

**LSI INDUSTRIES INC.**  
**CORPORATE GOVERNANCE GUIDELINES**

These Amended and Restated Corporate Governance Guidelines were adopted by the Board of Directors (the “Board”) of LSI INDUSTRIES INC. (the “Company”) and effective January 24, 2024.

**I. COMPOSITION OF THE BOARD OF DIRECTORS**

A. Size of the Board

The Code of Regulations of the Company (as it may be amended or amended and restated, as the case may be) provide that the Board will establish the number of directors from time to time.

B. Selection of Board Nominees

The Board is responsible for recommending director nominees to the shareholders of the Company (the “Shareholders”) for election. The Board has delegated the screening process to the Nominating and Corporate Governance Committee of the Board (the “Nominating and Corporate Governance Committee”).

The Nominating and Corporate Governance Committee is responsible for reviewing with the Board, on an annual basis, the appropriate skills and characteristics required of directors in the context of the current make-up of the Board. This assessment includes issues of judgment, diversity, age and skills (such as understanding of relevant industries, business and financial background, etc.), in the context of an assessment of the perceived needs of the Board at that point in time.

The Nominating and Corporate Governance Committee considers recommendations for Board candidates submitted by Shareholders using the same criteria it applies to recommendations from directors and members of management. Shareholders may submit recommendations by writing to the committee at LSI Industries Inc., Attn: Chairman of the Nominating and Corporate Governance Committee, 10000 Alliance Road, Cincinnati, Ohio 45242.

Invitations to serve as a nominee are extended by the Board itself via the Chairman of the Board or the Chairman of the Nominating and Corporate Governance Committee.

C. Board Independence

The Board shall have a majority of directors that it has affirmatively determined are “independent directors” in accordance with the rules promulgated by The Nasdaq Stock Market LLC (“Nasdaq”) and applicable laws and regulations.

D. Commitment and Limits on Other Activities

Directors are expected to limit the number of other boards on which they serve in order to allow adequate time for performance as a director of the Company. Directors must notify the Chairman of the Nominating and Corporate Governance Committee and the Chief Executive Officer in advance of accepting an invitation to serve on the board of directors of another public company or the board of directors of a private company with any potential competitive overlap with the business of the Company.

E. Term and Age Limits

As an alternative to term limits, the Nominating and Corporate Governance Committee will formally review each director’s continuation on the Board at the expiration of the director’s term. The Board also has set an age limit of 75 for directors, provided that directors turning 75 shall be permitted to serve the remainder of their term. The Board, through recommendation by the Nominating and Corporate Governance Committee or otherwise, may waive the application of this age limit on a case by case basis.

F. Directors Who Change Their Job Responsibility

A director who retires from his or her present employment or materially changes his or her position should promptly notify the Chairman of the Board and the Nominating and Corporate Governance Committee. The Board does not believe any director who retires from his or her present employment, or who materially changes his or her position, should necessarily leave the Board.

## II. **DIRECTOR RESPONSIBILITIES**

The role of the Board is to direct the affairs of the Company, in the interests of the Shareholders, including their interest in optimizing financial returns and the value of the Company over the long term.

A. Board Role

The Board fulfills its role (directly or by delegating certain responsibilities to its committees) by:

1. providing advice and counsel to the Chief Executive Officer and principal senior executives;
2. selecting and regularly evaluating the Chief Executive Officer;

3. overseeing the conduct of the Company's business and strategic plans to evaluate whether the business is being properly managed;
4. reviewing and approving the Company's financial objectives and major corporate plans and actions;
5. reviewing and approving major changes in the appropriate auditing and accounting principles and practices;
6. providing oversight of internal and external audit processes and financial reporting;
7. providing oversight of risk management (including risks related to financial compliance, cybersecurity, sustainability, and other environmental, social and governance-related matters) and related assessment and protection processes and processes designed to promote legal compliance; and
8. performing such other functions as the Board believes appropriate or necessary, or as otherwise prescribed by rules or regulations.

**B. Care, Candor and Avoidance of Conflicts**

The Company's directors recognize their obligation individually and collectively as the Board to pay careful attention and be properly informed. This requires regular attendance at Board meetings and preparation for Board meetings, including the advance review of circulated materials. The directors also recognize that candor and the avoidance of conflicts in fact and in perception are hallmarks of the accountability owed to the Shareholders. Directors have a personal obligation to disclose a potential conflict of interest to the Chairman of the Board prior to any Board decision related to the matter and, if the Chairman in consultation with legal counsel determines a conflict exists or the perception of a conflict is likely to be significant, to recuse themselves from any discussion or vote related to the matter.

**C. Confidentiality**

The proceedings and deliberations of the Board and its committees are confidential. Each director is expected to maintain the confidentiality of all information received in connection with his or her service as a director on the Board, consistent with applicable law. Directors participating in Board or committee meetings by telephone or virtually must use all reasonable efforts to ensure that the discussions are not exposed to outside parties.

**III. STOCK OWNERSHIP AND RETENTION GUIDELINES**

The board believes that it is important for each director and certain executive officers to align in a meaningful way with the interests of the shareholders by investing in the company's common stock. Accordingly, all directors and certain executive officers are expected to own common stock of the company in accordance with the stock

ownership guidelines established by the nominating and corporate governance committee of the Board.

#### **IV. EXECUTIVE SESSIONS & PRESIDING DIRECTOR**

##### **Executive Sessions of Non-Management Directors**

The non-management directors of the Board will meet in Executive Session at least three (3) times per year to discuss such topics as the non-management directors determine. “Non-Management” directors are those who are not company officers (as such term is defined in Rule 16a-1(f) as promulgated under the Securities Exchange Act of 1934), and can include directors who do not meet the definition of an independent director under the rules of Nasdaq. Whether in a non-management Executive Session or otherwise, the independent directors (as defined under the rules of Nasdaq) must have regularly scheduled meetings at which only independent directors are present. Minutes of the Executive Sessions should be kept, describing who participated and such other details as the non-management directors determine.

In the event that the Chairman of the Board is a member of management, the non-management directors shall designate from time to time one non-management director to serve as the Presiding Director to chair the Board’s Executive Sessions. In addition, the Presiding Director shall advise the Chairman of the Board and, as appropriate, committee chairs with respect to agendas and information needs relating to Board and committee meetings; provide advice with respect to the selection of committee chairs; and perform such other duties as the Board may from time to time delegate to assist the Board in the fulfillment of its responsibilities.

#### **V. FORMAL EVALUATION OF THE CHIEF EXECUTIVE OFFICER**

The Board has delegated to the Chair of the Board the task of evaluating the Chief Executive Officer annually, reporting the Chair’s recommendations to the Board, and communicating the Board’s conclusions to the Chief Executive Officer. In the event that the Chair of the Board is not an independent director under Nasdaq guidelines, the Board shall delegate to the Chair of the Compensation Committee the task of evaluating the Chief Executive Officer annually, reporting the Chair’s recommendations to the Board, and communicating the Board’s conclusions to the Chief Executive Officer.

The evaluation is based on objective criteria including performance of the business, accomplishment of strategic objectives, development of management, etc. The evaluation is used by the Compensation Committee in its recommendations to the Board regarding the Chief Executive Officer’s compensation.

#### **VI. DIRECTOR ORIENTATION AND CONTINUING EDUCATION**

Upon joining the Board, each new director should familiarize himself or herself with the Company’s strategic plans, its financial and accounting practices and its internal procedures, and meet with Company management. Directors are expected to continue educating themselves with respect to industry practice, accounting and finance, leadership, crisis management, general

management and strategic planning. The Company may, from time to time, offer continuing education programs for directors.

## **VII. DIRECTOR COMPENSATION**

The Nominating and Corporate Governance Committee is responsible for reviewing and recommending to the Board, on an annual basis, the compensation for directors. The Nominating and Corporate Governance Committee will consider how the Company's director compensation practices compare with those of public and peer group corporations. Any change in Board compensation will be made upon the recommendation of the Nominating and Corporate Governance Committee and following discussion and approval by the Board.

Compensation may be paid in the form of cash or equity interests in the Company or such other forms as the Board deems appropriate. Separate compensation may be provided to members of committees of the Board and additional compensation may be provided to the chairs of the Board and committees. Directors who are also employees of the Company shall not receive any additional compensation for their services as directors.

## **VIII. BOARD AGENDA, MATERIALS, INFORMATION AND PRESENTATIONS**

The Chairman of the Board, with input from senior members of management, establishes the agenda for each Board meeting. Each director is free to suggest the inclusion of item(s) on the agenda.

Information and data that is important to the Board's understanding of the business is distributed in writing to the Board generally five or so days before the Board meets, although this is not a strict standard, so as to allow for unusual circumstances. Management should ensure that material is as brief as possible while still providing the desired information.

Presentations on specific subjects are forwarded to the directors in advance so that directors may prepare, Board meeting time may be conserved, and discussion time may be focused. However, it is recognized that there may be occasions when an important issue arises without time for written background materials to circulate or the subject matter is not appropriate for written materials, such that more presentation time will be required.

## **IX. DIRECTOR ACCESS TO SENIOR MANAGEMENT AND INDEPENDENT ADVISERS**

Directors have complete access to senior management and to the Board's advisors. Directors are expected to use good judgment to ensure that this contact is not distracting to the business operation of the Company or to management's duties, and that independent advisors are used efficiently. It is also assumed that such contact, to the extent reasonably practical or appropriate, will be coordinated with the Chief Executive Officer. Written communications to management should, whenever appropriate, be copied to the Chief Executive Officer.

## **X. BOARD INTERACTION WITH INVESTORS, PRESS, CUSTOMERS AND SHAREHOLDERS**

The Board believes that management, and, in particular, the Chief Executive Officer and Chief Financial Officer speak for the Company. Each director should refer all inquiries from investors, the press or customers to management. Individual directors may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company, but it is expected that directors will coordinate such communications with the prior knowledge of management and, in most instances, at the request of management. Directors are expected to take special care in all communications concerning the Company, in light of confidentiality requirements and laws prohibiting insider trading, tipping and avoidance of selective disclosure.

## **XI. BOARD COMMITTEES**

The Board currently has the following committees: Audit, Compensation, Executive, and Nominating and Corporate Governance. Membership on the Audit, Compensation and Nominating and Corporate Governance Committees is limited to independent directors. The Board retains discretion to form new committees or disband current committees depending upon the circumstances.

## **XII. ANNUAL BOARD & COMMITTEE PERFORMANCE EVALUATIONS**

The Board conducts an annual self-evaluation of its performance and the performance of its committees. The Nominating and Corporate Governance Committee recommends to the Board and its committees the methodology for such evaluations and oversees its execution.

## **XIII. CORPORATE GOVERNANCE GUIDELINES**

The Nominating and Corporate Governance Committee reviews these Guidelines periodically and recommends amendment to the Board as necessary.

## **XIV. COMMUNICATING WITH THE BOARD**

Shareholders are invited to communicate to the Board or its committees by writing to: LSI Industries Inc., Attn: Chairman of the Board of Directors, 10000 Alliance Road, Cincinnati, Ohio 45242.