### ARHAUS, INC.

## **COMPENSATION COMMITTEE CHARTER**

#### A. <u>Purpose</u>

The purpose of the Compensation Committee (the "*Committee*") of the Board of Directors (the "*Board*") of Arhaus, Inc. (the "*Company*") is to:

- (a) assist the Board with its oversight of the forms and amount of compensation for the Company's "officers," as defined in the rules promulgated under Section 16 of the Securities Exchange Act of 1934, as amended (the "*Exchange Act*") ("*Senior Officers*");
- (b) administer the Company's incentive plans; and
- (c) evaluate the Company's programs and practices relating to talent and leadership development and management, including matters relating to the attraction, development and retention of a diverse and talented workforce.

The Committee is also responsible for preparing the report required by the Securities and Exchange Commission (the "SEC") to be included in the Company's proxy statement for the annual meeting of stockholders.

### B. <u>Composition</u>

### 1. Membership and Appointment

The Committee shall have at least two (2) members, with the exact number to be determined by the Board except as otherwise permitted under the rules of the Nasdaq Stock Market, as amended from time to time (the "*Nasdaq Rules*").

The members and the Chair of the Committee shall be appointed annually by the Board based on the recommendation of the Nominating and Corporate Governance Committee. Each member shall serve until his or her resignation, retirement, removal by the Board, or until his or her successor is appointed.

# 2. Qualifications

Each member of the Committee shall be (i) an "independent director" as defined under the Nasdaq Rules and (ii) "independent" for compensation committee membership purposes as set forth in the Nasdaq Rules. The Board may also consider whether a member of the Committee is (i) a "non-employee director," as defined in Rule 16b-3 promulgated under Section 16 of the Exchange Act and/or (ii) an "outside director" under Treasury Regulation 1.162-27 promulgated under Section 162(m) of the Internal Revenue Code of 1986, as amended.

## C. <u>Responsibilities and Duties</u>

The principal responsibilities and duties of the Committee are set forth below. These duties are provided as a guide with the understanding that the Committee will carry them out in a manner that is appropriate given the Company's needs and circumstances. The Board or Committee may supplement them as appropriate and may deviate from them to the extent permitted under the Nasdaq Rules and applicable law and may establish policies and procedures from time to time that it deems necessary or advisable in fulfilling its responsibilities.

As a general matter, the Committee will exercise the powers delegated by the Board and perform such duties and responsibilities as may be assigned to a "committee," this Committee or the Board under the terms of any incentive compensation, equity-based compensation, deferred compensation, or other plan or program in the Company's executive compensation and other benefit programs.

## **1.** Executive Compensation

The Committee shall:

- (a) Oversee and annually review the Company's compensation philosophy and strategy and modify them as needed and deemed appropriate.
- (b) Review annually and determine and approve the form and amount of compensation to be paid or awarded to the chief executive officer ("*CEO*") and, in consultation with the CEO, review annually and determine the form and amount of compensation to be paid or awarded to all Senior Officers. Neither the CEO nor any Senior Officer may be present during voting or deliberations on his or her compensation.
- (c) Establish annually corporate goals and objectives relevant to compensation for the CEO.
- (d) Evaluate annually the CEO's performance against corporate goals and objectives relevant to the CEO's compensation.
- (e) In consultation with the CEO, establish annually corporate goals and objectives relevant to compensation for other Senior Officers.
- (f) Evaluate annually, in consultation with the CEO, other Senior Officer performance against any corporate goals and objectives relevant to such officers' compensation.
- (g) Review and approve, as appropriate, employment, compensation, benefit and severance agreements for the CEO and the Senior Officers.
- (h) Approve the adoption or amendment of tax-qualified employee retirement plans or non-qualified employee benefit plans; provided that the Committee may delegate such authority under such plans to one or more Company officers or employees as the Committee deems appropriate.
- (i) Review and recommend to the Board the adoption of policies related to executive compensation that the Committee may deem advisable and appropriate.

# 2. Director Compensation

The Committee shall periodically review and approve, the form and amount of cash- and equitybased and other compensation to be paid to the non-employee members of the Board for service on the Board and on committees of the Board.

## 3. Incentive Plans

The Committee shall:

- (a) Review periodically and make recommendations to the Board with respect to adoption and approval of, or amendments to, the Company's equity plans.
- (b) Administer and interpret the Company's equity plans, including making grants of awards thereunder, setting the terms and conditions (including performance conditions) of such awards and, subject to the Company's equity plans, modify equity awards; provided that, to the extent permitted by applicable law, the Committee may delegate (i) to a subcommittee of one or more directors the authority to grant equity awards under the Company's equity plans or (ii) to one or more officers or directors of the Company the authority to grant equity awards to employees who are not Senior Officers, as the Committee deems appropriate.
- (c) Approve the adoption or amendment of, and administer and interpret, the Company's non-equity incentive plans and programs.

## 4. Talent Development and Succession Planning

The Committee shall:

- (a) Oversee the short- and long-term management succession planning and leadership assessment and development of the CEO and other Senior Officers and provide regular reports to the Board.
- (b) Oversee the implementation and effectiveness of the Company's talent and employee development programs and practices.
- (c) Oversee the Company's strategy, effectiveness and risks of employee recruitment, promotion, retention and attrition.
- (d) Oversee the implementation and effectiveness of the Company's policies, initiatives and strategies related to culture and mission and employee engagement, including diversity, equity and inclusion initiatives.

# 5. Corporate Governance

The Committee shall:

- (a) To the extent required by applicable rules and regulations, review and discuss with management the Compensation Discussion and Analysis to be included in the Company's filings with the SEC and generally oversee the Company's compensation-related disclosures in the Company's proxy statement or annual report on Form 10-K. In addition, to the extent required under applicable rules and regulations, the Committee will provide a Compensation Committee Report for inclusion in the Company's proxy statement or annual report on Form 10-K.
- (b) Oversee the Company's submissions to stockholders on executive compensation matters, including advisory votes on executive compensation and the frequency of

such votes (and consider the results of such votes), new or amended incentive and other compensation plans that require stockholder approval, and with the Nominating and Governance Committee, any compensation-related stockholder proposals.

- (c) Oversee the Company's compliance with legal and regulatory requirements associated with executive compensation matters and coordinate as needed with the Board or other committees of the Board.
- (d) Oversee the management of risks associated with the Company's compensation and other human capital management policies, programs and practices, including the review of an annual compensation risk assessment, including whether any Company compensation policy, program or practice encourages inappropriate risktaking.
- (e) Establish and review periodically any stock ownership guidelines applicable to directors and Senior Officers of the Company, as appropriate.
- (f) Review and assess the adequacy of this charter at least annually and submit any recommended changes to the Board for approval.
- (g) Review and evaluate the performance of the Committee on an annual basis.

## D. <u>Meetings and Procedures</u>

### 1. Meetings

The Committee will meet at least twice each year and at such times and places as the Committee determines. The Committee shall maintain written minutes of its meetings, which shall be filed with the minutes of the meetings of the Board.

### 2. Authority to Retain Advisors; Administrative Expenses

The Committee shall have the authority, in its sole discretion, to retain or obtain the advice of compensation consultants, counsel, or other advisors as it determines necessary to carry out its duties. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of such advisors, and the Company must provide for appropriate funding, as determined by the Committee, for payment of fees to any such advisor.

Except as otherwise permitted by applicable law, the Committee may select or receive advice from certain advisors only after considering the adviser independence factors set forth in the Nasdaq Rules. These advisers include consultants, counsel, or advisors other than in-house legal counsel and any consultant, counsel, or advisor for whom no disclosure is required under Regulation S-K Item 407(e)(3)(iii) (generally relating to broad-based plans and information not specifically developed and customized for the Company) (each an "*Advisor*"). For any Advisor, the Committee should consider all factors relevant to that person's independence from management, including the following:

(a) the provision of other services to the Company by the person that employs the Advisor;

- (b) the amount of fees received from the Company by the person that employs the Advisor, as a percentage of the total revenue of the person that employs the Advisor;
- (c) the policies and procedures of the person that employs the Advisor that are designed to prevent conflicts of interest;
- (d) any business or personal relationship of the Advisor with a member of the Committee;
- (e) any stock of the Company owned by the Advisor; and
- (f) any business or personal relationship of the Advisor or the person employing the Advisor with an executive officer of the Company.

The Committee shall also consider potential conflicts of interest. The Committee may retain, or obtain advice from, any Advisors, including Advisors that are not independent, after considering the independence factors above.

The Company will also provide for the payment of any administrative expenses of the Committee that are necessary or appropriate in carrying out its activities.