether the Director has a relationship to the Company that is material to the Director's ability to be independent from management in connection with the duties of a Committee member or that would impair the Director's ability to make independent judgments about the Company's executive compensation. These factors must include but are not limited to:

1. the source of the Director's compensation, including any consulting, advisory or other compensatory fee paid by the Company to the Director; and
2. whether the Director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company.

### **Responsibilities of the Compensation and Executive Development Committee**

1. Review and approve (and, in the case of the Chief Executive Officer, recommend to the independent members of the Board for approval) the compensation of the Executive Officers, including the corporate goals and objectives relevant to annual incentive awards and equity-based incentive awards, based on the evaluation of the performance of the Executive Officers in light of those goals and objectives and such other factors as the Committee deems appropriate. The Chief Executive Officer will not be present during voting or deliberations on his or her compensation.
2. Monitor the Company's key management resources, structure, succession planning for the Chief Executive Officer as well as other Executive Officers, development and selection processes and the performance of

key executives as the Committee deems appropriate. The Committee will report to the Board regarding potential succession matters at least annually.

3. Oversee the implementation and effectiveness of the Company's human capital management matters, including any initiatives and strategies related to employee recruitment, promotion, retention and attrition, employee engagement and diversity, equity and inclusion, and receive regular updates on these areas.
4. With respect to plans sponsored by the Company or The Lincoln Electric Company: (a) review and approve, and recommend to the independent members of the Board for approval, all new or modified equity-based plans; (b) review and approve all new or modified non-equity based incentive plans, as well as all new or modified retirement or deferred compensation plans, in which one or more Executive Officers participates; (c) review and approve all other new employee benefit plans and major amendments to all other existing employee benefit plans in which one or more Executive Officers participates; and (d) administer (or provide for the administration of) such plans, including without limitation, establishing and administering performance objectives with respect to the equity-based incentive plans as appropriate.
5. Review and approve new or amended employment, severance (including change in control severance), retention or similar agreements or other arrangements with any Executive Officer.
6. Assess the potential risks to the Company from its compensation programs and policies, including incentive plans.
7. Review and discuss such matters that relate to the compensation practices and procedures of the Company as the Committee may, in its own discretion, deem desirable in connection with the functions described herein.
8. Report its activities regularly to the Board in such manner and at such times as the Committee and the Board deem appropriate, but in no event less than once a year.
9. In its discretion, delegate specific duties, responsibilities and authority to a subcommittee, one or more Committee members or one or more Executive Officers, to the extent permitted by applicable law and stock exchange rules and regulations.
10. Take any actions appropriate to exercise any additional authority delegated to the Committee from time to time by the Board.

## **Authority to Retain Advisers**

The Committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel or other adviser. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel and other adviser retained by the Committee. The Company will provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, legal counsel or any other adviser retained by the Committee.

The Committee may select, or receive advice from, a compensation consultant, legal counsel or other adviser to the Committee, other than in-house legal counsel, only after taking into consideration the following factors:

1. the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
2. the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
3. the policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
4. any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
5. any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
6. any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an Executive Officer of the Company.

The Committee is not required to conduct an independence assessment for a compensation adviser that acts in a role limited to the following activities for which no disclosure is required under Item 407(e)(3)(iii) of Regulation S-K: (a) consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of Executive Officer or directors of the Company, and that is available generally to all salaried employees; and/or (b) providing information that either is not customized for a particular issuer or that is customized based on parameters that are not developed by the adviser, and about which the adviser does not provide advice.

## **Annual Performance Evaluation**

The Committee will conduct and review with the Board annually an evaluation of the Committee's performance with respect to the requirements of this Charter. The Committee will review and reassess the adequacy of this Charter on an annual basis as part of this evaluation. The Committee may conduct this performance evaluation in such manner as the Committee, in its business judgment, deems appropriate.

Consistent with the listing requirements of Nasdaq or any stock exchange on which the Company's shares may be primarily listed or traded, this Charter will be included on the Company's website and will be made available upon request to the Company's Secretary.

February 16, 2022