

LUMBER LIQUIDATORS HOLDINGS, INC.

COMPLIANCE AND REGULATORY AFFAIRS COMMITTEE CHARTER

I. Statement of Purpose

The Compliance and Regulatory Affairs Committee (the “Committee”) is a standing committee of the Board of Directors (the “Board”) of Lumber Liquidators Holdings, Inc. (the “Company”). The purpose of the Committee is to assist the Board in discharging its oversight of significant regulatory and compliance matters and to oversee the processes by which the Company conducts its business so that the Company shall do so in a manner that complies with applicable laws and regulations and reflects the highest standards of integrity. In furtherance of this purpose, the Committee shall establish or approve certain policies, guidelines, practices and processes consistent with its delegated authority, and fulfill the duties and responsibilities described in this Charter, and under applicable laws.

II. Authority and Role

A. Authority. The Committee is a standing committee of the Board. The Board has delegated certain oversight responsibilities and duties to the Committee as described in this Charter, which has been approved, and may be amended from time to time, by the Board.

B. Role. The Committee’s duties and responsibilities hereunder are exercised pursuant to authority delegated to it by the Board. In fulfilling its oversight role, the Committee shall be entitled to rely on the reviews and reports, including the advice of outside legal counsel, financial advisors, or other consultants (collectively, the “Advisors”) as noted below.

III. Organization

A. Composition; Appointment, Removal. The Committee shall consist of at least three (3) members of the Board (“Directors”), the majority of whom, in the judgment of the Board, shall be independent in accordance with New York Stock Exchange (“NYSE”) listing standards. Members of the Committee and its chairperson shall be appointed by the Board, upon recommendation of the Nominating and Corporate Governance Committee, provided that at least one (1) Committee member shall also serve on the Audit Committee, and the chairperson of the Committee shall be independent and have relevant experience in law, corporate compliance, regulatory or governmental affairs, or service on the board of a national retail or highly regulated company. The Board may remove Directors from the Committee in its discretion.

B. Access to Records, Advisors; Funding. In discharging its responsibilities, the Committee shall have full and unfettered access to all books, records, facilities and personnel of the Company, and may retain the Advisors to advise the Committee. The Committee shall have the sole authority to approve fees and retention terms relating to the Advisors retained to assist the Committee and to incur and approve administrative expenses to discharge its responsibilities under this Charter, or as otherwise assigned by the Board. The Company shall provide funding to the Committee sufficient to pay the fees and expenses of the Advisors, as well as the administrative expenses of the Committee incurred in discharging its responsibilities.

IV. Meetings

A. Meetings. In order to discharge its responsibilities, the Committee shall meet at least quarterly, and at such other times as it deems necessary to fulfill its responsibilities. The Committee shall meet in executive session with the Committee members, and such other independent Directors as it chooses to attend, and shall also meet separately with the Chief Ethics & Compliance Officer (“CECO”) and the Chief Legal Officer (“CLO”) and the head of internal audit (the “Internal Auditor”), as it deems appropriate. The Committee, as it deems appropriate, may also meet with other members of management and the Company’s compliance organization.

B. Agenda; Minutes. An agenda, together with materials relating to the subject matter of each meeting, shall be shared with 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.

C. Sub-Committees. The Committee may form a sub-committee (“Sub-Committee”) for any purpose that the Committee deems appropriate, comprised of not less than two (2) members of the Committee, and may delegate to such Sub-Committee such power and authority as the Committee deems appropriate; provided, however, that the Committee shall not delegate to a Sub-Committee any power or authority that is required by law or regulation to be exercised by the Committee as a whole.

D. Attendance of Meetings by Management and Others. 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, the Company’s outside counsel or any other person meet with any members of, or Advisors to, the Committee.

E. 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 and 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 made at a meeting duly called and held.

V. Duties and Responsibilities

The following shall be the principal duties and responsibilities of the Committee:

A. Compliance Program Reports. The Committee will receive reports from the CECO, at least quarterly, on the Company’s various compliance programs, including audit plans, referred to collectively as the “Compliance Program,” and the adequacy and efficacy of its procedures. The Committee is authorized, in its discretion, to require the CECO and/or CLO to conduct, with the assistance of the internal and external resources (including Advisors) as appropriate, a legal audit to ascertain if: (i) the Compliance Program is functioning as designed; and (ii) the Company’s Code of Conduct, related policies and the law are being observed or followed.

B. Investigation and Disciplinary Reports. The Committee shall obtain and review a report from the CECO and CLO, as appropriate, on the status of any pending internal or government

investigations, any potential regulatory or compliance issues related thereto, and any corrective actions taken by management to address any of the foregoing. The Committee shall also receive quarterly reports from the CECO regarding disciplinary action taken or proposed to be taken against any employee for behavior or actions that exposed the Company to liability, government inquiry or investigation, and/or fines and penalties. The reports shall include descriptions of the conduct giving rise to the disciplinary review or action, the results of the internal investigation, if any, and the disciplinary actions taken or proposed. The Committee will review any corrective actions taken to ensure that such measures are likely to prevent future occurrences of similar violations of law or the Code of Conduct.

C. *Legislative and Regulatory Reports.* The Committee will receive periodic reports from the CECO and CLO, as appropriate, concerning legislative matters and pending regulations that could have, if adopted, a significant impact on the Company's business or its financial position.

D. *Products and Supplier Relationships.* The Committee shall review and discuss with management on an annual basis the Company's procedures, policies and practices to assure that the Company selects and contracts with contractors, suppliers, vendors and other similarly situated persons that meet applicable trade, environmental and other applicable laws, rules and regulations, and that the financial arrangements with such persons do not incentivize them to engage in unethical behavior or to make decisions that might adversely affect the Company's reputation, its customers or other stakeholders, or would cause the Company to violate any applicable laws, rules and regulations.

E. *Government Relations and Trade Association Participation.* The Committee shall review and oversee the manner in which the Company conducts its government relations activities, including participation in trade associations, to further the Company's commercial interests and the interests of its investors and other stakeholders. The Committee shall review a report on an annual basis from management summarizing its government relations efforts, the amount spent for both internal resources and third-party services, and the amount paid in the form of trade association membership dues, and other charges related to the Company's participation.

F. *Lobbying; Political Activities and Campaign Contributions.* The Committee shall review, at least annually, the Company's policies and practices related to lobbying, political activities and campaign contributions, including contributions to tax-exempt and other similar organizations that may engage in political activity, and shall obtain and review a report from the CECO related to the Company's compliance with applicable campaign finance laws and promotion of the Company's commercial interest and the interests of its investors and other stakeholders. The CECO will provide an annual report of any multi-year commitments to charitable organizations, and spending and lobbying activities.

G. *Contributions to Charitable, Educational and Not-for-Profit Business Organizations.* The Committee shall receive and review an annual report regarding the Company's contributions of Company funds, assets or employees, or donations to any charitable, educational or not-for-profit business organization, including recipients and any specific contribution or donation in excess of \$100,000 to be pledged or made in any fiscal year, or over a period of years.

H. *Significant Regulatory Risks.* The Committee shall periodically review and discuss with management the Company's risks relating to significant regulatory issues, including review of the state of the Company's compliance processes with respect to data privacy, labor and employment, marketing and advertising claims, warranty claims, products liability, sourcing and supply chain, international trade, securities and antitrust.

I. *Annual Assessment; Charter Review.* The Committee shall evaluate its performance on an annual basis. At least annually, the Committee shall review this Charter and recommend any proposed changes to the Board for approval.

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

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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 March 4, 2021