

# THE AARON'S COMPANY, INC.

## AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

### CHARTER

#### I. Purpose and Authority

The primary purpose of the Audit Committee (the “*Committee*”) is to assist The Aaron’s Company, Inc. (the “*Company*”) Board of Directors (the “*Board*”) in fulfilling its oversight responsibilities with respect to the: (1) integrity of the Company’s financial statements; (2) financial reporting process; (3) systems of internal accounting and financial controls; (4) performance of the Company’s internal audit function and independent auditors; (5) independent auditors’ qualifications and independence; (6) compliance with legal and regulatory requirements; (7) risk oversight and (8) preparing Committee disclosures required to appear in the Company’s annual proxy statement. The Committee shall have such other powers and perform such other duties as the Board may from time to time delegate to it.

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company and may conduct or authorize studies of matters within the Committee’s scope of responsibilities. The Committee has the authority to retain and receive appropriate funding, as determined by the Committee and at the Company’s expense, for compensation to the Company’s independent auditor for the purpose of preparing or issuing an audit report or performing other audit, review or attest services, compensation to independent counsel and other advisers as it determines necessary or appropriate to carry out its duties, and for ordinary administrative expenses that are necessary or appropriate in carrying out its duties.

In discharging its oversight responsibilities, the Committee will periodically meet separately with management, the internal auditors, and the independent auditors.

The Committee, in carrying out its responsibilities, believes its policies and procedures should remain flexible, in order to best react to changing conditions and circumstances. The Committee should take appropriate actions to set the overall corporate “tone” for quality financial reporting and sound business risk practices.

#### II. Composition and Membership Requirements

The Committee shall be comprised of three or more directors, the exact number to be determined from time to time by resolution of the Board. Members of the Committee shall be appointed by the Board not less frequently than annually on the recommendation of the Nominating and Corporate Governance Committee, and may be replaced by the Board, with or without cause.

Each member of the Committee shall meet the independence requirements of New York Stock Exchange listing standards, the rules and regulations of the Securities and Exchange Commission (the “*Commission*”) and any categorical independence standards that may be adopted by the Board from time to time.

All members of the Committee shall be financially literate, and at least one member of the Committee shall be an “audit committee financial expert,” as defined by SEC regulations. Committee members shall not simultaneously serve on the audit committees of more than two other public companies, unless the Board determines that such simultaneous service would not impair the ability of such member to serve effectively on the Committee.

The Board may designate one or more independent directors, who meet the requirements for membership on the Committee, as alternate members of the Committee who may replace any absent or disqualified member or members at any meetings of the Committee. The Committee may form and delegate its authority to subcommittees consisting of one or more members when appropriate; provided, however, that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

### **III. Meetings and Governance**

The Committee shall meet at least four times annually. The Committee will report its activities and findings to the Board on a regular basis. The Committee will meet without management present, as appropriate.

The Board shall select the Chairperson of the Committee on the recommendation of the Nominating and Corporate Governance Committee. The Chairperson will preside, when present, at all meetings of the Committee. One-third of the members, but not less than two, will constitute a quorum. A majority of the members present at any meeting at which a quorum is present may act on behalf of the Committee. The Committee may meet by any means permitted by applicable law and the Company’s by-laws and may take action by written consent.

### **IV. Duties, Responsibilities and Activities**

The Committee, to the extent it deems necessary or appropriate, shall:

#### Oversight of the Company’s Relationship with the Independent and Internal Auditors

1. Appoint, retain or replace the Company’s independent auditor, which shall report directly to the Committee (and recommend to the shareholders the ratification of such appointment, if applicable).
2. Determine the compensation of the independent auditor.
3. Oversee the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or conducting audit, review or attest services for the Company, and the work of the internal auditor.
4. Preapprove all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by its independent auditor, subject to the de minimis exceptions for non-audit services described in Section 10A(i)(1)(B) of the Securities Exchange Act of 1934 that are approved by the Committee prior to the

completion of the audit. The Committee may delegate pre-approval authority to a member or members of the Committee or may adopt pre-approval policies and procedures. Any pre-approvals made pursuant to delegated authority or pre-approval policies and procedures must be presented to the Committee at its next scheduled meeting.

5. At least annually, obtain and review a report by the independent auditors describing (a) the independent auditor's internal quality control procedures, (b) any material issues raised by the most recent internal quality control review, or peer review, of the independent auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the independent auditor, and any steps taken to deal with any such issues and (c) all relationships between the independent auditors and the Company (to assess the auditors' independence).
6. Receive the written disclosures and the letter from the independent auditor required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent auditor's communications with the Audit Committee concerning independence. The Committee shall actively engage the independent auditors in a dialogue with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditors and take appropriate action to oversee the independence of the independent auditors.
7. Set clear hiring policies for employees or former employees of the independent auditors in accordance with SEC regulations and New York Stock Exchange listing standards.
8. Discuss with the internal auditors and the independent auditors the overall scope and plans for their respective audits, including the adequacy of staffing and compensation.
9. Review and discuss reports from the independent auditors on: (a) all critical accounting policies and practices of the Company; (b) all material alternative treatments within generally accepted accounting principles for policies and practices related to material items that have been discussed with management, including the ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the independent auditors; and (c) other material written communications between the independent auditors and management.
10. Review with the independent auditors and internal auditors any audit problems or difficulties and management's response.

#### Oversight of Corporate Compliance

11. Discuss with management, the internal auditors and the independent auditors the adequacy of the Company's policies and procedures to assess, monitor, and manage business risk, and its corporate compliance programs.

### Oversight of Enterprise Risk Management

12. Meet periodically with management to discuss the Company's Enterprise Risk Management program, including the Company's major risk exposures and policies and the steps taken to identify, manage, and mitigate risks associated with the Company's business, including among others financial, regulatory and cybersecurity risks.
13. Discuss with management significant risk management failures, if any, including management's response.
14. Facilitate appropriate coordination among the Board's committees with respect to oversight of the Company's risk management.

### Review of Financial Reports and Other Documents

15. Discuss earnings press releases (including in particular any non-GAAP information being disclosed), as well as financial information and earnings guidance provided to analysts and rating agencies.
16. Review the interim financial statements and disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations with management and the independent auditors prior to the filing of the Company's Quarterly Report on Form 10-Q.
17. Discuss the results of the quarterly review and any other matters required to be communicated to the committee by the independent auditors under generally accepted auditing standards.
18. Review with management and the independent auditors the financial statements and disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations to be included in the Company's Annual Report on Form 10-K (or the annual report to shareholders if distributed prior to the filing of Form 10-K), including their judgment about the quality, not just the acceptability, of accounting principles, the reasonableness of significant judgments and the clarity of the disclosures in the financial statements.
19. Discuss the results of the annual audit and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards.
20. Prepare its report to be included in the Company's annual proxy statement, as required by SEC regulations.
21. Review management's report on internal control over financial reporting as of the end of the most recent fiscal year and the independent auditors' attestation report on the Company's internal control over financial reporting and a summary of the procedures followed to render such reports.
22. Review and discuss the reports of the internal auditor.

23. In consultation with the independent auditors, management and the internal auditors, review any major changes or improvements to the Company's financial and accounting principles and practices and internal control over financial reporting.

#### Accounting and Auditing Complaints

24. Establish and review 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 the Company of concerns regarding questionable accounting or auditing matters.

#### Review of Related Party Transactions and Conflicts of Interests

25. Review and approve related party transactions, which include any related party transactions that the Company would be required to disclose pursuant to Item 404 of Commission Regulation S-K, and periodically review and approve the Company's related party transaction policy.
26. Review, approve or ratify requests from directors and executive officers of the Company for waivers from the Company's codes of conduct/ethics, including any conflicts of interest, and consider any required disclosures relating to such waivers.

#### Other

27. Perform any other activities in its discretion that are consistent with the Committee's purpose, or as determined necessary or appropriate by the Board.

### **V. Evaluation Procedures**

The Committee shall review and reassess the adequacy of this Charter periodically and recommend any proposed changes to the Board for approval. The Committee shall annually evaluate the Committee's own performance and report to the Board the results of its evaluation.

### **VI. Limitation of Committee's Role**

Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or the members of the Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations, or that the Company's internal control over financial reporting is effective. These are the responsibilities of management and the independent auditor.

Adopted by the Audit Committee and approved by the Board on November 11, 2020.