

LSI INDUSTRIES INC.

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER

This Charter of the Nominating and Corporate Governance Committee (the “Committee”) has been adopted by the Board of Directors (the “Board”) of LSI Industries Inc. and may be modified by the Board from time to time.

Membership

The Committee shall consist of a minimum of two directors who shall be elected by the Board and who shall serve until their successors shall be duly elected and qualified. All members of the Committee shall satisfy standards of independence prescribed by The Nasdaq Stock Market and federal and state law and any director independence standards adopted by the Company. Unless a Chair is elected by the Board, the members of the Committee shall designate a Chair. Members of the Committee, including the Chair, may be removed by the Board at any time with or without cause.

Resignation or removal of a Committee member from the Board for any reason shall automatically constitute resignation or removal, as applicable, from the Committee.

Purpose, Duties and Responsibilities

The following are the purposes, duties and responsibilities of the Committee:

1. To recommend to the Board any changes in the size of the Board or any of its committees;
2. To develop, recommend to the Board and periodically review Board membership criteria;
3. To identify and screen individuals that the Committee believes are qualified nominees for the Board;
4. To review the qualifications and performance of incumbent directors and make recommendations to the Board as to whether incumbent directors should stand for re-election to the Board;
5. To evaluate annually and recommend to the Board whether each director qualifies as “independent” under the applicable standards of the Nasdaq Stock Market, federal and state law, and any independence standards adopted by the Company;
6. To determine and recommend to the Board the particular nominees to be nominated by the Company to stand for election to the Board at each annual or special meeting of shareholders of the Company at which directors will be elected. If there is a vacancy in any director’s seat, whether through an increase in the size of the Board or otherwise, the Committee shall recommend to the Board a nominee to fill such vacancy;

7. In nominating or recommending the nomination of individuals to stand for election as directors, the Committee shall take into account, among other factors which it may deem appropriate (including any Board membership criteria established by the Committee), the judgments, skill, diversity, business experience, and needs of the Board as its function relates to the business of the Company;
8. To recommend and administer policies relating to the retirement of directors from the Board, including term or age limits, as the Committee may deem appropriate;
9. To consider director candidates proposed by management and shareholders as well as by its own members, and to recommend to the Board procedures for the submission and review of recommendations by shareholders as the Committee deems appropriate;
10. To assist the Board in overseeing the Company's response to shareholder proposals;
11. To identify Board members qualified to fill vacancies on committees of the Board taking into account requirements of The Nasdaq Stock Market, federal and state law and the suitability of persons for particular committee assignments and any other factors deemed appropriate by the Committee;
12. To monitor and recommend the structure and functions of the various committees of the Board, as well as the appointment and removal of committee members;
13. To review Board compensation and advise and make recommendations to the Board regarding the same;
14. To oversee the Company's corporate governance policies, practices and procedures, including identifying best practices and reviewing and recommending to the Board for approval any changes to the Company's corporate governance policies, practices and procedures, including any amendments to the Company's Articles of Incorporation and Code of Regulations as the Committee considers desirable;
15. To assist the Board in overseeing and monitoring the Company's approach and strategy relating to environmental, legal and social responsibility, diversity and other corporate citizenship and sustainability matters;
16. To review annually this Charter and recommend changes to the Board as necessary;
17. To review periodically the charters of the other committees of the Board and recommend changes to the Board and committees;
18. To enact policies and procedures as necessary or advisable from time to time with respect to any of the above-referenced purposes, duties and responsibilities, as well as to conduct performance evaluations of the Board and Board committees; and
19. To perform such other duties and responsibilities, consistent with this Charter, the Company's Code of Regulations, governing law, the rules and regulations of The Nasdaq Stock Market, the U.S. securities laws and such other requirements applicable to the Company, delegated to the Committee by the Board.

Subcommittees

The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate in its discretion.

Advisors

The Committee is authorized, in its sole discretion, to engage, retain and terminate advisors, legal counsel, consultants and search firms (each, an “advisor”) to assist the Committee in the performance of its duties. The Committee shall set the compensation and oversee the work of its advisors. The Company must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any advisor retained by the Committee. With respect to determinations of Director compensation, the Committee shall undertake a review of the independence and potential conflicts of interest of any compensation consultants.

Meetings

The Committee shall meet as frequently as it deems necessary to fulfill its responsibilities but shall at a minimum hold an annual meeting. All meetings of the Committee may be held in person, telephonically or by videoconference or similar means of remote communication.

A majority of members of the Committee shall constitute a quorum. The Committee shall act on the affirmative vote of a majority of members participating at a meeting at which a quorum is present. Subject to applicable law, the Committee may act pursuant to a written consent signed by all of the Committee’s members. Once a quorum has been established at a meeting, the subsequent withdrawal of one or more of the members of the Committee, so as to reduce the number of members of the Committee at the meeting below the amount required for a quorum, shall not affect the validity of actions taken at the meeting or an adjournment of a meeting.

The Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate. The Committee may invite such members of management to its meetings as it deems appropriate.