

**PURPLE INNOVATION, INC.**  
**HUMAN CAPITAL & COMPENSATION COMMITTEE CHARTER**

**1. STATUS**

The Human Capital & Compensation Committee (the “*Committee*”) is a committee of the Board of Directors (the “*Board*”) of Purple Innovation, Inc. (the “*Company*”).

**2. PURPOSE**

The Committee is appointed by the Board for the primary purposes of carrying out the responsibilities delegated by the Board relating to the Company’s human capital, including the cash and equity compensation and the leadership development of the Company’s Chief Executive Officer (“*CEO*”), the Company’s other executive officers (the “*Executive Officers*”), all employees reporting directly to the CEO (the “*CEO Direct Reports*”) and such other employees of the Company as the Committee may determine, and related matters.

**3. COMPOSITION AND QUALIFICATIONS**

The Committee shall be appointed by the Board and shall be comprised of three or more directors, as determined from time to time by the Board, each of whom shall qualify as “non-employee directors” and as “outside directors” and meet the independence requirements for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”), the rules of the Nasdaq Stock Market LLC (“*Nasdaq*”) and all other applicable laws and regulations.

Additional or new members of the Committee shall be appointed by the Board based on recommendations from the Nomination & Governance Committee. The members of the Committee shall serve for such term or terms as the Board may determine or until earlier resignation or death. The Board may remove any member from the Committee at any time with or without cause.

**4. AUTHORITY AND RESPONSIBILITIES**

The Committee shall have the following authority and responsibilities:

a. Review and recommend to the Board (and stockholders if necessary or appropriate) for approval the establishment of or material change in any incentive, pension or profit-sharing or equity compensation plan; and review and approve other modifications to such plans; and review the equitable design of employee compensation programs. The Committee should provide oversight of the Company’s human capital and employment policies and practices and help identify areas of improvement and “best practices.”

b. Oversee the Company’s evaluation and responsiveness to social and governance risks that could materially impact the Company’s compensation, workforce and continuing access to diverse human capital, including diversity, equity and inclusion, women’s empowerment, leadership development and incentivized executive pay.

c. Annually review and recommend to the Board for approval corporate goals and objectives relevant to the compensation of the CEO, the Executive Officers and the CEO Direct Reports.

d. Evaluate annually the performance of the CEO, the Executive Officers and the CEO Direct Reports in light of the Company’s goals and objectives, and recommend to the Board salaries and short- and long-term incentive opportunities, including awards under incentive compensation plans and equity-based compensation plans, for the CEO, the Executive Officers and the CEO Direct Reports. In determining the long-term incentive compensation opportunities, the Committee shall consider the Company’s performance and relative stockholder return, the value of similar incentive awards to executive officers at comparable companies, the awards given in past years, and the most recent stockholder advisory vote on executive compensation required by Section 14A of the Exchange Act. The CEO cannot be present during any voting or deliberations by the Committee on his or her compensation.

e. Review the Company's executive compensation programs to ensure the attraction of highly qualified executive candidates and the development and retention of the CEO, the Executive Officers and the CEO Direct Reports, and determine the appropriate rewards to motivate their performance in the achievement of the Company's business objectives, to align their interests with the long-term interests of the Company's stockholders, and to avoid encouraging excessive risk.

f. Review annually all incentive compensation plans and equity-based compensation plans and arrangements, including stockholder dilution, overhang, annual burn rate, and the number of shares remaining available for issuance under those plans and arrangements, and make recommendations to the Board regarding the need to amend existing plans, terminate existing plans or adopt new ones for the purpose of implementing the Committee's strategy regarding equity-based compensation. In reviewing and making recommendations regarding incentive compensation plans and equity-based plans, including whether to amend, terminate or adopt any such plans, the Committee shall consider the results of the most recent stockholder advisory vote on executive compensation required by Section 14A of the Exchange Act.

g. Administer the Company's incentive compensation and equity-based compensation plans and arrangements (except with respect to granting awards to the CEO, the Executive Officers and the CEO Direct Reports, whose awards the Committee will recommend to the Board for approval).

h. Administer the Incentive Compensation Clawback Policy, including determining whether recovery of incentive compensation is mandatory or discretionary and, if not mandatory, whether recovery is allowed and warranted under that policy.

i. Review and recommend to the Board for approval any employment offer, employment agreement, severance agreement, retention agreement and change in control agreement, and any other special or supplemental benefits or payments with respect to the CEO, the Executive Officers and the CEO Direct Reports.

j. Review and approve all executive perquisite plans or programs and all material modifications thereto, and establish, review, and monitor compliance with policies and procedures related to executive perquisites.

k. Implement, interpret and monitor compliance with the Company's Senior Management and Independent, Non-Employee Directors Stock Ownership Guidelines, including being informed in a timely manner of significant officer stock transactions.

l. Develop and recommend to the Board for approval, an Executive Officer succession plan and related career development plans (collectively the "*Executive Officer Succession Plans*") in accordance with the Corporate Governance Guidelines, annually review the Executive Officer Succession Plans, develop and evaluate potential candidates for the various Executive Officer positions (other than the CEO position) and recommend to the Board any changes to and any candidates for succession under the Executive Officer Succession Plans.

m. Prepare the Committee report required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy statement or Annual Report on Form 10-K. The Committee shall review the adequacy of annual proxy statement and report disclosures related to director and officer compensation.

n. Oversee, in conjunction with the Board, engagement with stockholders and proxy advisory firms on executive compensation matters, including advisory votes on executive compensation as required by Section 14A of the Exchange Act and the frequency of such votes.

o. Review and reassess annually the adequacy of this Charter and recommend any proposed changes to the Nomination & Governance Committee.

p. Discharge any other duties, responsibilities or activities delegated to the Committee by the Board from time to time.

The list of activities set forth above is not an exhaustive list of all of the permitted activities of the Committee, and the Committee may take such other actions as its members from time to time deem necessary or appropriate to carry out the purposes of this Charter.

## **5. OUTSIDE ADVISORS**

The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice of a compensation consultant, outside legal counsel and other such advisors as necessary to assist with the execution of its duties and responsibilities as set forth in this Charter. The Committee shall set the compensation, and oversee the work, of its compensation consultant, outside legal counsel and other advisors. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of reasonable compensation to its compensation consultants, outside legal counsel and any other advisors. However, the Committee shall not be required to implement or act consistently with the advice or recommendations of its compensation consultant, legal counsel or other advisor, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties under this Charter.

The Committee may retain, or receive advice from, any compensation consultant, outside legal counsel or other such advisors, other than in-house legal counsel, including ones that are not independent, only after considering the factors specified in Nasdaq Rule 5605(d)(3)(D). Notwithstanding the foregoing, the Committee is not required to assess the independence of any compensation consultant, outside legal counsel or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice (as described in Item 407(e)(3)(iii) of Regulation S-K).

The Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K. Any compensation consultant retained by the Committee to assist with its responsibilities relating to executive compensation shall not be retained by the Company for any compensation or other human resource matters.

## **6. STRUCTURE AND OPERATIONS**

The Board shall consider the recommendation of the Nomination & Governance Committee and designate a member of the Committee to be the chair.

The Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate. The Committee shall meet at least four times per year at such times and places as it deems necessary to fulfill its responsibilities. A majority of the members of the Committee shall constitute a quorum for the transaction of business and the action of a majority of the members present at any meeting at which there is a quorum shall be the act of the Committee. Without a meeting, the Committee may act by unanimous written consent of all members. The Committee may delegate any of its responsibilities, along with the authority to take actions in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion, provided the decision is reported to the full Committee at its next scheduled meeting. Unless otherwise stated herein or established by the Committee, the Committee shall be governed by the same procedural rules, including rules regarding meetings, actions without meetings, notices, and waivers of notice, as are applicable to the Board.

The Committee may invite such members of management to its meetings as it deems appropriate. However, the Committee shall meet regularly without such members present, and in all cases the CEO and any other officers or employees shall not be present at meetings at which their compensation or performance is discussed or determined.

The Company shall provide for appropriate funding, as determined by the Committee, for payment of

compensation (i) to outside legal counsel, consultants or other advisors retained by the Committee and (ii) for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee chair shall be responsible for establishing a schedule of Committee meetings and the agenda for each meeting. The agenda together with the materials relating to the matters to be discussed at each meeting, shall be sent to members prior to each meeting. Minutes for all scheduled meetings of the Committee shall be prepared to document the Committee's discharge of its responsibilities, drafts of such minutes shall be circulated to Committee members and approved at a subsequent meeting and approved minutes shall be circulated to the whole Board.

## **7. PERFORMANCE EVALUATION**

The Committee shall conduct an annual evaluation of the performance of its duties under this Charter and shall present the results of the evaluation to the Nomination & Governance Committee. The Committee shall conduct this evaluation in such manner as it deems appropriate, taking into consideration the recommendations of the Nomination & Governance Committee.