

PURPLE INNOVATION, INC.

CORPORATE GOVERNANCE GUIDELINES FOR OPERATION OF THE BOARD OF DIRECTORS

The Board of Directors (the “**Board**”) of Purple Innovation, Inc., for itself and its subsidiaries (collectively the “**Company**”) has adopted these corporate governance policies and practices (these “**Corporate Governance Guidelines**”) to help it fulfill its responsibilities to stockholders. The policies in these Corporate Governance Guidelines assure that the Board has the authority and practices in place to review and evaluate the Company’s business operations, and to make decisions that are independent of the Company’s management.

The Board recognizes that the long-term interests of stockholders are advanced by responsibly addressing the concerns of other stakeholders including employees, customers, suppliers, government, and the public. The Board may refine or change these Corporate Governance Guidelines as necessary or advisable to achieve these objectives.

I. BOARD ORGANIZATION AND COMPOSITION

A. Board Leadership. The Board will periodically appoint a Chairperson. Both independent and non-independent Directors, including the CEO, are eligible for appointment as the Chairperson. Under the Company’s current circumstances, the Board believes that it is in the best interest of the Company and its stockholders to have a person other than the CEO serve as Chairperson. The Board believes that separating these roles at this time provides the appropriate balance between strategy development, flow of information between management and the Board, and oversight of management. The Board believes this structure currently provides guidance for the Board, while also positioning the CEO as the leader of the Company in the eyes of our customers, employees and other stakeholders. The Board has the discretion to modify this approach as circumstances change.

The Lead Independent Director will operate in accordance with the Lead Independent Director Charter.

The Chairperson will perform the following functions:

1. Preside at executive sessions of the non-management Directors and provide feedback to the CEO;
2. In consultation with the full Board, coordinate with the CEO in establishing the agenda and topic items for Board meetings;
3. In consultation with the full Board or any of its Committees (defined below), retain, at the expense of the Company, such independent legal, financial or other advisors on behalf of the Board as the Board and its Committee may determine necessary or appropriate;

4. Assist the Human Capital & Compensation Committee with the annual evaluation of the CEO's performance, and in conjunction with the Chair of the Human Capital & Compensation Committee, meet with the CEO to discuss the results of such evaluation;

5. When requested and appropriate, serve as a focal point for managing stockholder communications with Directors; and

6. Perform such other functions as the Directors may designate from time to time.

The Chairperson shall have no greater obligations (fiduciary or otherwise) or liabilities than those of other Directors by reason of serving as the Chairperson.

B. Size and Composition of the Board. The Nomination & Governance Committee shall periodically review the size of the Board and make any recommendations to the Board for changing the number of Directors serving on the Board. The Board also believes that it is useful and appropriate from time to time to have members of management, including the CEO, as Directors. Directors will be elected to one year terms and will need to stand for reelection annually. Availability of uniquely qualified outside Board member candidates or succession planning considerations for external or internal Board members may justify size increases. The Nomination & Governance Committee shall establish selection criteria that identify desirable skills and experience for prospective Board members and address the issues of diversity and background. The Board, with the assistance of the Nomination & Governance Committee, shall select potential new Board members using the criteria and priorities established from time to time.

The Company's bylaws provide that the Board shall consist of a majority of independent Directors unless otherwise determined by a unanimous vote of the Board or unless the bylaws are amended by the Company's stockholders. The Company defines an "independent" Director in accordance with the listing requirements of the Nasdaq Stock Market LLC ("Nasdaq"). The Board is responsible for determining whether or not each non-employee Director is independent. In making its independence determinations, the Board will review information provided by the Directors and the Company with regard to each Director's business and personal activities as they may relate to the Company and the Company's management.

C. Board Tenure. The Board believes that experienced Directors provide valuable insight into the operations, prospects and strategy of the Company based on their experience with and understanding of the Company's history and objectives. Consequently, the Board does not believe arbitrary limits on the number of years a Director can serve on the Board or mandatory retirement ages are appropriate. Similarly, the Board does not believe that Directors should automatically expect to be re-nominated annually as long as he or she desires to serve as a Director. The Nomination & Governance Committee evaluates the continued service of each Director annually before recommending that the Board nominate the Director for election.

If a Director decides to retire, resign or otherwise not stand for re-election at an upcoming meeting of stockholders, he or she shall provide written notice of the decision to the Corporate Secretary, specifying the effective date of the retirement or resignation. The Company will not be deemed to have notice of such decision until the written notice is received by the Corporate Secretary. Upon receipt of the written notice

from the Corporate Secretary, the Nomination & Governance Committee shall evaluate and recommend to the Board, and the Board shall determine, whether such resignation should be accepted.

D. Committee Structure and Assignments. The committee structure including at least an Audit Committee, Human Capital & Compensation Committee, and Nomination & Governance Committee (separately, or together, including with any other committees, the “Committee” or “Committees”) appears adequate and appropriate for the organization.

The need for other Committees may evolve over time and the Board will initiate discussion in this area if appropriate. Each Committee of the Board will have a written charter that complies with relevant Nasdaq listing rules and other applicable regulations, if any.

The Board will designate the members and Chair of each Committee, endeavoring to match the Committee’s function and needs for expertise with individual skills and experience of the appointees to the Committee. The membership of the Audit, Human Capital & Compensation, and Nomination & Governance Committees shall consist solely of independent directors, which directors shall also meet applicable criteria for independence under Nasdaq, SEC and/or tax rules applicable to such Committees.

The number and content of Committee meetings and other matters of Committee governance will be determined by each Committee in light of the authority delegated by the full Board to the Committee, the Committee’s charter and applicable regulations or principles. The Company will provide to each Committee access to employees and other resources to enable Committee members to carry out their responsibilities. The full authority and responsibilities of each Committee is fixed by resolution of the full Board and the Committee’s charter. Committee charters are available on the Company’s website at www.purple.com in the “Investor Relations” section, and a brief description of Committee functions is available in the Company’s most recent annual proxy statement.

E. Advisors. In performing its oversight function, the Board is entitled to rely on the advice, reports and opinions of management, counsel, auditors and outside experts. In that regard, the Board, and its Committee Chairs and the Chairperson, shall be entitled, at the expense of the Company, to engage such independent legal, financial or other advisors as they deem appropriate.

F. Assessing the Board's Performance. Each year, the Board and its Committees conduct self-evaluations to assess their effectiveness and adherence to these Corporate Governance Guidelines and Committee charters, and to identify opportunities to improve Board and Committee performance. The Chairperson presides over these annual self-evaluations and the Nomination & Governance Committee oversees the self-evaluations and reports results to the Chairperson and makes recommendations to the Board. The results of the self-evaluations and recommendations are considered to improve the effectiveness of the Board, its Committees, and its members, as appropriate.

- *Board evaluation* – The Nomination & Governance Committee conducts an annual evaluation of the performance of the Board and each of its members. The report and recommendations shall include an assessment of the Board’s compliance with the principles in these Corporate Governance Guidelines, and identify areas in which the Board could improve its performance.

- *Committee evaluations* – The Nomination & Governance Committee oversees an annual performance evaluation of each Committee. The report and recommendations shall include an assessment of the Committee’s compliance with the principles in these Corporate Governance Guidelines and the Committee’s charter, as well as identifying areas in which the Committee could improve its performance.

G. Nomination and Election of Directors. The Company’s stockholders elect Board members annually. The Nomination & Governance Committee recommends to the Board director candidates for nomination and election at the annual stockholders meeting or for appointment to fill vacancies. The Nomination & Governance Committee annually reviews with the Board the applicable skills and characteristics required of Board nominees in the context of current Board composition and Company circumstances. In making its recommendations to the Board, the Nomination & Governance Committee considers the qualifications of individual director candidates in light of the needs of the Board and the Company, the requirements of the listing rules and other applicable regulations, and the policies approved by the Board such as its diversity policy. The Nomination & Governance Committee may use a variety of sources, including executive search firms, to identify director candidates. The Nomination & Governance Committee may, in its sole discretion, retain search firms and the Board will provide funding sufficient for the payment of the fees for such search firms. The Nomination & Governance Committee will consider candidates recommended by stockholders. Stockholders may submit director candidate suggestions in writing to the attention of the Corporate Secretary, providing the candidate's name and qualifications for service as a Board member, a document signed by the candidate indicating the candidate's willingness to serve, if elected, and evidence of the stockholder's ownership of Company stock. A stockholder wishing to nominate a candidate must follow the procedures described in the Company’s bylaws. The Board nominates director candidates for election by the stockholders and fills any Board vacancies that occur between stockholder elections.

II. OPERATION OF THE BOARD

A. Board Meeting Agendas and Practices. Agendas for Board meetings will be set by the Chairperson in consultation with the full Board, and coordinated with the CEO and Lead Independent Director, as applicable. In general, time at Board meetings should focus on strategic and major potential problem areas rather than on operational/reporting issues. The Chairperson shall be the focal point for communications with management and advance and facilitate the Board’s receipt of candid and timely information on potential problems so that the Board will be given an opportunity to discuss strategic decisions before they are made. The Board reserves authority to meet in executive sessions to discuss sensitive matters without distribution of written materials.

B. Committee Meetings. The frequency of Committee meetings and agendas for such meetings shall be established jointly by the Committee Chair and designated management individuals in accordance with Committee charters or relevant Nasdaq listing rules and other applicable regulations. Information reported to the full Board following Committee meetings is determined by the Committee Chair.

C. Conduct of Board Meetings. The Board should receive routine reports as well as summaries of major presentations in advance of each Board meeting. This practice permits more expeditious review of routine items and facilitates greater discussion and debate of major decisions. The

attendance of executive officers and other senior management individuals making presentations is appropriate and provides the Board with a first-hand opportunity to evaluate the senior management group. To foster open discussions, the proceedings and deliberations of the Board are confidential.

D. Executive Sessions of the Board. Independent Board members should meet periodically with only the CEO. These sessions should be used for candid discussion of executive management performance and succession issues and to permit the Board and CEO to have a dialogue on critical issues. Generally, at each Board meeting (and at such other times as it deems appropriate), the Board will meet independently of any Company insiders to discuss whatever topics it believes are appropriate. These meetings will be chaired by the Chairperson or, if the Chairperson is not an independent Director, the Lead Independent Director, as applicable, and include such topics as the Directors determine.

E. Board Access to Senior Management. The Board shall maintain access to the Company's management while recognizing that judgment and discretion should be observed in making such contacts. It is the expectation of the Board that Directors will keep the CEO informed of any such contacts between a Director and an officer.

F. Access to Employees. The Board has access to Company employees to ensure that Directors can ask all questions and glean all information necessary to fulfill their duties. The Board may specify a protocol for making such inquiries. Management is encouraged to invite Company personnel to any Board meeting at which their presence and expertise would help the Board have a full understanding of matters considered.

G. Review of CEO Compensation. The Board reviews and approves annual written performance goals and objectives for the CEO. The Human Capital & Compensation Committee evaluates CEO performance against these goals based on written input from all Board members and the assistance of the Chairperson. As part of this process, the Human Capital & Compensation Committee will review with the full Board its assessment of the CEO's performance in a meeting with no management members in attendance. Following this meeting, the Human Capital & Compensation Committee Chair and the Chairperson will meet with the CEO and provide feedback based on the review, and then follow with a written evaluation to the CEO. The Human Capital & Compensation Committee will make recommendations to the full Board, but without the CEO being present either as a member of management or the Board, on the CEO's compensation based on its evaluation of the CEO's performance.

H. Approval of Incentive Compensation and Equity-Based Compensation Plans. The Human Capital & Compensation Committee will make recommendations to the Board with respect to incentive compensation and equity-based compensation plans, and the Board will condition its approval of all equity-based compensation plans on obtaining the approval of the plan by shareholders in accordance with relevant Nasdaq listing rules and other applicable regulations. No person receiving incentive compensation shall be present during any discussions on compensation to be awarded to that person.

I. Succession Planning. The Nomination & Governance Committee shall review leadership development initiatives and short and long-term succession plans for the CEO and other senior management

positions, and will make recommendations to the Board with respect to such plans. The Board is responsible for the selection of the CEO, as well as policies regarding succession in the event of an emergency or the retirement of the CEO. Succession plans should take into consideration the various events or reasons that may require the appointment of successors and the procedures for making orderly and timely determination of successors. In assessing CEO candidates, including as part of its review of succession plans, the non-management Directors shall identify and periodically review the skills, experience and attributes that they believe are required to be an effective CEO in light of the Company's business strategy, prospects and challenges.

J. Board Involvement in Corporate Governance Issues. The Nomination & Governance Committee shall advise the Board regarding major corporate governance issues and shall make recommendations regarding Director orientation and continuing education. Any Company position on major corporate governance issues will be discussed in advance with the Nomination & Governance Committee.

K. Code of Business Conduct and Ethics. The Board will annually assess the Company's code of business conduct and ethics and related policies, to ensure they address appropriate topics, contain compliance standards and procedures, and comport with relevant Nasdaq listing rules or other applicable regulations. The Board must approve any waiver of the code for management or Directors and any such waiver must be promptly disclosed to stockholders in accordance with any relevant Nasdaq listing rules and other applicable regulations.

L. Communication with Stockholders. Communications with stockholders shall generally be conducted through public filings and in accordance with approved scripts, such as for earnings calls, that are disclosed to all stockholders at the same time. There shall be no other written or oral communications with stockholders by management or any Director about the performance of the Company other than by or with the prior approval of the CEO, CFO, Chairperson or Lead Independent Director, as applicable. Inquiries from stockholders should be directed to these individuals for responses. A majority of Directors should attend stockholder meetings and be prepared to participate in answering stockholders' questions during the meeting. The Board should try to ensure that the views of stockholders are heard by the Board or individual Directors, as applicable, and that appropriate responses are provided to stockholders in a timely manner. A stockholder may submit any communication with Directors to the Company's corporate offices at 4100 N. Chapel Ridge Road, Suite 200, Lehi, Utah 84043, to the attention of the Corporate Secretary.

M. Modifications to Corporate Governance Guidelines. These Corporate Governance Guidelines are intended to provide a set of flexible guidelines and practices for the effective functioning of the Board. These Corporate Governance Guidelines will be reviewed periodically by the Board, and may be changed or modified as the Board determines necessary or appropriate. The Board may amend, waive, suspend or repeal any of these Corporate Governance Guidelines at any time, with or without public notice, as it determines necessary or appropriate, in the exercise of the Board's judgment.

III. DIRECTORS

A. Director Responsibilities. The business of the Company is conducted by its employees, managers, and officers, under the direction of the CEO and subject to the oversight of the Board. The basic responsibility of the Board is to exercise its business judgment to provide strategic guidance to and oversight of the business of the Company in a manner that it reasonably believes to be in the best interests of the stockholders. The Board may also take into consideration, as appropriate, the interests of other stakeholders, including employees and members of the communities in which the Company operates. Management is expected to report regularly to the Board in a comprehensive, accurate, and timely manner on the business and affairs of the Company. In fulfilling their responsibility, members of the Board should be entitled to rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors, to the fullest extent permitted by law.

Each Director is expected to regularly attend Board meetings and meetings of Committees on which he or she serves, with the understanding that on occasion a Director may be unable to attend a meeting. Each Director is also expected to allocate sufficient time to meet as frequently as needed, review materials and prepare for each meeting, and properly discharge the Director's responsibilities.

The Board is responsible for reviewing, providing advice and counsel on, and, where appropriate, approving the business plans, major strategies, and financial objectives of the Company. The Audit Committee shall be responsible for overseeing the financial processes, controls and reporting of the Company on behalf of the Board. The Board, and appropriate Committees of the Board, shall be responsible for overseeing and reviewing with management the Company's compliance with applicable laws and regulations.

The Board is responsible for utilizing the experience and perspectives of its Directors to advise and counsel management, both in meetings and in informal consultation, on significant issues facing the Company. The Board is responsible for reviewing and approving significant actions that are required to be approved by the Board under applicable state corporate law, including appointment of executive officers, declaration of dividends, and approval of major transactions. In addition, the Board is responsible for approving certain actions by the Company as set forth in these Corporate Governance Guidelines and any other policy as may be adopted by the Board from time to time.

The Board considers the risks associated with business strategy and decisions. The Board understands that its focus on effective risk oversight is critical to setting the Company's tone and culture towards effective risk management. To administer its oversight function, the Board seeks to understand the Company's risk philosophy by having discussions with management to establish a mutual understanding of the Company's overall appetite for risk. Also, and as examples, the Audit Committee periodically discusses with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies. The Human Capital & Compensation Committee helps the Board to identify the Company's exposure to any risks potentially created by the Company's compensation programs and practices. The Nomination & Governance Committee brings to the attention of the Board risks related to the policies and practices of the Board, including its oversight of activities critical to the Company's business. Each of these Committees is required to make regular reports of its actions and any

recommendations to the Board, including recommendations to assist the Board with its overall risk oversight function.

B. Director Compensation. All members of the Board participate on an annual basis in determining the compensation of the independent Directors, and they consider information received from consultants to the Human Capital & Compensation Committee and the time spent by the Directors in service on the Board. The Chairperson, Lead Independent Director and Directors who chair Committees receive additional compensation commensurate with the increased level of work related to those roles. Directors who are employees of the Company do not receive compensation for their service on the Board or its Committees. The general principles for determining the form and amount of Director compensation include ensuring that the compensation is reasonable, customary and competitive.

C. Director Orientation and Continuing Education. The Nomination & Governance Committee shall be responsible for overseeing the orientation of new Directors. This orientation should take place within a reasonable time after a Director is first elected to the Board and should include a visit to the Company's corporate headquarters. The purpose of the orientation and visit is to familiarize new Directors with the Company's operations and other issues that will assist new Directors in the fulfillment of their duties and responsibilities. Board members shall be required to keep themselves informed and to obtain continuing education on matters relevant to their positions on the Board and any Committee through a combination of one or more continuing education sources including seminars, in-house training, and review of periodicals and other publications. Each Director is provided membership in the National Association of Corporate Directors ("NACD") and is expected to regularly review materials provided by the NACD and attend annually at least one seminar sponsored by the NACD on subjects relevant to his or her duties to the Company, gaps in expertise, or Committee assignments and responsibilities. Each Director will be reimbursed for attendance at seminars, and participation in other relevant educational activities, up to \$5,000 annually following submission of receipts to the Corporate Secretary.

D. Directors with Position Changes. Any Director who experiences a position change from that which he or she held at the time of election must provide notice to the Chairperson and the Corporate Secretary. The Board will evaluate the potential for the new position to create a conflict of interest, impair independence or otherwise compromise the Director's ability to fulfill his or her duties to the Company. If the Board determines that such position change creates a conflict of interest, impairs independence or otherwise compromises the Director's ability to fulfill his or her duties to the Company, the affected Director shall volunteer to resign from the Board. Directors who are full-time employees of the Company must promptly resign from the Board whenever their term of employment ends for any reason, including but not limited to retirement, the effective date of such resignation to be not later than the last day of employment. The requirement that a Director must submit a resignation due to the termination of employment with the Company may be waived by the majority of all other Directors present at a meeting of Directors at which it is determined that such waiver is in the best interest of the Company.

E. Other Public Board Service by Directors. Directors may not serve on the boards of directors of more than three other public companies. In addition, before accepting another board position, a Director shall (i) consider whether that service may create a conflict of interest, impair independence, or otherwise compromise the ability to fulfill his or her duties to the Company; (ii) evaluate whether he or she can devote the requisite time and attention to service on the Company's Board; and (iii) notify the

Chairperson and the Corporate Secretary of his or her intention to accept an invitation to serve on the board of directors of any other company.

F. Conflicts of Interest. Directors shall avoid any situation that may give rise to a conflict of interest. Conflicts of interest include interference, including the appearance of interference, with the best interests of the Company as a whole, as a result of a personal interest. If an actual or potential conflict of interest arises, the Director shall promptly inform the Chairperson, the Chair of the Nomination & Governance Committee, the Chair of the Audit Committee, and the Corporate Secretary. The independent Directors of the Board shall resolve any such conflict of interest questions involving conflicted Directors, the CEO or any other executive officer.

G. Director Stock Ownership. To align the interests of directors and stockholders, Directors shall maintain a financial stake in the Company in accordance with the Company's Senior Management and Independent, Non-Employee Directors Stock Ownership Guidelines.