

Section: Tile Shop Holdings, Inc.**Policy/Proc. No.:****Scope:** All Employees of Tile Shop Holdings, Inc. and The Tile Shop, LLC**Doc Owner:** Compliance Officer

The Board of Directors (the “Board”) of Tile Shop Holdings, Inc. (the “Company”) believes that it is important to align the interests of executives and non-employee directors with the interests of the Company’s stockholders. Accordingly, the Board has established these Stock Ownership Guidelines (the “Guidelines”) effective as of February 28, 2023.

Director Ownership Guidelines

Each member of the Board who is not an employee of the Company (a “Director”) must maintain beneficial ownership of a number of shares of common stock of the Company (“Shares”) with a value equal to at least three times the annual retainer paid for service as a Director, as determined in the manner specified below.

“Annual retainer” means the annual retainer payable to each Director for serving on the Board, as fixed from time to time by the Board, but shall not include any meeting fees or any additional fees payable to a

Director for serving as the chair of the Board or for serving on a committee (or as chair of a committee) of the Board.

Management Ownership Guidelines

Each officer of the Company who is subject to Section 16 of the Securities Exchange Act of 1934, as amended, and each other key employee who is designated by the Board from time to time as being subject to these Guidelines (such employees individually “Officer” or together, “Officers”), will be required to own a number of Shares with a value equal to the following multiple: for the Chief Executive Officer (the “CEO”), at least three times the CEO’s annual base salary, and for other Officers, at least one and a half times the Officer’s annual base salary.

Compliance Deadline

Each Director and Officer (a “Covered Individual”) shall have until three years (or, if later, five years from the date of his or her initial appointment) to attain the applicable Share ownership level.

Share Retention Requirement

Until a Covered Individual satisfies the applicable Share ownership requirement, as determined in the manner specified below, the Covered Individual will be required to retain at least 50% of any Shares received upon the vesting of restricted stock, the payment of restricted stock units, the exercise of stock options, or the settlement of other equity awards, in each case net of Shares tendered or withheld to cover applicable tax withholding obligations or the applicable exercise price (the “Retention Requirement”).

Eligible Shares

The following Shares count toward achievement of the applicable Share ownership levels:

- Shares owned directly by the Covered Individual,
- Shares owned indirectly (*e.g.*, by a Covered Individual's spouse or a trust),
- Shares represented by amounts invested in a 401(k) plan or deferred compensation plan maintained by the Company or an affiliate, and
- Unvested time-based restricted stock or restricted stock units.

Unexercised stock options (whether vested or unvested) and unvested performance-based restricted stock and restricted stock units shall not count toward satisfaction of the Share ownership levels.

Administration

The Board will be responsible for the administration and oversight of these Guidelines. The Chief Financial Officer shall provide a report to the Board during its regular meeting held in the first quarter of each year regarding compliance by Covered Individuals with these Guidelines. The report will be based on ownership levels as of December 31 of each year (the "Determination Date").

Ownership levels will be calculated as of the Determination Date by dividing (i) the total value of Shares required to be owned by (ii) the 30-day average closing stock price of a Share for the period ending on the Determination Date (with the result rounded to the nearest whole Share). The Company will notify each Covered Individual regarding the target number of Shares needed to satisfy the Guidelines as of each Determination Date, along with his or her Share ownership level for purposes of the Guidelines as of that date.

If a Covered Individual achieves the target level of Share ownership as of a Determination Date, the Covered Individual will be considered to have met the Guidelines and will no longer be subject to the Retention Requirement, except as provided below.

If a Covered Individual has met the Guidelines as determined on a prior Determination Date, a decrease in the Share price or a subsequent increase in annual retainer or annual base salary will not result in recalculation of the number of Shares needed to satisfy the Guidelines unless either or both of the following have occurred:

- The Covered Individual's actual ownership level drops below the number of Shares required as of the Determination Date that he or she first satisfied the Guidelines; or
- The Covered Individual is promoted to another position subject to a different ownership level.

Exceptions

The Board recognizes that exceptions to these Guidelines may be necessary or appropriate in individual cases, and may approve such exceptions, in its sole discretion, from time to time as it deems appropriate in the interest of the Company's stockholders.