

LL FLOORING HOLDINGS, INC.

AUDIT COMMITTEE CHARTER

I. Statement of Purpose

The Audit Committee (the “Committee”) is a standing committee of the Board of Directors (the “Board”) of LL Flooring Holdings, Inc. (the “Company”). The purpose of the Committee is to assist the Board in fulfilling its oversight responsibility relating to:

- (i) the integrity of the Company’s financial statements and financial reporting process and the Company’s systems of internal accounting and financial controls;
- (ii) the performance of the internal audit function;
- (iii) the annual independent audit of the Company’s financial statements;
- (iv) the engagement of the independent auditors and the evaluation of the independent auditors’ qualifications, independence and performance;
- (v) the compliance by the Company with legal and regulatory requirements as it relates to accounting and financial reporting matters;
- (vi) the implementation and effectiveness of the Company’s disclosure controls and procedures and internal control over financial reporting;
- (vii) the framework for identification of enterprise risks to be presented to the Board for review and evaluation; and
- (viii) the fulfillment of the other responsibilities set out herein.

The Committee shall also prepare the report of the Committee required to be included in the Company’s annual proxy statement, in accordance with applicable rules and regulations.

In discharging its responsibilities, the Committee is not itself responsible for the planning or conduct of audits or for any determination that the Company’s financial statements are complete and accurate or in accordance with generally accepted accounting principles (“GAAP”). This is the responsibility of management and the independent auditors. Each member of the Committee shall be entitled to rely on the integrity of those persons and organizations within and outside the Company that provide information to the Committee and the accuracy and completeness of the financial and other information provided to the Committee by such persons or organizations absent actual knowledge of the contrary.

II. Organization

A. Charter. At least annually, this charter shall be reviewed and reassessed by the Committee and any proposed changes shall be recommended to the Board for approval.

B. *Members.* The members of the Committee shall be appointed by the Board and shall meet the independence, experience and expertise requirements of applicable law, applicable rules of the Securities and Exchange Commission (“SEC”), the listing standards of the New York Stock Exchange (“NYSE”) and applicable policies of the Board. Only independent members of the Board (each a “Director”) shall be eligible to serve as a member of the Committee. The members of the Committee shall be financially literate, as determined by the Board, or shall become financially literate within a reasonable period of time after appointment to the Committee. The Committee shall be comprised of at least three members. At least one member of the Committee shall be an “audit committee financial expert,” as such term is defined by the SEC, and have, as determined by the Board, accounting or related financial management expertise. Committee members shall serve at the pleasure of the Board and may be removed by the Board at any time by an affirmative vote of a majority of the Board. The Committee shall recommend and the Board shall appoint a Committee Chairperson.

The Board or the Committee may limit the number of audit committees of companies other than the Company on which the Committee’s members may simultaneously serve. The Company’s Corporate Governance Guidelines currently provide that members of the Committee may not simultaneously serve on the audit committees of more than two other public companies.

C. *Meetings.* In order to discharge its responsibilities, the Committee shall meet at least once each quarter; additional meetings may be scheduled as required. In planning the annual schedule of meetings, the Committee shall periodically meet separately with:

- (i) the independent auditors and/or the head of the internal audit department (or, if applicable, internal audit service providers) (“Internal Audit”), without management present; and
- (ii) management, without the independent auditors and/or the head of Internal Audit (or, if applicable, internal audit service providers) present.

The Committee shall also regularly meet in executive session with only the Committee members present. The Committee may request, in its discretion, one or more members of management, Directors who are not members of the Committee, or other persons to attend a Committee meeting (or portions thereof) to provide such pertinent information or advice as the Committee may request. The Committee may also request that any officer or other employee of the Company, or any other person, meet with any members of the Committee, or any such outside consultants, legal counsel or other advisors retained by the Committee.

D. *Quorum; Action by Committee.* A quorum at any Committee meeting shall be a majority of the members of the Committee. All determinations of the Committee shall be made by a majority of its members present at a meeting duly called or held, except as specifically provided herein. Any decision or determination of the Committee reduced to writing and signed by all of the members of the Committee shall be as effective as if it had been made at a meeting duly called and held.

E. *Agenda, Minutes and Reports.* An agenda, together with materials relating to the subject matter of each meeting, shall be sent to members of the Committee prior to each meeting.

Minutes for all meetings of the Committee shall be prepared to document the Committee's discharge of its responsibilities. The Committee shall make regular reports to the Board.

F. *Performance Evaluation.* The Committee shall evaluate its performance on an annual basis.

III. Responsibilities

The following shall be the principal responsibilities of the Audit Committee:

A. *Engagement of Independent Auditors.* The Committee shall have sole authority to appoint, retain, compensate, evaluate and terminate the independent auditors engaged for the purpose of conducting financial audits and non-audit services provided by the independent auditors. The Committee shall oversee the work of the independent auditors (including resolution of disagreements between management and the independent auditors regarding financial reporting) and, where appropriate, replace the independent auditors. The independent auditors shall report directly to the Committee. Any selection of the auditors by the Committee shall be subject to stockholders' ratification. Periodically, the Committee shall also consider whether, in order to assure continuing auditor independence, there should be regular rotation of the independent auditors, and the Committee shall present its conclusions to the Board.

B. *Pre-Approval of Audit and Non-Audit Services.* The Committee shall approve procedures for the pre-approval of the engagement of the independent auditors to provide audit and non-audit services. The Committee shall, in accordance with such procedures, pre-approve all audit and non-audit services provided to the Company by the independent auditors, all as required by applicable law or listing standards.

C. *Determinations as to Independence and Performance of Independent Auditors.* The Committee shall discuss the independence of the Company's independent auditors from management and from the Company and shall discuss all relationships between the independent auditors and their affiliates and the Company and its affiliates that may reasonably be thought to bear on the auditors' independence. The independent auditors shall confirm that, in their view, the independent auditors are independent of the Company. In this regard, the Committee shall obtain at least annually a formal written report from the independent auditors describing all relationships between the auditors and their affiliates and the Company and its affiliates. In addressing the auditors' independence, the Committee shall consider, among other factors, any non-audit services performed by the independent auditors and their affiliates for the Company and its affiliates and the impact such services may have on the auditors' independence. In addition, the Committee shall receive periodic reports from the independent auditors as required by applicable law or standards of the Public Company Accounting Oversight Board (the "PCAOB"), or any successor body, regarding the auditors' independence. Such reports shall be provided to the Committee no less frequently than annually. The Committee shall discuss such reports with the auditors and, if so determined by the Committee, take appropriate action to satisfy itself of the independence of the auditors.

In addition, the Committee shall review the performance of the Company's independent auditors annually, including the review and evaluation of the lead partner of the independent

partner. In doing so, the Committee shall consult with management and the Company's internal audit function and shall obtain and review a report by the independent auditors describing their internal quality control procedures, material issues raised by their most recent internal quality control review, or by peer review (if applicable), or by any inquiry or investigation by governmental or professional authorities for the preceding five years, with respect to one or more independent audits carried out by the firm, and any steps taken to deal with such issues, and all relationships between the independent auditors and the Company.

D. *Rotation of Lead Audit Partner.* The Committee shall assure the regular rotation of the lead audit partner of the independent auditors as required by law.

E. *Review of Performance of Internal Auditors.* The head of Internal Audit (or person performing the internal audit function) shall report functionally to the Audit Committee and administratively to the Chief Financial Officer. As such, the Audit Committee shall review and approve the selection, appointment, and removal of the head of Internal Audit as necessary and, in consultation with the Chief Financial Officer, the annual performance evaluation of the head of Internal Audit. In addition, the Audit Committee shall annually review and approve the Internal Audit plan including staffing and budget. The Audit Committee shall receive at least quarterly a summary status report from the head of Internal Audit with regard to progress against the plan along with any audit reports issued during the quarter.

F. *Audits by Internal and Independent Auditors.* The Committee shall discuss with the head of Internal Audit (or, if applicable, the internal audit service provider) and the independent auditors, the overall scope, plans and budget for their respective audits, including the adequacy of staffing, budgets and other factors that may affect the effectiveness and timeliness of such audits. In connection herewith, the Committee shall discuss with management, the head of Internal Audit (or, if applicable, the internal audit service providers) and the independent auditors, the Company's major financial or accounting risk exposures, the adequacy and effectiveness of the Company's accounting and financial controls and the steps management has taken to review, monitor and control such exposures, among other considerations that may be relevant to their respective audits.

G. *Oversight of Internal Control over Financial Reporting.* The Committee shall review with management, the head of Internal Audit (or, if applicable, the internal audit service providers) and the independent auditors the Company's overall system of internal control over financial reporting, including management's annual assessment of the Company's internal control over financial reporting and the related report issued by the independent auditors. The Committee shall also review with management, the head of Internal Audit (or, if applicable, the internal audit service providers) and the independent auditors:

- (i) significant deficiencies and material weaknesses in the design or operation of the Company's internal control over financial reporting;
- (ii) any fraud (regardless of materiality) involving management or other employees having a significant role in internal controls over financial reporting; and

- (iii) changes in the Company's internal control over financial reporting during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, such internal control over financial reporting.

H. *Review of Remediation Plans.* The Committee shall review any remediation plans and the disclosures describing any significant deficiencies or material weaknesses and related remediation plans.

I. *Review of Disclosure Controls and Procedures.* The Committee shall review with management the effectiveness of the Company's disclosure controls and procedures, and management reports thereon.

J. *Review of Annual SEC Filings.* The Committee shall review and discuss with management and the independent auditors the annual audited financial statements, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" provided on Form 10-K, review and consider with the independent auditors the matters required to be discussed by the applicable auditing standards issued by the PCAOB or applicable law or listing standards, and recommend to the Board whether the audited financial statements should be included in the Company's Annual Report on Form 10-K.

K. *Review of Quarterly SEC Filings.* The Committee shall review and discuss with management and the independent auditors the quarterly financial information to be included in the Company's Quarterly Reports on Form 10-Q, including the disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" provided on Form 10-Q, and shall discuss any other matters required to be communicated to the Committee by the independent auditors under applicable standards of the PCAOB or applicable law or listing standards. The Committee shall also discuss the results of the independent auditors' review of the Company's quarterly financial information conducted in accordance with applicable standards of the PCAOB.

L. *Review of Independent Auditor Report.* The Committee shall review and discuss with management and the independent auditors prior to the filing of the Company's Annual Report on Form 10-K the report that such auditors are required to make to the Committee regarding: (A) accounting policies and practices to be used that the independent auditors identify as critical; (B) alternative treatments within GAAP for policies and practices related to material items that have been discussed among management and the independent auditors, including the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors; and (C) other material written communications between the independent auditors and management of the Company, such as any management letter or schedule of unadjusted audit differences, if any.

M. *Review of Certain Other Communications.* The Committee shall review and discuss with management the Company's earnings press releases and financial information and earnings guidance, including non-GAAP financial measures, periodically provided to analysts and rating agencies (which may consist of a discussion of the types of information to be provided and types of presentation to be made) to the extent required by applicable law or listing standards. The Committee shall also review any comment letters and other correspondence the

Company receives from the SEC, and shall review any responses by the Company to such correspondence.

N. *Review of Certain Matters with Management and the Independent Auditors.* The Committee shall review periodically with management and the independent auditors:

- (i) significant financial reporting issues, including material changes in the Company's selection or application of accounting principles and the effects of alternative applications of accounting principles on the Company's financial statements;
- (ii) any critical audit matters; and
- (iii) the effect of new or proposed regulatory and accounting initiatives on the Company's financial statements and other public disclosures.

O. *Additional Consultations with Independent Auditors.* The Committee shall regularly review with the independent auditors any problems or difficulties the auditors encountered in connection with the annual audit or otherwise, including any restrictions on the scope of the independent auditors' activities or access to requested information or any significant disagreements with management and management's response to such matters. Among the items that the Committee may review with the independent auditors are:

- (i) accounting adjustments that were proposed but "passed," regardless of materiality;
- (ii) communications between the audit team and the independent auditors' national office respecting auditing or accounting issues presented by the engagement; and
- (iii) "management" or "internal control" letters issued, or proposed to be issued, by the independent auditors to the Company.

P. *Policies for Employment of Audit Staff.* The Committee shall set clear hiring policies for employees or former employees of the independent auditors and shall approve the hiring of any employee or former employee of the independent auditors in accordance with such policies.

Q. *Establishment of "Whistleblowing" Procedures.* The Committee shall establish, publish and maintain procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

The Committee shall also review with appropriate members of management and, if appropriate, the Chairperson of the Compliance and Regulatory Affairs Committee and, if further appropriate, the independent auditors, any employee complaints or published reports that raise concerns regarding the Company's financial statements, accounting or auditing matters.

R. *Review of Certain Transactions with Directors and Related Persons.* Any Related Person Transaction(s) in which the Company was, is or will be a participant, that involves an amount exceeding \$120,000 in aggregate, and in which any Related Person (as defined in the Company's Related Person Transactions Policy) was, is or will be a participant and will have a direct or indirect material interest must be reviewed by the Audit Committee of the Board of Directors for the purpose of determining (i) that the transactions are fair, reasonable and compliant with the Policy on Related Persons Transactions and (ii) approval of such transaction. The Company may not authorize such transaction unless it has been approved by a majority of the disinterested members of the Committee. In addition, it is the policy of the Company that all transactions, arrangements or relationships over \$10,000 between a Related Person and the Company shall be reported to the Committee during its next quarterly meeting following such transaction.

S. *Access to Records, Consultants and Others; Funding.* The Committee shall have full authority (i) to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company; (ii) to retain outside legal, accounting or other consultants to advise the Committee; and (iii) to request any officer or employee of the Company, the Company's outside counsel, internal auditor, internal audit service providers or independent auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. The Company shall provide funding to the Committee sufficient to pay engagement fees of the independent auditors and any outside legal, accounting or other consultants retained by the Committee, as well as necessary or appropriate administrative expenses of the Committee incurred in discharging its responsibilities.

T. *Risk Assessment and Risk Management.* The Committee shall periodically discuss with management the Company's major financial risk exposures and the Company's processes for identifying, monitoring and mitigating such exposures, including the Company's risk assessment and risk management policies and the steps that the Company's management has taken to monitor and control such exposures.

U. *Cybersecurity.* The Committee shall periodically review and discuss with management the Company's risks relating to cybersecurity, data privacy, and other information technology risks, controls and procedures, including review of the state of the Company's cybersecurity, emerging cybersecurity developments and threats, and the Company's strategy to mitigate cybersecurity risks and respond to data breaches.

V. *ESG Reporting.* The Committee shall periodically review and discuss with management the type and presentation of the Company's environmental, social and governance (ESG) disclosures included in the Company's periodic reporting or financial statements and the adequacy and effectiveness of applicable internal controls related to such disclosures.

W. *Delegation.* The Committee may delegate any of its responsibilities to a subcommittee comprised of one or more members of the Committee.

X. *Other Delegated Responsibilities.* The Committee shall also carry out such other duties that may be delegated to it by the Board from time to time.

This charter shall not be construed in a manner that imposes upon the Committee or its members additional duties or responsibilities or a higher standard of conduct or care than that imposed upon directors or committees of boards of directors generally, pursuant to applicable law.

Revised as of September 20, 2023