



**THE LOVESAC COMPANY**  
**CORPORATE GOVERNANCE GUIDELINES**  
(Amended as of September 26, 2023)

The Board of Directors (the “Board”) of The Lovesac Company (the “Company”) has adopted the following Corporate Governance Guidelines (these “Guidelines”).

**Purpose**

The purpose of these Guidelines is to establish a common set of principles to assist the Board and its Committees in performing their responsibilities to the Company and its stockholders. These Guidelines should be interpreted in the context of all applicable laws and the Company’s Amended and Restated Certificate of Incorporation, Amended and Restated By-Laws and other corporate governance documents. These Guidelines are intended to serve as a flexible framework within which the Board may conduct its business and not as a set of legally binding obligations. These Guidelines are subject to modification by the Board, based on the recommendations of the Nominating and Governance Committee, as deemed appropriate in the best interests of the Company or as required by applicable laws and regulations.

**Responsibilities of the Board**

The following are the Board’s primary responsibilities, some of which may be carried out by one or more Committees of the Board, or by the independent Directors:

1. Oversee the management of the Company’s business affairs, including mission and strategy, strategic planning, compliance, risk assessment and mitigation, succession planning, and operating performance and to thereby assure that shareholder long-term interests are served.
2. Select a Chief Executive Officer (“CEO”) to lead the development and execution of the Company’s business strategy. Formally evaluate the performance of the CEO and the Company’s executive officers<sup>1</sup> each year.
3. Review and approve the Company’s annual operating plan, specific strategic and operational goals, and quarterly financial performance.
4. Provide general advice and counsel to the Company’s CEO and executive leadership team.
5. Adopt and oversee compliance with the Company’s Code of Business Conduct and Ethics.
6. Attend and prepare for all Board and applicable Committee meetings, absent extraordinary circumstances which should be discussed with the Chair of the Board or Lead Director.
7. Hold regularly scheduled executive sessions of independent Directors.
8. Discharge duties as a Director and Committee member under applicable law.

**Director Qualification Standards**

1. **Selection of Director Nominees.** The Nominating and Governance Committee will recommend to the Board (i) candidates to fill vacancies and newly created Directorships, and (ii) candidates to be nominated by the Board for election as Directors at the Company’s Annual Meeting of Stockholders, in accordance with the policies and principles

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<sup>1</sup> The term “executive officer” has the meaning specified for the term “officer” in Rule 16a-1(f) under the Securities Exchange Act of 1934.

in such Committee's charter and the criteria described in these Guidelines. The Nominating and Governance Committee will also consider stockholder-recommended Director nominees submitted to the Nominating and Governance Committee in accordance with the Company's Amended and Restated Certificate of Incorporation and Amended and Restated By-Laws, as well as any other corporate governance documents.

2. **Director Qualifications and Experience.** The Nominating and Governance Committee shall review the desired experience, mix of skills and other qualities to determine appropriate Board composition, taking into account the current Board members and the specific needs of the Company and the Board. In seeking qualified candidates for Board membership, the Nominating and Governance Committee will consider a variety of factors including professional experience and other individual qualities and characteristics that contribute to a diverse mix of viewpoints and experience represented on the Board. Diversity refers to a broad array of individual characteristics that collectively enable the Board to operate effectively and fulfill its responsibilities and include, among others, professional qualifications, business experience, age, gender, race and ethnicity. The Board requires all Directors and Director candidates to be of high character and integrity and have the ability to guide the Company based on experience gained in positions as leaders with a high degree of responsibility. Each Director and Director candidate must also ensure that other existing and anticipated future commitments do not interfere with his or her service as a Director. In determining whether to recommend a Director for re-election, the Nominating and Governance Committee also considers the Director's past attendance at meetings, participation in and contributions to the activities of the Board and the Company, tenure and other qualifications set forth in the Nominating and Governance Committee's charter or developed and approved by the Nominating and Governance Committee. These qualifications are evaluated regularly and updated to adapt to the evolving needs of the Board and the Company.

3. **Director Orientation and Continuing Education.** The Board will establish and review periodically an orientation program for new Directors that includes presentations by senior management and shall periodically offer continuing education presentations or educational opportunities to Board members.

### **Board Composition and Structure**

1. **Size of the Board.** The Board determines the number of Directors as permitted in the Company's Amended and Restated Certificate of Incorporation and will periodically review the size of the Board based on recommendations of the Nominating and Governance Committee. The Amended and Restated Certificate of Incorporation currently provides that the Board shall have not less than five (5) and not more than nine (9) members. The Board believes that this Board size will allow for more diverse perspectives on the Board with increased breadth and depth of experience and skills necessary to perform its responsibilities.

2. **Independence of the Board.** The Board shall be comprised of a majority of independent Directors that satisfy the independence requirements set forth under the Nasdaq Stock Market LLC ("Nasdaq") listing rules, and members of the Audit Committee, Compensation Committee, and the Nominating and Governance Committee shall each satisfy the applicable independence requirements of Nasdaq.

3. **Chair of the Board.** The Board will annually elect one Director to serve as Chair of the Board. The Chair of the Board may also be the CEO. The Board does not have a policy on whether the roles of Chair of the Board and CEO should be separate or combined. This allows the Board flexibility to determine whether the two roles should be separated or combined based upon the Company's needs and the Board's assessment of the Company's leadership from time to time.

4. **Lead Director.** If the Chair of the Board is not an independent Director, the independent members of the Board will designate an independent Director to act as Lead Director based on the recommendation of the Nominating and Governance Committee. Except as the independent Directors may otherwise determine, the Lead Director shall be appointed for a term of one year. The Lead Director shall have the following responsibilities:

- Preside at all meetings of the Board at which the Chair is not present, including executive sessions of the independent Directors;
- Serve as a liaison between the Chair and the independent Directors;

- Have the authority to approve information sent to the Board;
- Approve meeting agendas for the Board;
- Have the authority to call meetings of the independent Directors; and
- If requested by major stockholders, ensure that he or she is available for consultation and direct communication
- Perform such other duties as the Board may from time to time delegate to assist the Board in fulfillment of its duties.

5. **Service on Other Boards.** The Board believes that its members should be permitted to serve on the Boards of other organizations provided that such Board service does not interfere with the Director's ability to fulfill its responsibilities to the Board. Notwithstanding the foregoing, the members of the Board may not serve on the Boards of Directors of more than five (5) other public companies at the same time they are serving on the Board, and the Chief Executive Officer of the Company may not serve on the Boards of more than two (2) other public companies at the same time he or she is Chief Executive Officer. The Board may, however, make exceptions to this standard as it deems appropriate in the interest of the Company's stockholders. Directors should advise the Chair and the chair of the Nominating and Governance Committee in advance of accepting an invitation to serve on the board of directors (or similar body) of another company (whether for-profit or not-for-profit). Service on other Boards should be consistent with the Company's Code of Business Conduct and Ethics and conflicts of interest policies.

6. **Audit Committee.** Due to the demanding nature of service on the Audit Committee, a member of the Board's Audit Committee may not serve on the audit committees of the boards of directors of more than two other public companies at the same time as he or she is serving on the Audit Committee unless the Board determines that such simultaneous service would not impair the ability of such member to effectively serve on the Audit Committee.

7. **Changes in Professional Responsibility.** The Board will determine whether a change in an individual's professional responsibility directly or indirectly impacts that person's ability to fulfill his or her obligations as a Director of the Company. Any Director, including a Director who is an employee of the Company, should submit his or her resignation if he or she resigns or materially changes his or her position with his or her employer. The Board may accept or reject such resignation in its discretion after consultation with the Nominating and Governance Committee.

8. **Circumstances that May Adversely Reflect Upon the Director or the Company.** When a Director, including any Director who is currently an officer or employee of the Company, becomes aware of circumstances that may adversely reflect upon the Director, any other Director or the Company, the Director should promptly notify the Nominating and Governance Committee of such circumstances. The Nominating and Governance Committee will consider the circumstances and may, in certain cases, request the Director to cease the conflicting activity or, in more severe cases, request that the Director submit their resignation from the Board if, for example, continuing service on the Board by the individual is not consistent with the criteria deemed necessary for continuing service on the Board.

9. **Term Limits.** As each Director is subject to annual election by stockholders, the Board does not believe it is in the best interests of the Company to establish term limits at this time. While term limits encourage fresh ideas and viewpoints on the Board, they have the disadvantage of losing the contribution of Directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, are able to provide an increasing contribution to the Board as a whole.

## **Director Compensation and Performance**

1. **Compensation Policy and Review.** It is the policy of the Board to provide Directors who are not officers of the Company with a mix of compensation, which may include an annual cash retainer, an annual equity award, and Committee and chair retainers. The Board will also reimburse all expenses incurred in attending Board and Committee meetings. Proposed changes in Board compensation shall be reviewed by the Compensation Committee and recommended to the Board for approval. The Compensation Committee shall periodically review the status of Board compensation in relation to comparable companies and other factors the Compensation Committee deems appropriate and shall discuss the results of its review with the Board.

2. **Annual Performance Review.** At least annually, the Nominating and Governance Committee shall oversee an evaluation of the performance of the Board against these Guidelines. As part of this process, the Board will conduct a self-evaluation to determine whether the Board and its committees are functioning effectively.

3. **Stock Ownership Requirements.** Directors are expected to own a meaningful number of shares of stock in the Company to more closely align their economic interests with those of other stockholders. Accordingly, the Compensation Committee periodically reviews minimum stock ownership guidelines for non-employee Directors. Non-employee Directors are required to own shares of the Company's common stock equal to three times their annual cash retainer within five years of joining the Board. The CEO is required to own shares or share equivalents equal to five times his or her annual salary within five years of becoming subject to the ownership requirement.

## **Board Meetings**

1. **Schedule.** The Board shall meet at least four (4) times each fiscal year. Board meetings are scheduled in advance and held from time to time as determined by the Board. The Board holds special meetings as required.

2. **Agendas.** The Chair, in consultation with Company senior management and the Lead Director (as applicable), will establish the agenda for each Board meeting. Each Board member may submit items to be included on the agenda. Board members may also raise subjects that are not on the agenda at any meeting.

3. **Distribution of Board Material.** Information relevant to the Board's understanding of matters to be discussed at an upcoming Board meeting should be distributed before the meeting to all members whenever feasible and appropriate. Directors are expected to have reviewed and be prepared to discuss all materials distributed in advance of any meeting.

4. **Director Attendance.** A Director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. Accordingly, a Director is expected to regularly prepare for and attend meetings of the Board and all Committees on which the Director sits (including separate meetings of the independent Directors), with the understanding that, on occasion, a Director may be unable to attend a meeting. A Director who is unable to attend a meeting of the Board or a Committee of the Board is expected to notify the Chair or the chair of the appropriate Committee in advance of such meeting, and, whenever possible, participate in such meeting via teleconference in the case of an in-person meeting. All Directors are expected to attend the Company's Annual Meeting of Stockholders.

5. **Meetings of Independent Directors.** The Company's independent Directors will meet regularly in executive sessions at which only independent Directors are present. Meetings of the independent Directors should generally coincide with regularly scheduled Board meetings; however, the Lead Director (if and when one has been appointed) or a majority of the independent Directors may call a meeting of independent Directors at any time. The Chair will preside at meetings of independent Directors.

6. **Board Presentations and Access to Employees and Advisors.** Directors shall have full access to officers and employees of the Company and, as necessary and appropriate, the Company's independent advisors, including legal counsel and independent accountants. Any meetings or contacts that a Director wishes to initiate may be arranged through the CEO or the Corporate Secretary or directly by the Director.

The Board encourages senior management to invite to Board meetings officers, other key employees and independent advisors who can provide additional insight into the matters being discussed, or whom senior management believes should be given exposure to the Board.

7. **Board Interaction with Investors, Media and Others.** The Board believes that senior management speaks for the Company. Directors may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company, but it is expected that Directors would do so with the knowledge of senior management and, in most instances, at the request of senior management.

## Board Committees

1. **Standing Committees.** The Board will have three standing Committees: an Audit Committee; a Compensation Committee; and a Nominating and Governance Committee. If and when applicable, all of the members of those Committees will be required to satisfy the independence requirements under Nasdaq rules and applicable law.

Committees shall receive authority exclusively through delegation from the Board through the Company's Amended and Restated Certificate of Incorporation or Amended and Restated By-Laws, Board resolutions, Committee charters or as provided by these Guidelines. In addition to the authority granted hereunder or under each Committee's charter or in the case of a Committee, by further resolution of the Board, the Board and each standing Committee have the authority to retain and compensate independent legal, financial or other advisors as such Committee may deem necessary without consulting or obtaining the approval of the Board or management of the Company.

2. **Appointment and Term of Service of Committee Members.** Committee members will be appointed by the Board after recommendations are made by the Nominating and Governance Committee, and with consideration given to the criteria set forth in the applicable Committee charter. Committee chairs shall be appointed by the Board based on recommendations from the Nominating and Governance Committee. Committee members shall serve until their successors are duly elected and qualified, or until their earlier resignation or removal.

3. **Committee Charters.** The Audit Committee, Compensation Committee and Nominating and Governance Committee will each have a written charter approved by the Board. The charters will set forth the purposes and responsibilities of the Committees as well as qualifications for Committee membership, procedures for appointment and removal, structure and operations, and reporting to the Board. The charters will also provide that each Committee will annually evaluate its performance. The charters will be included on the Company's website and copies of the charters will be made available upon request to the Corporate Secretary.

4. **Committee Meetings and Committee Agenda.** Each Committee chair, in consultation with the Committee members and appropriate officers of the Company, will determine the frequency of Committee meetings consistent with the Committee's charter, provided that a majority of Committee members may call a meeting of the Committee on which they are members at any time. Additionally, each Committee chair, in consultation with the other members of the Committee and senior management, will develop the Committee's agenda.

## Communications with the Board

1. **Receipt of Communications.** Shareholders are invited to contact the Board about corporate governance or the Board of Directors. Stockholders and other interested parties with inquiries meeting these criteria may communicate with the Board as a group, a Committee of the Board, the Chair of the Board or Lead Director, as applicable, the non-employee Directors or specific Directors by mail addressed to: Board of Directors, c/o The Lovesac Company, Two Landmark Square, Suite 300, Stamford, CT 06901, Attn: Corporate Secretary. The mailing envelope should also clearly indicate whether the communication is intended for the Board as a group, the non-employee Directors or a specific Director.

2. **Handling of Communications.** The Corporate Secretary will review each communication subject to this policy and will, within a reasonable period of time after receiving the communication, determine whether or not the communication is appropriate for delivery to the Director or group of Directors to whom it is addressed based on the criteria above. The Corporate Secretary will not forward those communications that are simple administrative requests that are more appropriately addressed by the Corporate Secretary or that relate to matters that are of a type that are clearly improper, primarily commercial in nature, or irrelevant to the functioning of the Board.

Communications that, in the judgment of the Corporate Secretary, meet these criteria shall, unless requiring immediate attention, be assembled and delivered to the intended recipients on a periodic basis, generally at or in advance of each regularly scheduled meeting of the Board. Any communication that, in the judgment of the Corporate Secretary, is significant or otherwise may require more immediate attention shall be promptly delivered to the Director or group of Directors to whom such communication is addressed. These policies and procedures do not apply to stockholder proposals submitted pursuant to Rule 14a-8 under the Securities and Exchange Act of 1934, as amended.

## **Succession Planning and Compensation**

1. **CEO and Executive Officer Selection.** The Board has the primary responsibility for plans for succession to the position of CEO and oversight of other executive officer positions.
2. **Evaluation and Compensation of CEO and Executive Officers.** The Compensation Committee, in collaboration with the Nominating and Governance Committee, will conduct an annual review of the performance of the CEO in light of the goals and objectives of the Company. The Compensation Committee will recommend CEO and executive officer compensation levels based on such factors set forth in its charter and otherwise deemed appropriate to the Board.
3. **Succession Planning and Management Development.** The Nominating and Governance Committee should, at least annually, make a report to the Board on succession planning. The Company's succession plan will include appropriate contingencies in case the CEO retires, resigns or is incapacitated. The Board, with the assistance of the Nominating and Governance Committee, will evaluate potential successors to the CEO and other executive officer positions. The CEO should at all times make available their recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

## **Interpretation**

These Guidelines should be interpreted and construed in the context of all applicable laws and the Amended and Restated Certificate of Incorporation and Amended and Restated By-laws of the Company, as well as any other corporate governance documents.

## **Amendment**

The Board is committed to continuously reviewing and updating our policies, and the Board therefore reserves the right to amend these Guidelines at any time, for any reason, subject to applicable law.