



## **BUSINESS TRANSFORMATION COMMITTEE CHARTER**

**(Revised February 19, 2026)**

### **Committee Purpose**

The primary purpose and responsibility of the Business Transformation Committee (the "Committee") of the Board of Directors (the "Board") of Carter's, Inc. and its subsidiaries (the "Company") is to assist the Board in overseeing the development and successful implementation of the Company's business transformation and strategic plan, including long- and short-term business transformation initiatives, operational decision-making, and business impact.

### **Committee Responsibilities and Authority**

Management is responsible for the development and execution of the Company's strategic plan, and the Board is responsible for overseeing the development of, and approving, such plans. The Committee's role is advisory. Accordingly, the Committee shall assist management and the Board with the following responsibilities, which are illustrative and not all-inclusive:

- identifying and setting business transformation objectives and developing a strategy to achieve such objectives, including helping facilitate integrated planning of financial and strategic enterprise-level objectives and overseeing various phases of long-term transformation initiatives;
- evaluating, overseeing, and facilitating the implementation of transformation initiatives related to artificial intelligence technology within the Company (while the Audit Committee provides governance oversight related to artificial intelligence technology)
- identifying strategic opportunities and risks facing the Company, including emerging consumer trends, changes in economic and market conditions, market competition, potential strategic alternatives, and regulatory considerations; and
- assessing the Company's capabilities concerning strategic development, execution, and implementation.

The Committee shall perform other duties or responsibilities as may be delegated to it or

otherwise requested by the Board. The Committee shall provide regular feedback to management and the Board.

The Committee will work with management to set agendas and prepare materials for Board meetings about the Company's business transformation and strategic plan development process and otherwise support the Board and serve as a resource to management, as requested between regularly scheduled Board meetings.

### **Committee Authority**

In fulfilling its responsibilities, the Committee has the authority to select and retain any external consultant or its own independent legal counsel, accounting firm, or other advisor to fulfill any of its responsibilities. The Committee will receive adequate funding from the Company, as determined by the Committee, to engage such advisors. The Committee will have the sole authority to negotiate and approve the terms of engagement and related fees. The Committee will evaluate whether any consultant, legal counsel, or advisor that the Committee retains has a conflict of interest pursuant to any applicable rules, regulations, and internal policies.

The Committee will have full access to any relevant books, records, facilities, and Company employees.

### **Committee Composition**

#### **Board Appointment**

The Board will appoint members of the Committee, based on the recommendation of the Nominating & Corporate Governance Committee. Each appointed committee member will be subject to annual reconfirmation and may be removed by the Board, with or without cause, by a majority vote of the Board at any time. Any vacancies on the Committee shall be filled by the Board.

#### **Committee Chair**

The Board shall designate one member of the Committee as the Committee Chair. If the Board does not designate a Chair, the members of the Committee shall designate a Chair by majority vote. From time to time, the Chair may establish such rules that are necessary and proper to conduct the business of the Committee.

### **Committee Meetings and Procedures**

#### **Committee Meetings**

The Committee will meet as often as it deems appropriate to carry out its duties and responsibilities. The Chair will lead all regular sessions held by the Committee and set

the agendas for such sessions.

The Board governance rules regarding meetings, action by written consent, notice, waiver of notice, quorum, and voting requirements will also apply to this Committee.

Any Board members who are not members of the Committee may attend Committee meetings but may not vote. In addition, the Committee may invite any member of management and such other persons to its meetings, as it deems appropriate, to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems unnecessary to carry out its responsibilities.

### **Reports**

The Committee will maintain minutes or other records of Committee meetings and other activities and report to the Board regularly. The reports shall include any recommendations the Committee deems appropriate and any other matters relevant to fulfilling the Committee's responsibilities. The report to the Board may be verbal and made at any Board meeting.

### **Evaluation**

Periodically, as it deems necessary or appropriate, the Committee shall review and reassess the Charter. Any proposed changes shall be submitted to the Board for its consideration.

### **Delegation of Authority**

The Committee will have the authority to delegate any of its responsibilities to one or more subcommittees as the Committee deems appropriate in its sole discretion.