

**AUDIT COMMITTEE CHARTER**  
**OF**  
**TILE SHOP HOLDINGS, INC.**

**Purpose**

The Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Tile Shop Holdings, Inc. (together with its subsidiaries, the “Company”) shall assist the Board with the oversight of the Company’s corporate accounting and financial reporting processes, the audits of its financial statements and its internal control processes and monitoring compliance with laws and regulations to which the Company is subject and the Company’s Code of Business Conduct and Ethics (“Code”) and Insider Trading Policy. The Committee shall serve as an independent and objective body to monitor the Company’s financial reporting processes and system of internal controls. As necessary and appropriate, the Committee shall also provide the Board with recommendations regarding improvements to be made to the Company’s financial reporting system, system of internal controls, and the compliance function and Code.

In addition to powers and responsibilities delegated herein, and consistent with the Company’s certificate of incorporation and bylaws, the Committee may exercise any powers and responsibilities delegated to it by the Board from time to time. To the fullest extent permitted by law, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it, and any acceptance or rejection of such powers and responsibilities shall be in the Committee’s sole discretion. When acting within the scope of the powers and responsibilities delegated to it by the Board, the Committee shall have all of the powers and authority of the Board.

Notwithstanding the foregoing, the Committee’s responsibilities are limited to oversight. Management of the Company is responsible for the preparation, presentation and integrity of the Company’s financial statements, as well as the Company’s financial reporting process, accounting policies, internal audit function, internal accounting controls and disclosure controls and procedures. The Company’s independent auditor is responsible for performing an audit of the Company’s annual financial statements, expressing an opinion as to the conformity of such annual financial statements with generally accepted accounting principles (“GAAP”) and reviewing the Company’s quarterly financial statements, when so required. The Committee’s responsibilities do not include planning or conducting audits or determining that the Company’s financial statements and disclosures are complete and accurate and in accordance with GAAP or applicable laws, rules or regulations. Each member of the Committee shall be entitled to rely on the integrity of those persons within the Company and of the professionals and experts (including the Company’s internal auditor (if any) and the Company’s independent auditor) from which the Committee receives information and, absent actual knowledge to the contrary, the accuracy of the financial and other information provided to the Committee by such persons, professionals or experts.

**Member Qualification and Appointment**

The Committee shall be composed of at least three (3) members of the Board. Each member of the Committee shall satisfy the applicable independence and experience requirements, including the independence standards of the Nasdaq Stock Market or another set of standards used by the Company and the requirements of the Public Company Accounting Oversight Board (the “PCAOB”) or another applicable regulatory body (to the extent that such body establishes independence and experience requirements). Each member of the Committee shall be able to read and understand fundamental financial statements, including a company’s income statement, balance sheet and cash flow statement. At least one (1) member of the Committee shall be an “audit committee financial expert”. No member of the Committee can have participated in the preparation of the Company’s (including any of its subsidiaries’) financial statements at any time during the past three years.

Each member of the Committee shall be appointed by the Board and shall serve until his or her resignation or until otherwise determined by the Board. Committee members may be removed from the Committee by the Board at any time, with or without cause. The Board shall designate a chairperson of the Committee (the “Chair”) and the Committee may elect a secretary of the Committee.

## **Meetings and Administration**

The Chair (or, in his or her absence, a member of the Committee designated by the Chair) shall preside at each meeting of the Committee and shall determine the agenda for each meeting of the Committee. The Committee shall have authority to establish rules and procedures for notice and conduct of meeting, provided that such rules and procedures shall not be inconsistent with any provisions of the Company's bylaws applicable to the Committee.

The Committee shall meet at least once during each fiscal quarter and at such other times as may be designated by the Chair or any two (2) other members of the Committee from time to time. The Committee shall also be permitted to take action by unanimous written consent when deemed necessary or appropriate. From time to time, the Committee shall meet separately with management of the Company, with the internal auditor (if any), and with the independent auditor.

The Committee may, in its discretion, invite other members of the Board, members of the Company's management, the internal auditor (if any), representatives of the independent auditor, other financial personnel employed or retained by the Company, legal counsel to the Company, the head of the Compliance function, and/or any other persons whose presence the Committee believes to be desirable and appropriate to meetings of the Committee.

To the extent that it deems necessary or appropriate, the Committee may retain independent counsel, experts or advisors. Further, the Committee may utilize the services of the Company's regular legal counsel or other advisors. The Company shall provide appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report or performing other audit, review or attestation services, for payment of compensation to any advisors to the Committee and for ordinary administrative expenses of the Committee.

## **Duties and Responsibilities**

### **Independent Auditor**

1. **Appointment.** The Committee shall have sole and direct responsibility for appointing, overseeing, evaluating, retaining and terminating the engagement of the independent auditor. The Committee may, in its discretion, seek stockholder ratification of the independent auditor that it appoints.
2. **Compensation.** The Committee shall have sole and direct responsibility for setting the compensation of the independent auditor. Without further action from the Board, the Committee is empowered to cause the Company to pay the compensation of the independent auditor, as determined by the Committee.
3. **Oversight.** The independent auditor shall report directly to the Committee. The Committee shall have sole and direct responsibility for overseeing the work of the independent auditor, including resolution of disagreements between management of the Company and the independent auditor regarding financial reporting. The Committee shall evaluate the independent auditor's qualifications, independence and performance.
4. **Independence.** The Committee shall take, or recommend that the Board take, appropriate action to oversee the independence of the independent auditor. In connection with this responsibility, at least annually, the Committee shall:
  - Obtain and review a formal written report from the independent auditor describing all relationships between the independent auditor and the Company and engage in a dialogue with the independent auditor with respect to any disclosed relationships or services that, in the view of the Committee, may impact the objectivity and independence of the independent auditor;

- Review the quality control procedures of the independent auditor and the experience and qualifications of the independent auditor’s senior personnel that are providing audit services to the Company;
  - Confirm with the independent auditor that the independent auditor is in compliance with partner rotation requirements as required by law; and
  - If applicable, consider whether the independent auditor’s provision of any permitted non-audit services to the Company is compatible with maintaining the independence of the independent auditor.
5. Pre-approval of Services. Before the independent auditor is engaged by the Company to render audit, audit-related, tax or permitted other services, the Committee shall pre-approve the engagement. Notwithstanding the foregoing, separate Committee pre-approval shall not be required (a) if the engagement for services is entered into pursuant to pre-approval policies and procedures established by the Committee regarding the Company’s engagement of the independent auditor (the “Pre-Approval Policy”) as to matters within the scope of the Pre-Approval Policy or (b) for de minimis non-audit services. The Audit Committee Chair is permitted to pre-approve auditor fees between meetings. Any decision of the Audit Committee Chair to pre-approve audit, audit-related, tax or permitted non-audit services shall be presented to the full Committee as its next scheduled meeting. The Committee shall review and revise the Pre-Approval Policy, including any exhibits thereto, as it may deem necessary or appropriate from time to time.

#### Financial Statements & Disclosures

6. Scope of Audit; Planning. The Committee shall meet with the Company’s management and the independent auditor in connection with each annual audit to discuss the scope of the audit, the procedures to be followed in conducting the audit and the staffing of the audit.
7. Review and Discussion. The Committee shall review and discuss with the Company’s management and the independent auditor the Company’s audited financial statements, including the matters required to be discussed by the applicable requirements of the PCAOB or another applicable regulatory body. The Committee shall review and discuss with the Company’s management and the independent auditor the results of the Company’s annual audit and the review of the Company’s quarterly financial statements, including the disclosures in the Company’s annual and quarterly reports, if any, and the use of any non-GAAP information, if any.
8. Earnings Releases. The Committee shall approve all press releases containing financial information regarding the Company prior to dissemination.

#### Controls & Procedures

9. Oversight. The Committee shall coordinate the Board’s oversight of, and ensure compliance with, the Company’s internal control over financial reporting and disclosure controls and procedures, as applicable.
10. Compliance. The Committee shall oversee the Company’s Code, and the compliance work of the Company’s Compliance Officer (“CO”). The Committee shall have the power to direct management to conduct audits on compliance, legal, and/or regulatory concerns, and shall be able to direct whether it should be the direct recipient of the results of such an audit. The

Committee shall receive reports regularly from the CO regarding the state of the Company's legal and regulatory compliance functions, including its training program. The Committee shall receive a report from the CO whenever the CO has determined that it appears that a violation of federal or state law or the Company's Code has occurred, is occurring, or is likely to occur, or whenever the CO is notified that any regulatory agency has opened an investigation into the Company. The Committee shall receive a report from the CO about any investigations into potential violations, and the results of any such investigations. If audits are performed on third-party agents and distributors related to compliance with their agreements with the Company, or compliance with applicable laws and regulations, the Committee shall receive reports of such audits. At least annually, the Committee and the CO will review, and if necessary make recommendations to the Board for improvement of: (i) the Company's procedures for the receipt, retention and consideration of reports or evidence of violations of applicable federal or state law, (ii) the training accorded directors, officers and employees, (iii) the effectiveness of the Company's compliance function, (iv) the Insider Trading Policy, and (v) the Code.

11. Procedures for Complaints and Concerns. The Committee shall be responsible for establishing policies and procedures regarding (a) the receipt, retention and treatment of complaints and concerns received by the Company regarding accounting, financial statement or other disclosure, internal accounting or disclosure controls or auditing matters, and (b) the confidential, anonymous submission of any such complaints or concerns by employees of the Company.
12. Related Person Transactions. The Committee shall review the Company's policies and procedures for reviewing and approving or ratifying related party transactions ("Related Person Transactions"). The Committee shall review all Related Person Transactions for potential conflicts of interest on an ongoing basis, but not less than annually and shall be responsible for the approval and ratification of all such transactions.
13. Internal Audit. The Committee shall coordinate the Board's oversight of the Company's internal audit function (if any).
14. Hiring. The Committee shall establish policies and procedures regarding the hiring of employees or former employees of the Company's independent auditor.
15. Risk Management. The Committee shall review and discuss the Company's policies and processes with regard to risk assessment and risk management, including regularly reviewing the Company's cybersecurity and other information technology risks, controls and procedures and the Company's measures to mitigate and prevent cybersecurity risks and respond to data breaches, and other guidelines and policies to govern the process by which the Company's exposure to risk is handled, and recommend any changes to such guidelines and policies to the Board.
16. Sustainability. Review with management the type and presentation of the Company's environmental, social and governance disclosures and the adequacy and effectiveness of applicable internal controls related to such disclosures.

#### General

17. Investigations. The Committee shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it shall deem appropriate, including the authority to request that any officer, employee, or advisor of the Company meet with the Committee or any advisors engaged by the Committee.

18. Reports to Board. The Committee shall report regularly to the Board.
19. Charter. The Committee shall, at least annually, review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
20. Evaluation of Committee. The Committee shall evaluate its own performance on an annual basis, including compliance with this Charter, and provide any written material with respect to such evaluation to the Board along with any recommendations for changes in procedures or policies governing the Committee.

#### **Delegation of Duties**

The Committee shall be permitted to delegate any or all of its responsibilities to one or more subcommittees of the Committee (including a subcommittee consisting of a single member) to the extent consistent with this Charter, the Company's certificate of incorporation and bylaws, applicable law, and the applicable rules of such market(s) in which the Company's securities may be traded or quoted. Any decision of a subcommittee to pre-approve audit, audit-related, tax or permitted non-audit services shall be presented to the full Committee as its next scheduled meeting.

(Last revised effective January 27, 2026)