

Audit Committee Charter

1. PURPOSE

- A. The Audit Committee (the "Committee") of the Board of Directors (the "Board") is appointed by the Board to assist the Board in fulfilling its responsibility to oversee the quality and integrity of Citi Trends, Inc.'s (the "Company") financial reporting and the audits of the financial statements of the Company. The Committee's purpose is to:
- i. Assist the Board's oversight of:
 - a. the integrity of the Company's financial statements and internal controls;
 - b. the Company's compliance with legal and regulatory requirements;
 - c. the Company's overall risk management profile;
 - d. the independent auditors' qualifications and independence; and
 - e. the performance of the Company's internal audit function and independent auditors.
 - ii. Prepare the report of the Committee required by the rules of the Securities and Exchange Commission (the "SEC") to be included in the Company's annual meeting proxy statement.

2. MEMBERSHIP

- A. The Committee shall be comprised of three or more members of the Board. Members of the Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Committee shall be elected by the Board annually and serve until the earlier to occur of his or her resignation or removal or the election and qualification of such member's successor. Resignation or removal of a Director from the Board, for whatever reason, shall automatically constitute resignation or removal, as applicable, from the Committee. The Board shall designate a Chairperson of the Committee. All members of the Committee shall meet the independence criteria and have the qualifications set forth in the listing standards of the Nasdaq Stock Market ("Nasdaq") and Rule 10A-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") subject to exceptions under the Nasdaq rules.

Accordingly, all of the members of the Committee shall be directors:

- i. Who do not accept any direct or indirect consulting, advisory or compensatory fee from the Company other than for board service or in respect of retirement or deferred compensation for prior service, who are not "affiliated persons" within the meaning of Rule 10A-3 under the Exchange Act and who otherwise satisfy the independence criteria set forth in the Nasdaq listing standards;
 - ii. Who are financially literate (i.e. have the ability to read and understand fundamental financial statements as determined by the Board); and
 - iii. Who have not participated in the preparation of the financial statements of the Company or any subsidiary at any time during the past three years.
- B. At least one member of the Committee shall qualify as an "audit committee financial expert" as defined in Item 407(d) of Regulation S-K under the Exchange Act (which the Board may presume satisfies the Nasdaq listing standard that one member have accounting or related financial expertise or experience, which results in the individual's financial sophistication).
- C. Committee members shall not serve simultaneously on the audit committee of more than two other public companies, unless the Board determines that such service will not impair the member's ability to serve on the Committee.

3. DUTIES AND RESPONSIBILITIES

- A. The Committee's responsibility is one of oversight. The Company's management is responsible for preparing the Company's financial statements and the independent auditors are responsible for auditing those financial statements.

To carry out its oversight responsibility, the Committee shall undertake the activities set forth below. These activities are set forth as a guide with the understanding that the Committee may diverge from this guide as appropriate given the circumstances.

- i. Independent Auditors and Audit Process
 - a. The Committee shall have the authority and responsibility to appoint, select, compensate, retain (or nominate for shareholder ratification), oversee, evaluate and, where appropriate, terminate and replace the independent auditors. The independent auditors shall report directly to the Committee.

- b. The Committee shall evaluate at least annually the experience, qualifications and performance of the lead partner and the senior members of the independent auditors' engagement team.
- ii. The Committee shall review and approve the scope of the audit services outlined in the independent auditors' annual engagement letter.
- iii. The Committee shall review the scope of the annual audit outlined by the independent auditors and their proposed audit plan and procedures, including the adequacy of staffing, compensation and resources.
- iv. The Committee shall review with the independent auditors any problems, difficulties or disputes the auditors may have encountered in the course of the audit work or otherwise and any management letter provided by the auditors and the Company's response to that letter.
- v. At least annually, receive and review a report by the independent auditors describing, as applicable:
 - a. the independent auditors' internal quality-control procedures;
 - b. any material issues raised by the most recent internal quality-control review, peer review or Public Company Accounting Oversight Board (PCAOB) review, of the independent auditing firm, or by an inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm; and
 - c. any steps taken to deal with any such issues.
- vi. The Committee shall review any report of the independent auditors under Section 10A(k) of the Exchange Act relating to:
 - a. critical accounting policies and practices to be used;
 - b. alternative treatments of financial information within GAAP that have been discussed with management, ramifications of the use of such alternative disclosure and treatments and the treatment preferred by the independent auditors; and
 - c. other material written communications between the independent auditors and management, such as a management letter or schedule of unadjusted differences.
- vii. The Committee shall:
 - a. request from the independent auditors annually a formal written statement delineating all relationships between the auditors and the Company as required by the PCAOB;
 - b. discuss with the independent auditors any such disclosed relationships or services and their impact on the independent auditors' objectivity and independence;
 - c. pre-approve all audit services and tax and other permissible non-audit services to be provided by the independent auditors in accordance with policies adopted by the Committee; provided, approval of audit and permitted non-audit services may also be made by the Chairperson of the Committee and the person granting such approval shall report such approval to the Committee at the next scheduled meeting;
 - d. ensure that the independent auditors do not perform any non-audit services that are prohibited by law or regulation;
 - e. establish clear hiring policies and review all proposed hiring of employees or former employees of the independent auditors; and
 - f. ensure the rotation of the independent auditors lead and concurring audit partner every five years and other audit partners every seven years.

B. Financial Statements

- i. The Committee shall discuss with management and the independent auditors the annual audited financial statements to be included in the Annual Report on Form 10-K (or the Annual Report to Shareholders if distributed prior to the filing of Form 10-K) and the quarterly financial statements to be included in the Quarterly Reports on Form 10-Q, including the matters required to be discussed by PCAOB Auditing Standard No. 1301, Communications with Audit Committees, the form of audit opinion to be issued by the auditors on the financial statements, as well as the disclosures in response to Item 303 of Regulation S-K "Management's Discussion and Analysis of Financial Condition and Results of Operations" prior to the Company's filing of the Form 10-K and Form 10-Q reports. The Committee shall determine whether to recommend inclusion of these financial statements in these SEC periodic reports.
- ii. The Committee shall review earnings press releases, as well as Company policies with respect to earnings press releases, financial information and earnings guidance provided to analysts and rating agencies, if any. The discussions need not occur in advance of each release or provision of guidance.
- iii. The Committee shall consider major changes and other major questions of choice respecting the appropriate accounting principles, estimates and practices to be applied in the preparation of the Company's financial statements.
- iv. The Committee shall review material pending legal proceedings involving the Company and consider other contingent liabilities, as well as other risks and exposures, that may have a material impact on the financial statements.
- v. The Committee shall review and assess the Company's financial reporting risks.

- vi. The Committee shall review the Company's compliance with legal and regulatory independence requirements.
- vii. The Committee shall review with management and the independent auditors the financial statement effects of pending regulatory and accounting initiatives.
- viii. The Committee shall review the impact of off-balance sheet structures on the Company's financial statements.
- ix. The Committee shall review any significant disputes between management and the independent auditors that arose in connection with the preparation of the Company's financial statements.

C. Internal Controls

- i. The Committee shall review and discuss with management, the internal auditors and the independent auditors the adequacy and effectiveness of the Company's internal controls, including (a) the Company's ability to monitor and manage business risk, legal and ethical compliance programs and (b) any significant deficiencies or material weaknesses in the design or operation of, and any material changes in, the Company's internal controls.
- ii. The Committee shall oversee and review the adequacy of the Company's internal audit function and shall approve the hiring or termination of the Company's Director of Internal Audit (or equivalent position) and any outsourced consultant or service provider. The Committee's duties and responsibilities in this regard shall include (a) receiving and approving reports on the proposed scope of the internal audit plan and the process to develop the plan, as well as the program for integration of the independent and internal audit efforts; (b) receiving and approving reports on the status of internal audit's significant findings, recommendations, and management's responses; and (c) reviewing and approving the charter, reporting relationship, activities, organizational structure, and credentials of the internal audit department.
- iii. The Committee shall review with the Chief Executive Officer and Chief Financial Officer the content of the certifications to be included in Form 10-K and 10-Q reports and certification process and related disclosures regarding disclosure controls and procedures and internal controls over financial reporting and discuss the effectiveness of such controls with management and the Company's independent auditors.
- iv. The Committee shall obtain reports from management, internal auditors and the independent auditors concerning the Company's compliance with applicable laws and regulations and compliance by directors, officers and employees with the Company's Code of Business Conduct and Ethics and the Committee shall advise the Board with respect to policies and procedures relating to such compliance matters.
- v. The Committee shall have the responsibility to establish procedures as required by Section 10A(m)(4) of the Exchange Act for:
 - a. the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
 - b. the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
- vi. The Committee shall review and approve all related party transactions consistent with the rules applied to companies listed on Nasdaq and all applicable accounting standards, and shall review and discuss relationships and transactions with related parties with the Company's independent auditors.
- vii. The Committee shall prepare an audit committee report required by the SEC to be included in the Company's annual proxy statement.

D. Risk Oversight

- i. The Committee shall perform a comprehensive assessment of, and oversee, the Company's overall risk management profile and policies with respect to risk assessment and risk management.
- ii. The Committee shall review and discuss with management:
 - a. the Company's risk assessment and risk management process and policies; and
 - b. the Company's major financial and other risk exposures and the steps management has taken to monitor and control such exposures.
- iii. The Committee shall periodically review risk assessments from management with respect to data protection and cybersecurity matters, including assessments of the overall threat landscape, steps management has taken to monitor or mitigate its risk exposure and related strategies and investments.
- iv. At least annually, the Committee shall review the risk factors identified in the Company's public filings.

E. Legal and Regulatory Compliance

The Committee shall report regularly to the Board and shall review with the Board any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditors and the performance of the internal auditors.

4. MEETINGS

The Committee shall meet as often as deemed necessary or appropriate in its judgment, generally at least four times each year, either in person or by phone. The Chairperson of the Committee may call meetings of the Committee at any time. The Committee shall meet with the independent auditors at least quarterly. The Committee shall meet on occasion with the independent auditors and internal audit staff outside the presence of senior management. The Committee may request that any officer or employee of the Company, the Company's outside counsel or the Company's independent auditors attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. A majority of the Committee shall constitute a quorum for the transaction of business. The action of a majority of those present at a meeting, at which a quorum is present, shall be the act of the Committee. The Committee may also act by unanimous written consent. The Committee shall report its actions and recommendations to the Board after each Committee meeting. Written minutes will be kept of each meeting of the Committee, which minutes will be filed with the minutes of meetings of the Board and will be available to each member of the Board. In addition, the Committee should communicate with the independent auditors and management quarterly to review the Company's financial statements consistent with Section 3 of this Charter.

5. PROCEDURES

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. The Committee shall have the authority and sufficient funding to retain outside legal counsel, accountants or other experts and to pay for ordinary administrative expenses as it determines necessary and appropriate to assist the Committee in carrying out its functions, without obtaining the approval of the Board or management.

6. DELEGATION TO SUBCOMMITTEE

The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate and when permitted by applicable laws and regulations.

7. COMMITTEE CHARTER REVIEW

The Committee shall review and assess the adequacy of the Committee charter annually and propose any necessary changes to the Nominating and Corporate Governance Committee for review and ultimate recommendation for approval to the Board.

8. LIMITATION OF AUDIT COMMITTEE'S ROLE

While the Committee has the oversight responsibility set forth in this Charter, it does not have the duty or responsibility to (a) plan or conduct audits, (b) 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, (c) design and implement internal controls and procedures and disclosure controls and procedures, or (d) conduct other types of auditing or accounting reviews or procedures. These are the responsibilities of management and the independent auditors. In addition, the Committee recognizes that the Company's management, internal audit staff and the independent auditors, devote more time to reviewing or analyzing the Company's business and its operations and as a result, have more knowledge and detailed information concerning the Company than members of the Committee. Consequently, in carrying out its oversight responsibilities, the Committee is not providing any expert or special assurance as to the Company's financial statements or any professional certification as to the quality or adequacy of the independent auditors' work or performance.

Approved, as amended
November 28, 2018