



Corporate Governance Guidelines

VIRCO MFG. CORPORATION CORPORATE GOVERNANCE GUIDELINES

The Board of Directors (the “**Board**”) of Virco Mfg. Corporation (the “**Company**”) has adopted the following Corporate Governance Guidelines (the “**Guidelines**”) to assist the Board in the exercise of its responsibilities and to serve the interests of the Company and its stockholders. These Guidelines should be interpreted in the context of all applicable laws and the Company’s certificate of incorporation, bylaws and other corporate governance documents. These Guidelines acknowledge the leadership exercised by the Board’s standing committees and their chairs and are intended to serve as a flexible framework within which the Board may conduct its business and not as a set of legally binding obligations. The Guidelines are subject to modification from time to time by the Board as the Board may deem appropriate and in the best interests of the Company and its stockholders or as required by applicable laws and regulations.

I. THE BOARD

A. Independence of the Board

Except as otherwise permitted by the applicable NASDAQ rules, the Board will be comprised of a majority of directors who qualify as independent directors (the “**Independent Directors**”) as required under NASDAQ rules.

B. Separate Sessions of Independent Directors and Board Committees

The Independent Directors will meet in executive session without non-Independent Directors or management present on a regularly scheduled basis, but no less than twice per year. The Board’s standing committees shall hold separate meetings and keep meeting minutes separate from the Board.

C. Lead Director

If the Chairman of the Board is a member of management or does not otherwise qualify as independent, the Board may elect a lead director. The lead director’s responsibilities include but are not limited to: presiding over all meetings of the Board at which the Chairman of the Board is not present, including any executive sessions of the Independent Directors; approving Board meeting schedules and agendas; and acting as the liaison between the Independent Directors and the Chief Executive Officer and Chairman of the Board. The Board may modify its leadership structure in the future as it deems appropriate.

D. Director Qualification Standards and Additional Selection Criteria

The Corporate Governance and Nominating Committee, in recommending director candidates, and the Board, in nominating director candidates, will evaluate candidates in accordance with the qualification standards set forth in Attachment A to these Guidelines. In addition, the Corporate Governance and Nominating Committee and the Board may also consider



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the additional selection criteria listed in the Corporate Governance and Nominating Committee's charter.

E. Director Orientation and Continuing Education

Management will provide an orientation process for new directors, including background material on the Company and its business. As appropriate, management will provide opportunities for additional educational sessions for directors on matters relevant to the Company and its business.

F. Service on Other Boards

The Board does not believe that its members should be prohibited from serving on boards of other organizations and has not adopted any guidelines limiting such activities. However, the Corporate Governance and Nominating Committee may take into account the nature of and time involved in a director's service on other boards and/or committees in evaluating the suitability of individual director candidates and current directors. Prior to accepting any position on the board of directors of any organization, whether for-profit or not-for-profit, current directors should notify the Chairman of the Board. The Chairman of the Board shall review the proposed board membership to ensure compliance with applicable laws and policies.

Service on other boards and/or committees should be consistent with the Company's conflict of interest policies.

G. Directors Who Resign or Materially Change Their Current Positions With Their Own Company or Become Aware of Circumstances that May Adversely Reflect upon the Director or the Company

When a director, including any director who is currently an officer or employee of the Company, resigns or materially changes his or her position with his or her employer or becomes aware of circumstances that may adversely reflect upon the director or the Company, such director should notify the Corporate Governance and Nominating Committee of such circumstances. The Corporate Governance and Nominating Committee will consider the circumstances, and may in certain cases recommend that the Board request that the director submit his or her resignation from the Board if, for example, continuing service on the Board by the individual is not consistent with the criteria deemed necessary for continuing service on the Board.

H. Term Limits

As each director is periodically subject to election by stockholders, the Board does not believe it is in the best interests of the Company to establish term limits. Additionally, such term limits may cause the Company to lose the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company's business and therefore can provide an increasingly significant contribution to the Board.



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I. Director Responsibilities

The business and affairs of the Company will be managed by or under the direction of the Board, including through one or more of its committees. Each director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. These include:

- exercising their business judgment in good faith;
- acting in what they reasonably believe to be the best interest of all stockholders;
- becoming and remaining well-informed about the Company's business and operations and general business and economic trends affecting the Company; and
- ensuring that the business of the Company is conducted so as to further the long-term interests of its stockholders.

J. Compensation

The Board believes that director compensation should fairly pay directors for work required in a business of the Company's size and scope, and that compensation should align directors' interests with the long-term interests of stockholders. The Compensation Committee will review and make recommendations to the Board regarding the cash and equity compensation of directors. The Company's executive officers do not receive additional compensation for their service as directors.

Except as otherwise permitted by the applicable NASDAQ rules, members of the Audit Committee and Compensation Committee may not directly or indirectly receive any compensation from the Company other than their directors' compensation, which may include any compensation for service on committees of the Board and the receipt of equity incentive awards.

K. Stock Ownership

To align the interests of its non-employee directors with the interests of stockholders and to further promote the Company's commitment to sound corporate governance, the Board has adopted the Stock Ownership Policy set forth in Attachment B to these Guidelines.

L. Board Access to Senior Management



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The Board will have complete access to Company management to ensure that directors can ask any questions and receive all information necessary to perform their duties. Directors should exercise judgment to ensure that their contact with management does not distract managers from their jobs or disturb the business operations of the Company. Any meetings or contacts that a director wishes to initiate may be arranged through the Chief Executive Officer or the Chairman of the Board, or if neither is available or neither is appropriate, directly by the director. To the extent appropriate, such contact, if in writing, should be copied to the Chief Executive Officer of the Company.

M. Board Access to Independent Advisors

The Board committees may hire independent advisors as set forth in their applicable charters. The Board as a whole shall have access to any independent advisor retained by the Company, and the Board may hire any independent advisor it considers necessary to discharge its responsibilities.

N. Self-Evaluation

The Corporate Governance and Nominating Committee will oversee a periodic assessment of the Board and its committees.

II. BOARD MEETINGS

A. Frequency of Meetings

The Board will meet at least four (4) times annually. In addition, special meetings may be called from time to time as determined by the needs of the business. It is the responsibility of the directors to attend meetings.

B. Director Attendance

A director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. Accordingly, a director is expected to regularly prepare for and attend meetings of the Board and all committees on which the director sits (including separate meetings of the Independent Directors), with the understanding that, on occasion, a director may be unable to attend a meeting. A director who is unable to attend a meeting of the Board or a committee of the Board is expected to notify the Chairman of the Board or the Chairman of the appropriate committee in advance of such meeting, and, whenever possible, participate in such meeting via teleconference in the case of an in-person meeting.



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C. Attendance of Non-Directors

The Board encourages the Chairman of the Board or of any committee to invite Company management and outside advisors or consultants from time to time to participate in Board and/or committee meetings to (i) provide insight into items being discussed by the Board which involve the manager, advisor or consultant, (ii) make presentations to the Board on matters which involve the manager, advisor or consultant, and (iii) bring managers with high potential into contact with the Board. Attendance of non-directors at Board meetings is at the discretion of the Board.

D. Advance Receipt of Meeting Materials

Information regarding the topics to be considered at a meeting is essential to the Board's understanding of the business and the preparation of the directors for a productive meeting. To the extent feasible, the meeting agenda and any written materials relating to each Board meeting will be distributed to the directors sufficiently in advance of each meeting to allow for meaningful review of such agenda and materials by the directors. Directors are expected to have reviewed and be prepared to discuss all materials distributed in advance of any meeting.

III. COMMITTEE MATTERS

The Board currently has three (3) standing committees: (i) the Audit Committee, (ii) the Compensation Committee and (iii) the Corporate Governance and Nominating Committee. Each committee will perform its duties as assigned by the Board in compliance with the Company's bylaws and the committee's charter.

IV. SUCCESSION PLANNING

The Board (or a committee delegated by the Board) will (i) work on a periodic basis with the Chief Executive Officer to evaluate the Company's succession plans upon the Chief Executive Officer's retirement and in the event of an unexpected occurrence, and (ii) periodically review the performance of the Chief Executive Officer.

V. DIRECTOR RESIGNATION POLICY

Under the Company's bylaws and in accordance with Delaware law, directors are elected by a plurality, meaning the directors receiving the highest number of votes for their election are elected as directors, based upon the number of directors being elected. In order to address the situation in which a nominee for the Board of Directors is elected to the Board in an uncontested election, despite receiving more votes "withheld" or "against" for his or her election than votes "for" his or her election ("*Majority Withheld Vote*"), the Board has adopted this director resignation policy (the "*Resignation Policy*"). For purposes of this Resignation Policy, an "uncontested election" is any election of directors in which the number of nominees for election is less than or equal to the number of directors to be elected.



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Upon adoption of this Resignation Policy and as a condition to nomination for election or re-election as director, each director shall tender irrevocable resignations, in the form set forth in Attachment C to these Guidelines, that will be effective upon the occurrence of both (1) a Majority Withheld Vote and (2) Board acceptance of such resignation. In addition, the Board shall fill director vacancies and new directorships only with candidates who tender, at or prior to the time of their appointment to the Board, the same form of resignation tendered by other directors in accordance with these Guidelines.

In the event one or more incumbent directors receives a Majority Withheld Vote (each, a “**Subject Director**”), either (i) the Corporate Governance and Nominating Committee or (ii) if one or more of the members of the Corporate Governance and Nominating Committee is a Subject Director or the Board determines that a committee other than the Corporate Governance and Nominating Committee should recommend whether to accept the Subject Director’s resignation, a committee consisting solely of Independent Directors (as determined in accordance with applicable NASDAQ rules and listing requirements) who are not Subject Directors (the committee described in clause (i) or (ii) of this sentence, the “Committee” for purposes of these Guidelines) will make a recommendation to the Board as to whether to accept or reject the Subject Director’s previously tendered resignation, or whether other action should be taken. The Board, not including any Subject Director, shall act with respect to any Subject Directors, taking into account the recommendation of the Committee, within ninety (90) days from the date of the certification of the election results and shall notify the Subject Directors of its decision. Notwithstanding the foregoing, if the result of accepting all tendered resignations then pending would be that the Company would have fewer than three directors who were in office before the election of directors, the Board may determine to extend such 90-day period by an additional ninety (90) days if it determines that such an extension is in the best interests of the Company and its stockholders.

The Committee in making its recommendation, and the Board in making its decision, may each consider all factors it considers relevant, including any stated reasons for “withheld” or “against” votes, whether the underlying cause or causes of the “withheld” or “against” votes are curable, the length of service of each Subject Director, each Subject Director’s contributions to the Company, whether the acceptance of any resignation would cause the Company to fail to comply with any requirement of the NASDAQ Stock Market or any rule or regulation promulgated under the Securities Exchange Act of 1934, as amended, whether acceptance of any resignation would lead to a “change of control” of the Company as determined pursuant to any financing or other material agreement of the Company or any of its subsidiaries, and whether acceptance of any resignation would lead to a default under any material agreement to which the Company or any of its subsidiaries is a party or otherwise bound. Subject Directors shall not participate in the deliberation or recommendation(s) of the Committee or in the deliberation or decision(s) of the Board. Notwithstanding the foregoing, if all of the Independent Directors are Subject Directors, then the Committee shall consist of all the Independent Directors, except for the Independent Director whose resignation is under consideration, and furthermore, if the directors who are not Subject Directors constitute less than a quorum of the Board, then (i) all directors, except for the director whose resignation is under consideration, may participate in the Board’s deliberation and decisions regarding whether to accept or reject the previously tendered resignations, and (ii) the



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Board may determine that the effectiveness of its acceptance of any resignations of Subject Directors will occur after the Board has considered the resignations of all Subject Directors.

The Company shall promptly disclose the decision(s) of the Board in a filing with the Securities and Exchange Commission of a Current Report on Form 8-K. If a Subject Director's tendered resignation is not accepted by the Board, such director shall continue to serve until his or her successor is duly elected and qualified, or his or her earlier resignation or removal. If a Subject Director's resignation is accepted by the Board, or if a nominee for director is not elected and the nominee is not an incumbent director, then the Board, in its sole discretion, may fill any resulting vacancy or decrease the size of the Board in accordance with the Company's bylaws.

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Attachment A

Director Qualification Standards and Additional Selection Criteria

Director Qualification Standards:

The Corporate Governance and Nominating Committee, in recommending director candidates for election to the Board, and the Board, in nominating director candidates, will consider candidates who have a high level of personal and professional integrity, strong ethics and values and the ability to make mature business judgments.

Additional Selection Criteria:

In evaluating director candidates, the Corporate Governance and Nominating Committee and the Board may also consider the following criteria as well as any other factor that they deem to be relevant:

- A.** The candidate's experience in corporate management, such as serving as an officer or former officer of a publicly held company;
- B.** The candidate's experience as a board member of another publicly held company;
- C.** The candidate's professional and academic experience relevant to the Company's industry;
- D.** The strength of the candidate's leadership skills;
- E.** The candidate's experience in finance and accounting and / or executive compensation practices;
- F.** Whether the candidate has the time required for preparation, participation and attendance at Board meetings and committee meetings, if applicable; and
- G.** The nature of and time involved in a director's service on other boards and/or committees.

In addition, the Board will consider whether there are potential conflicts of interest with the candidate's other personal and professional pursuits.

The Board should monitor the mix of specific experience, qualifications and skills of its directors in order to assure that the Board, as a whole, has the necessary tools to perform its oversight function effectively in light of the Company's business and structure.



Attachment B

**VIRCO MFG. CORPORATION
STOCK OWNERSHIP POLICY FOR NON-EMPLOYEE DIRECTORS**

Statement of Intent. The Board of Directors (the “**Board**”) of Virco Mfg. Corporation (the “**Company**”) has adopted this Stock Ownership Policy (the “**Policy**”), effective February 1, 2023, to align the interests of its non-employee directors (the “**Covered Individuals**”) with the interests of stockholders and further promote the Company’s commitment to sound corporate governance.

Ownership Levels. Covered Individuals are required to attain and maintain the Required Stock Ownership Level (as defined below), subject to the provisions of this Policy:

Covered Individual Position	Required Stock Ownership Level
Non-Employee Directors	4 X the Covered Individual’s Annualized Cash Retainer

Valuation of Stock Ownership. Compliance with the Policy will be determined based on each Covered Individual’s Required Stock Ownership Level compared to such Covered Individual’s Year-End Stock Ownership (as defined below), each measured as of the last day of each fiscal year by comparing the following (using U.S. dollars). For purposes of this policy:

- “**Year-End Stock Ownership**” is equal to the Covered Individual’s Stock Owned (as defined below), *multiplied by* the average daily closing price of the Company’s common stock for the fiscal year then ending; and
- “**Annualized Cash Retainer**” is the total annual cash compensation paid to the Covered Individual for his or her services rendered as a member of the Board, measured as of the last day of each fiscal year.

Stock Ownership. For purposes of the Policy, “Stock Ownership” or “Stock Owned” shall include the following, whether owned directly by, or held for the benefit of, the Covered Individual or any member of his or her immediate family:

- Common stock of the Company;
- Company time-vested restricted stock or restricted stock units granted under the Company’s 2019 Omnibus Equity Incentive Plan (or any predecessor or successor plan) which are to be settled in shares of common stock; and
- Company deferred stock units or similar deferred stock awards.

For the avoidance of doubt, unearned performance-based restricted stock or restricted stock units, shares underlying unexercised stock options (whether vested or unvested, whether time- or performance-based and whether in-the-money or not), and similar equity awards other than the awards set forth above, do not count as Stock Owned.

Compliance. Covered Individuals are required to hold 100% of the “net profit shares” resulting from stock option exercises and/or vesting of other stock-based awards until they reach their



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Required Stock Ownership Level. “Net profit shares” refers to the number of shares actually held by the Covered Individual after covering withholding tax requirements (if applicable) and/or stock option exercise costs with a portion of the shares resulting from such exercise or vesting event.

Once covered by the Policy, Covered Individuals are expected to continuously accumulate qualifying equity until they meet the Required Stock Ownership Level set forth above. Once a Covered Individual has achieved the Required Stock Ownership Level, such Covered Individual must maintain Stock Ownership at or above the Required Stock Ownership Level (or in the event such Covered Individual ceases to meet the Required Stock Ownership Level as a result of the increase in such Covered Individual’s annualized cash retainer, such Covered Individual must comply with the preceding paragraph until such Required Stock Ownership Level is attained).

Observance of Securities Trading Policy. Covered Individuals are required to comply with the Company’s Insider Trading Policy prior to purchasing or selling any securities of the Company.

Administration. The Compensation Committee (the “**Committee**”) of the Board will be responsible for monitoring the compliance of non-employee directors with the Policy. The Committee will review compliance with the Policy in the first quarter of each fiscal year, beginning with fiscal year 2023. In the event of non-compliance with the Policy, the Committee shall recommend to the Board the remedial actions to be taken based on relevant circumstances. There may be rare instances in which this Policy would place a hardship on the Covered Individual. In such instances, the Committee may recommend to the Board an alternative stock ownership arrangement that reflects both the intention of this Policy and the individual’s circumstances. Periodically, the Committee will review the Policy to assess its continued appropriateness and to ensure it best achieves its objectives. The Board reserves the right to modify, amend or terminate the Policy at any time.



Attachment C

Form Director Resignation Letter

[Date]

Virco Mfg. Corporation
2027 Harpers Way
Torrance, CA 90501

Dear [Chairman of the Board]:

In accordance with Section V of the Corporate Governance Guidelines (the “Resignation Policy”) of Virco Mfg. Corporation (the “Company”) regarding an incumbent director receiving more votes “withheld” or “against” for his or her election than votes “for” his or her election in an uncontested election of directors, I hereby tender my resignation as a director of the Company; provided, that this resignation shall be effective only in the event that (a) I receive a Majority Withheld Vote (as defined in the Resignation Policy) at any meeting of the stockholders of the Company at which my seat on the Board will be subject to election (an “Applicable Election Meeting”) and (b) the Board of Directors (the “Board”) accepts this resignation following my receipt of a Majority Withheld Vote at an Applicable Election Meeting.

This resignation shall be irrevocable to the fullest extent permitted by Delaware law and shall apply at any Applicable Election Meeting. Furthermore, by delivering this resignation, I hereby revoke any prior resignation(s) that I have delivered to the Company.

Very truly yours,

Name: