

THE MICHAELS COMPANIES, INC.
COMPENSATION COMMITTEE CHARTER
(as amended January 13, 2021)

Purpose

The Compensation Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of The Michaels Companies, Inc. (the “Company”) to discharge the Board’s responsibilities relating to the compensation of the Chief Executive Officer of the Company, the Company’s other executive officers and other executives of the Company who report directly to the Chief Executive Officer (collectively, the “Executives”), subject to the limitations set forth herein. The Committee generally has overall responsibility for approving and evaluating all compensation plans, policies and programs of the Company as they affect the Executives.

For purposes of this Charter, the term “executive officer” shall mean any “officer” of the Company, as such term is defined in Rule 16a-1(f) (or any successor rule or regulation) under the Securities Exchange Act of 1934 and all rules promulgated thereunder (collectively, the “Exchange Act”).

Composition of the Committee

Number. The Committee shall consist of no fewer than two members of the Board.

Independence and Status. Each member of the Committee shall satisfy the independence requirements of the Nasdaq Stock Market, and should generally qualify as a “non-employee director” within the meaning of Rule 16b-3 under the Exchange Act. In the event the Board determines that a director who does not qualify as an “outside director” or a “non-employee director” should nevertheless serve on the Committee, the Committee shall make appropriate arrangements, including, but not limited to, delegation of matters to a sub-committee of the Committee comprised in accordance with Rule 16b-3.

Appointment and Removal. The Board appoints Committee members, on the recommendation of the Nominating and Governance Committee, and shall appoint a Committee Chairperson from among those members. Each Committee member shall serve at the pleasure of the Board for such term as the Board may decide or until such Committee member is no longer a Board member.

Duties and Responsibilities

The Committee has the following duties and responsibilities:

- Executive Compensation. The Committee shall, at least annually, upon the recommendation of senior management, (i) review and approve the annual base salaries and annual cash-based and equity-based incentive opportunities

of the Executives, including reviewing and approving corporate goals and objectives relevant to the Executives' compensation; (ii) develop and communicate the annual performance review of the Chief Executive Officer; and (iii) evaluate the Executives' performance in light of those goals and objectives; *provided* that the Committee shall recommend to the Board for approval the initial compensation of the Chief Executive Officer and any equity-based compensation of the Chief Executive Officer.

- Compensation of Newly-Hired and Promoted Executives. The Committee shall review and approve the initial compensation of newly hired Executives and officers promoted to Executive positions (other than any newly hired Chief Executive Officer or officer promoted to Chief Executive Officer).
- Executive Compensation Policies and Programs. The Committee shall periodically review, approve and administer the Company's compensation plans, policies and programs as they relate to the Executives and other plans adopted by the Board that contemplate administration by the Committee; *provided* that the Committee shall review and recommend to the Board for its consideration any adoption or amendment of equity-based or other incentive compensation plans that are subject to Board approval or subject to any approvals required by the shareholders of the Company, and, with respect to any such plans, the Committee shall administer such plans with such authority and powers as are set forth in the respective plans' instruments, including any authority to grant equity awards (other than to the Chief Executive Officer), including selecting the type of award to be granted, and establish performance metrics or determine payouts; and *provided further*, that the Committee shall not administer or have oversight of the administration of any employee benefit plan subject to the Employee Retirement Income Security Act of 1974, as amended, other than the Michaels Stores, Inc. Officer Severance Pay Plan.
- Equity-Based Award Guidelines. The Committee may, from time to time, establish guidelines for the grant of equity-based compensation awards to the Executives (or make recommendations to the Board for approval, in the case of awards to the Chief Executive Officer), other officers and employees. The Committee shall also establish stock ownership guidelines for the Executives and monitor compliance with such guidelines. The Committee shall review and approve the creation or revision of any clawback policy allowing the Company to recoup compensation paid to the Executives or other employees. The Committee shall review and approve the creation and revisions of any anti-hedging and pledging policies applicable to the Executives and non-employee directors.
- Employment Agreements and Severance Arrangements. The Committee shall (i) review and approve any proposed employment agreement with any Executive other than the Chief Executive Officer, including newly-hired Executives and officers promoted to Executive positions; (ii) establish and periodically review guidelines with respect to severance or other termination

payments to be made to Executives other than the Chief Executive Officer and shall determine any exceptions to those guidelines with respect to Executives other than the Chief Executive Officer; and (iii) recommend to the Board for approval any proposed employment agreement with the Chief Executive Officer or termination agreement providing for severance or other termination payments to the Chief Executive Officer.

- Executive Evaluation. The Committee shall develop and evaluate potential candidates for executive positions (including the Chief Executive Officer) and oversee the development of executive succession plans.
- Director Compensation. The Committee shall, at least biennially, review non-employee director compensation and submit any proposed changes to the Board for approval.
- Review of Compensation Disclosure and Analysis. The Committee shall review and discuss with management any Compensation Discussion and Analysis disclosure required to be included in the Company's proxy statement and annual report on Form 10-K required under the rules and regulations of the Securities and Exchange Commission (the "SEC") and, based on this review and discussion, determine whether to recommend to the Board that the Compensation Discussion and Analysis disclosure be so included. Based on its review and discussion of any Compensation Discussion and Analysis disclosure, the Committee shall determine whether to recommend such disclosure to the Board for inclusion in any such Annual Report.
- Preparation of Compensation Committee Report. The Committee, with the assistance of management and any other advisors the Committee deems appropriate, shall prepare, to the extent required, a report on executive compensation for inclusion in the Company's annual proxy statement in compliance with the rules and regulations promulgated by the SEC.
- Risk Assessment. The Committee shall evaluate whether the Company's compensation policies and practices for its employees are reasonably likely to have a material adverse effect on the Company. Such evaluation shall consider compensation policies and practices for the Company's employees, including non-executive officers, as they relate to risk management practices and risk-taking incentives.
- Review and Assess Charter. The Committee shall annually review and assess the adequacy of this charter and submit any changes to the Board for approval.
- Review and Assess Committee Performance. The Committee shall annually perform, or participate in, an evaluation of the performance of the Committee, the results of which shall be presented to the Board.

- Delegation of Authority. The Committee shall have the authority to delegate to subcommittees of the Committee any of the responsibilities of the full Committee and to officers of the Company such responsibilities of the full Committee as may be permitted by applicable laws, rules or regulations and in accordance with the listing standards set forth by the Nasdaq Stock Market.
- Regulatory Compliance. The Committee shall, in consultation with appropriate officers of the Company, oversee regulatory compliance with respect to executive compensation matters, such as SEC rules and regulations regarding stockholder approval of certain executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, and the requirement under the Nasdaq Stock Market rules that, with limited exceptions, stockholders approve equity compensation plans.
- Say on Pay Vote. In carrying out its responsibilities under this Charter, the Committee shall consider the results of the most recent stockholder advisory vote on executive compensation (“Say on Pay Vote”) required by the Exchange Act. The Committee shall also review and recommend to the Board for approval the frequency with which the Company will conduct Say on Pay Votes, taking into account the results of the most recent stockholder advisory vote on frequency of Say on Pay Votes required by the Exchange Act, and review and approve the proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Company's proxy statement.
- Stockholder and Other Engagement. The Committee shall oversee, in conjunction with the Board, engagement with stockholders and proxy advisory firms on executive compensation matters.
- Other Delegated Duties or Responsibilities. The Committee shall perform any other duties or responsibilities delegated to the Committee by the Board from time to time.
- Board Reports. The Committee shall regularly report its activities to the Board in such manner and at such times as the Committee or the Board deems appropriate.

Meetings

The Committee shall meet as frequently as necessary to carry out its responsibilities under this Charter. The Chairperson shall preside at each meeting. A majority of the number of Committee members shall constitute a quorum for conducting business at a meeting of the Committee. The act of a majority of Committee members present at a Committee meeting at which a quorum is in attendance shall be the act of the Committee, unless a greater number is required by law, the Certificate of Incorporation, the Company’s bylaws or this Charter. The Committee may also take any action permitted hereunder by unanimous written consent.

The Committee may request any officer or other employee of the Company, or any representative of the Company's advisors, to attend a meeting or to meet with any member or representative of the Committee. Any individual whose performance or compensation is to be discussed at a Committee meeting may not be present during deliberations or votes relating to such person's compensation, except in the case of deliberations or votes relating to Board compensation, unless specifically invited by the Committee. Any Committee member may be excused from a meeting to permit the remaining members of the Committee to act on any matter in which such member's participation is not appropriate, and such member's absence shall not destroy the previously established quorum for the meeting.

Resources

The Committee shall have the authority, in its sole discretion, to retain and terminate (or obtain the advice of) any advisor to assist it in the performance of its duties, but only after taking into consideration factors relevant to the advisor's independence from management specified in NASDAQ Listing Rule 5605(d)(3). The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any advisor retained by the Committee, and shall have sole authority to approve the advisor's fees and the other terms and conditions of the advisor's retention. The Company must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any advisor retained by the Committee.