



WAYFAIR INC. AUDIT COMMITTEE CHARTER

I. Purpose

The purpose of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Wayfair Inc. (the “**Company**”) is to assist the Board in its oversight of: (i) the integrity of the Company’s financial statements; (ii) the Company’s compliance with legal and regulatory requirements; (iii) the independent auditor’s qualifications and independence; (iv) the performance of the Company’s independent auditor; and (v) the performance of the Company’s internal audit function.

The Committee’s principal responsibility is one of oversight. The Company’s management is responsible for establishing and maintaining accounting policies and procedures in accordance with generally accepted accounting principles (“**GAAP**”) and other applicable reporting and disclosure standards and for preparing the Company’s financial statements. The Company’s independent auditors are responsible for auditing and reviewing those financial statements.

II. Composition

Size: The Committee must consist of at least three (3) directors.

Independence; Financial Literacy: Subject to applicable transition provisions or exceptions, each director must satisfy the independence requirements of the New York Stock Exchange (the “**NYSE**”) and the more rigorous independence rules for members of the Audit Committee issued by the Securities and Exchange Commission (the “**SEC**”). Each Committee member must be financially literate as determined by the Board in its business judgment or must become financially literate within a reasonable period of time after his or her appointment to the Committee. In addition, at least one (1) member of the Committee must be a financial expert (as defined under SEC rules).

Overboarding: No Committee member may simultaneously serve on the audit committee of more than two (2) other public companies unless the Board determines that such simultaneous service would not impair the ability of the member to effectively serve on the Committee and this determination is disclosed in accordance with NYSE rules.

Appointment; Term; Removal: All Committee members will be appointed by and will serve at the discretion of, the Board. The Board may remove any Committee member at any time with or without cause.

Chair: Unless a Chair is designated by the Board, the Committee may designate a Chair by a majority vote.

III. Structure and Authority

Meetings: The Committee shall meet at least once during each fiscal quarter. The Committee shall meet separately, periodically, with management, with the independent auditor, and with the internal auditor (or other personnel responsible for the internal audit function).

Procedures: The Committee has the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's by-laws that are applicable to the Committee. The Committee will maintain written minutes of its meetings and copies of its actions by written consent, which will be filed with the minutes of the meeting of the Board.

Advisors: The Committee may retain any independent counsel, experts or advisors that the Committee believes to be necessary or appropriate. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of preparing or issuing an audit report or performing other audit, review or attest services, for payment of compensation to any advisors employed by the Committee and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

Authority: The Committee may conduct or authorize investigations into any matters within the scope of the duties and responsibilities delegated to the Committee.

IV. Duties and Responsibilities

The Committee shall be responsible for the following matters and any other matter as delegated by the Board from time to time.

Interaction with the Independent Auditor

1. *Appointment and Oversight.* The Committee is directly responsible for the appointment, compensation, retention and oversight of the work of the independent auditor (including resolution of any disagreements between Company management and the independent auditor regarding financial reporting) and any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the Company, and the independent auditor and each such other registered public accounting firm must report directly to the Committee.

2. *Pre-Approval.* The Committee, or the Chair of the Committee, shall pre-approve any audit and non-audit service provided to the Company by the independent

auditor, unless the engagement is entered into pursuant to appropriate preapproval policies established by the Committee or if such service falls within available exceptions under SEC rules.

3. *Annual Report on Independence and Quality Control.* The Committee shall, at least annually, obtain and review a report from the independent auditor describing (i) the auditing firm's internal quality-control procedures; (ii) any material issues raised by the most recent internal quality-control review or peer review of the auditing firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years relating to any independent audit conducted by the auditing firm, and any steps taken to deal with any such issues; and (iii) all relationships and services between the independent auditor and the Company in order to assess the independent auditors' independence.

Annual Financial Statements and Annual Audit

4. *Audit Problems.* The Committee shall discuss with the independent auditor and management (i) any problems or difficulties encountered by the independent auditor during their audit work; (ii) any significant disagreements with management, and (iii) management's response to these problems, difficulties or disagreements.

5. *Form 10-K Review.* The Committee shall review and discuss the annual audited financial statements (including the related notes) with management and the independent auditor, including the Company's 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 prior to the public filing of such Form 10-K. The Committee shall recommend to the Board whether the audited financial statements should be included in the Company's annual report on Form 10-K.

6. *Audit Committee Report.* The Committee shall provide the Company with the report of the Committee with respect to the audited financial statements for inclusion in each of the Company's annual proxy statements.

Quarterly Financial Statements

7. *Form 10-Q Review.* The Committee shall review and discuss the quarterly financial statements (including the related notes) with management and the independent auditor, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" to be included in the Company's quarterly report on Form 10-Q prior to the public filing of such Form 10-Q.

Other Duties and Responsibilities

8. *Review of Earnings Releases.* The Committee shall discuss the Company's earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies.

9. *Risk Assessment and Enterprise Risk Management.* The Committee shall review and discuss with management, the internal auditors, if applicable, and the independent auditors the Company's major risk exposures (including financial, privacy, security, cybersecurity, tax, and accounting risk exposures) and the steps management has taken to monitor and control these exposures, including the Company's guidelines and policies with respect to risk assessment and risk management.

10. *Auditor Evaluation; Auditor Rotation.* At least annually, the Committee shall evaluate the qualifications, performance and independence of the Company's independent auditor, taking into account the opinions of management and the internal auditor. The Committee shall assure the regular rotation of the lead audit partner at the Company's independent auditor as required by law.

11. *Hiring of Independent Auditor Employees.* The Committee shall set clear hiring policies for employees or former employees of the Company's independent auditor.

12. *Complaint Procedures.* The Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and for the confidential and anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.

13. *Internal Controls.* The Committee shall review and discuss with management and the independent auditor the adequacy and effectiveness of the Company's internal controls, including any changes, significant deficiencies or material weaknesses in those controls reported by the independent auditor or management, any special audit steps adopted in light of significant control deficiencies, and any fraud, whether or not material, that involves management or other Company employees who have a significant role in the Company's internal controls.

14. *Related Party Transactions.* The Committee shall review, approve and oversee any transaction between the Company and any related person (as defined in Item 404 of Regulation S-K) on an ongoing basis, in accordance with the Company's policies and procedures and applicable law.

15. *Reports to the Board of Directors.* The Committee shall report regularly to the Board regarding the activities of the Committee.

16. *Review of this Charter.* The Committee shall periodically review and reassess this Charter and submit any recommended changes to the Board for its consideration.

V. Delegation of Duties

In fulfilling its responsibilities, the Committee has the authority, except to the extent prohibited under NYSE rules, to delegate any or all of its responsibilities to a subcommittee of the Committee consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that decisions of such subcommittee to grant pre-approvals shall be presented to the full Audit Committee at its next scheduled meeting.

VI. Compensation

Members of the Committee shall receive such fees or other compensation, if any, for their service as Committee members as may be determined by the Board in its sole discretion. Members of the Committee may not receive any compensation from the Company except the fees or other compensation that they receive for service as a member of the Board or any committee thereof.