

## **Hooker Furnishings Corporation Audit Committee Charter**

The Audit Committee (the “Committee”) of the Board of Directors (the “Board” or the “Board of Directors”) of Hooker Furnishings Corporation (the “Company”) shall be a standing committee and the purpose of the Committee is to represent and assist the Board of Directors in its general oversight of the Company’s (a) accounting and financial reporting processes and principles, (b) preparation, presentation and integrity of the financial statements, (c) internal controls and practices, (d) independent auditor’s qualifications and independence, (e) internal audit function and independent auditors performance, and (f) compliance with legal and regulatory compliance. The Committee shall have the authority to engage independent legal, accounting, and other advisers, as it determines necessary to carry out its duties. The Committee shall have sole authority to approve related fees and retention terms. The fees and costs of any advisor engaged by the Committee to perform its duties shall be borne by the Company.

The Committee members are not professional accountants or auditors, and their functions are not intended to duplicate or to certify the activities of management and the independent auditor, nor can the Committee certify that the independent auditor is “independent” under applicable rules. The Committee serves a board level oversight role where it oversees the relationship with the independent auditor, as set forth in this charter, and provides advice, counsel, and general direction, as it deems appropriate, to management and the auditors on the basis of the information it receives, discussions with the auditor, and the experience of the Committee’s members in business, financial and accounting matters.

### **MEMBERSHIP**

The Committee shall be comprised of at least three directors determined by the Board of Directors to meet the independence and financial literacy requirements of the NASDAQ Stock Market, Inc., and applicable federal law. At least one member of the Committee shall be an “audit committee financial expert” as defined by the Securities and Exchange Commission.

Appointment to the Committee, including the designation of the Chair of the Committee and the designation of any Committee members as “financial experts,” shall be made on an annual basis by the full Board. Each member of the Committee shall serve at the Board’s discretion and Committee members may be removed from the Committee by the Board at any time, with or without cause and any vacancies will be filled through appointment by the Board.

## **RESPONSIBILITIES**

### **The Committee:**

- Meets at such times and places as the Committee shall determine, but not less frequently than quarterly. The Committee shall meet periodically in separate executive sessions with the independent auditor, management, and the internal auditor. The Committee shall also meet regularly in a private executive session. The Chair of the Committee shall report on Committee activities to the full Board.
- When appropriate, designates one or more of its members to perform certain of its duties on its behalf, subject to such reporting to or ratification by the Committee, as the Committee shall direct.
- Reviews and has prior-approval authority regarding related-party transactions (as defined in the relevant NASDAQ requirements).
- Establishes 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 concerns regarding questionable accounting or auditing matters.
- Approves the hiring of employees and former employees of the independent auditor.
- Publishes the report of the Committee to be included in the Company's proxy statement for its annual meeting of shareholders.
- Performs any other activities or functions consistent with this charter, the Company's Bylaws and governing law, as the Board or Committee deems necessary and appropriate.

### **Annual Audit & Financial Reporting**

- Is directly responsible for the appointment, replacement, compensation, and oversight of the work of the independent auditor and any other registered public accounting firm providing services to the Company. The independent auditor and such other registered public accounting firms shall report directly to the Committee.
- Reviews and discusses the written statement from the independent auditor concerning any relationship between the auditor and the Company or any

other relationships that may adversely affect the independence of the auditor, and based on such review, assesses the independence of the auditor.

- Establishes policies and procedures for the review and pre-approval by the Committee of all auditing services and permissible non-audit services (including the fees and terms thereof) to be performed by the independent auditor or any other registered public accounting firm employed by the company with exceptions provided for de minimis amounts under certain circumstances as described by law.
- Reviews and discusses with the independent auditor: (a) its audit plans, and audit procedures, including the scope, fees, and timing of the audit and (b) the results of the annual audit examination and accompanying management letters.
- Reviews and discusses quarterly reports from the independent auditor on: (a) all critical accounting policies and practices used and to be used by the Company, (b) all alternative accounting treatments within GAAP related to material items that have been discussed with management, including the ramifications of the use of the alternative treatments and the treatment preferred by the independent auditor and (c) other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
- Discusses with the independent auditor the matters required to be discussed by AU 380, as the same may be modified or supplemented.
- Reviews and discusses with management and the independent auditor the quarterly financial statements prior to the filing of its Form 10-Q and its earnings press release, including the interim financial information included therein the results of the independent auditor's procedures with respect to interim periods and the Quarterly Report on Form 10-Q for each of the first three fiscal quarters of each fiscal year.
- Ascertains whether significant matters identified as a result of interim review procedures have been brought to the attention of the Committee.
- Reviews and discusses with management and the independent auditor the annual audited financial statements and "Management's Discussion and Analysis of Financial Condition and results of Operations" and, if deemed appropriate, recommends to the Board of Directors that the audited financial statements be included in the Annual Report on Form 10-K for the year.

- Reviews with the independent auditor its judgments as to the quality, not just the acceptability, of the Company's accounting principles and such matters as are required to be discussed with the Committee under generally accepted auditing standards.

## **Internal Control**

- Reviews and discusses with management and the independent auditor: (a) the adequacy and effectiveness of the Company's internal controls (including any significant deficiencies and significant changes in internal controls reported to the Committee by the independent auditor or management) any special steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting, (b) the Company's internal audit procedures, and (c) the adequacy and effectiveness of the Company's disclosure controls and procedures, and management reports thereon.
- Reviews and discusses with management and the independent auditor the Company's internal controls report and the independent auditor's attestation report prior to filing of the Company's Form 10-K.
- Is directly responsible for the employment, replacement, compensation, and oversight of the work of the internal auditor. The internal auditor shall report directly to the Committee.

## **Compliance & Risk Management**

- Reviews and discusses significant accounting, reporting, regulatory or industry developments affecting the Company.
- Reviews and discusses with management and the independent auditor the Company's significant financial risk exposures and the steps management has taken to monitor and manage such exposures, including the Company's risk assessment and risk management policies.
- [Provide oversight for matters related to cybersecurity risk including the risks related to the Company's information technology systems and procedures, including data privacy.]
- Monitors compliance with the Company's Code of Business Conduct and Ethics and investigates reported violations of the code. Reports to the Board on the outcome of investigations and any actions taken in response to reported violations.

- Reviews legal and regulatory matters that may have a material impact on the Company's financial statements. As part of this review, the Committee shall receive regular reports from management and/or the Company's counsel on significant litigation in which the Company is involved and the anticipated impact of such litigation.

### **Committee Self-Assessment and Charter Review**

The Committee shall engage in an annual self-assessment. The Committee shall annually review and reassess the adequacy of its charter and recommend any changes to the full Board. The Committee's charter shall be posted on the Company's website or included with the Company's proxy statement for the annual meeting of shareholders at least once every three years.

Amended: December 5, 2023