

**POLICY REGARDING COMPLAINTS AND CONCERNS
OF
TILE SHOP HOLDINGS, INC.**

General Policy

Tile Shop Holdings, Inc. (together with its subsidiaries, the “Company”) is committed to adhering to the highest standards of honesty and integrity. As part of this commitment, the Company strives to:

- Act ethically at all times;
- Properly manage Company resources;
- Conduct business in compliance with the Company’s Code of Business Conduct and Ethics;
- Prevent corporate fraud and illegal or questionable conduct by the Company’s officers, directors, employees, and affiliates;
- Protect the health and safety of the Company’s employees and the public at large;
- Comply with all applicable laws, rules, regulations, accounting standards, accounting controls and audit practices of all federal, state and local governments (United States and foreign) and other private and public regulatory agencies;
- Ensure full, fair, accurate, timely and understandable disclosure of financial information;
- Ensure that effective internal accounting and disclosure controls and procedures are established and maintained;
- Ensure that officers, directors and employees of the Company, and any person acting under their direction, do not take or allow other to take any action to fraudulently influence, coerce, manipulate or mislead the Company’s independent auditor for the purpose of rendering the Company’s financial statements materially misleading; and
- Address any matter of concern that any officer, director, employee or stockholder of the Company, or any other interested person, believes may adversely affect the Company.

Receipt and Treatment of Complaints

The Company requests that any act or omission that is not consistent with the Company's standards of honesty and integrity set forth above or the Company's Code of Conduct and Ethics be reported promptly. Accordingly, any individual with a complaint or concern about the Company's governance, corporate conduct, business ethics or financial practices should submit that complaint or concern by any of the following means:

- Leaving a detailed message regarding the complaint or concern on the Company's Ethics Hotline at 855-289-1575 or reporting the complaint or concern at <https://tileshop.alertline.com>. Individuals may remain anonymous when reporting complaints or concerns by these means.
- Contacting the Vice President – Human Resources and Compliance of the Company at:

Tile Shop Holdings, Inc.
Attn: Vice President – Human Resources and Compliance
1400 Carlson Parkway
Plymouth, MN 55441

- Contacting the Chairperson of the Nominating and Corporate Governance Committee of the Board of Directors at:

Tile Shop Holdings, Inc.
Attn: Chairperson of the Audit Committee
1400 Carlson Parkway
Plymouth, MN 55441

Individuals who submit complaints or concerns are encouraged to provide as much specific information as possible.

The Company shall take appropriate steps to maintain the confidentiality of the reporting individual's identity, if disclosed, to the extent that it can do so consistent with the Company's obligations to investigate and remedy the matter and, if appropriate, to report the matter to government officials.

No Retaliation

The Company shall not discharge, demote, suspend, threaten, harass or in any other manner discriminate or retaliate against any employee of the Company for submitting a good faith complaint or concern. Any employee of the Company who engages in any such retaliatory conduct will be subject to immediate disciplinary action, including potential termination of employment. In addition, the Company shall comply with all applicable laws pertaining the submission of complaints or concerns.

Interpretation and Enforcement; Retention

The Nominating and Corporate Governance Committee of the Board of Directors is responsible for overseeing the interpretation and enforcement of the procedures set forth herein.

The Vice President – Human Resources and Compliance will maintain, in accordance with the Company’s document retention policies and procedures, copies and a log of all complaints or concerns submitted under this policy and track the receipt, review, evaluation and resolution of each such complaint or concern.

Amendment

The Company reserves the right to amend, supplement or discontinue this Code at any time and without prior notice.