

HNI Corporation Policy

Category: ADM Number: 01ADM-09-004 Date: 5-05-08
Title: Enterprise Sustainability
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Purpose

The purpose of this Policy is to define HNI Corporation's policy relating to Enterprise Sustainability.

Scope and Distribution

This Policy applies to HNI Corporation and all its subsidiaries, affiliates, and related businesses.

Policy Definition

It is the intent of HNI Corporation to achieve global enterprise sustainability. In doing so, HNI Corporation will remain true to Our Vision.

Our Vision

We, the members of HNI Corporation, are dedicated to creating long-term value for all of our stakeholders, to exceeding our customer expectations, and to making the company a great place to work.

Our success depends on business simplification, rapid and continuous improvement, and innovation in everything we do, individual and collective integrity, and the relentless pursuit of the following long-standing beliefs:

- **We will be profitable.** We will pursue mutually profitable relationships with customers and suppliers. Only when our company achieves an adequate profit can we be a sustainable enterprise.
- **We will create long-term shareholder value.** We will create long-term value for shareholder holders by earning financial returns significantly greater than our cost of capital. We will safeguard our shareholder equity by maintaining a strong balance sheet to allow flexibility in responding to continuously changing market and business environment.
- **We will pursue profitable growth.** We will pursue profitable growth on a global basis in order to provide continued job opportunities and financial success for all stakeholders.
- **We will be a supplier of quality products and services.** We will provide reliable products and services of high quality and brand value to our end users. Our products and services exceed our customer's expectations and enable our distributors and our company to make a fair profit.
- **We will be a great place to work.** We will pursue a participative environment and support a culture that encourages and recognizes excellence, active involvement, ongoing learning, and contribution of each member; that seeks out and values diversity; and that attracts and retains the most capable people who work safely, are motivated, and are devoted to making our company and our members successful.

- **We will be a responsible corporate citizen.** We will conduct our business in a way that sustains the well-being of society, our environment, and the economy in which we live and work. We will follow ethical and legal business practices. Our company supports our volunteer efforts and provides charitable contributions so that we can actively participate in the civic, cultural, educational, environmental, and governmental affairs of our society.
- **To our stakeholders.** When our company is appreciated by its customers, supported by its suppliers, respected by the public, and admired by its shareholders, this Vision is fulfilled.

HNI Corporation recognizes that the well-being of the Corporation, its members, and other stakeholder interests are interdependent and will be guided by the following principles known as the “triple bottom line” of People, Planet, and Profit:

"People"

- HNI Corporation will follow fair and beneficial business practices toward members and the community and region in which the Corporation conducts its business.
- HNI Corporation seeks to benefit many constituencies and will not exploit or endanger any group.
- HNI Corporation will protect and respect the rights of human resources at the local, national, and global levels by ensuring that forced or involuntary labor is not used or supported in any form that employment is voluntary.
- HNI Corporation will pay fair salaries to members, maintain a safe work environment, and will not otherwise exploit the community or its human resources.
- HNI Corporation will "give back" by contributing to the strength and growth of the communities in which we operate by contributing to community projects.
- HNI Corporation will establish and maintain corporate controls to ensure that this Policy is being properly implemented and maintained.
- HNI Corporation will hold all members accountable for compliance with this Policy and implementing procedures within their areas of responsibility.

"Planet"

- HNI Corporation will continuously strive to minimize its environmental impact.
- HNI Corporation will continuously reduce its ecological footprint by carefully managing consumption of energy and non-renewable materials and reducing waste.
- HNI Corporation will employ Life Cycle Thinking while developing products to determine environmental cost from the growth and harvesting of raw materials to manufacture to distribution to eventual disposal by the end user.

"Profit"

- The members of HNI Corporation will define "profit" as the economic benefit enjoyed by all of its stakeholders and the lasting effect our organization has on “people” and the “planet.”

Responsibility

Generally, the operating company leadership and, specifically, the manager responsible for each facility shall have the responsibility for compliance with local, state, and federal environmental laws

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and regulations and shall, with the advice and counsel of the HNI Corporation Member Safety and Environmental Affairs Department and the Law Department, implement procedures to ensure compliance with this Policy.

The HNI Corporation Member Safety and Environmental Affairs Department will provide engineering assistance, regulatory support, develop audit protocols, and conduct audits to assure compliance with this Policy.

Reason for Change

This is a new Policy formally incorporating enterprise sustainability into HNI Corporation's core values.

Reference Information

HNI Corporation members can reference corporate policies, procedures, and guidelines in Appendix A hereto attached to this Policy for specific elements of enterprise sustainability:

**Enterprise Sustainability Policy
Appendix A**

Policy

ADM – Administration

- Member Safety Policy
 - Member Safety Program, 01ADM-08-001A
- Environmental Control
 - Environmental Policy, 01ADM-09-001C
 - Energy Policy, 01ADM-09-003

HMR – Human Resources

01 Employment

- Fairness and Respect in the Workplace, 01HMR-01-002C

02 Compensation

- Educational Expense Reimbursement (P0023H), 01HMR-02-004B

LEG – Legal

06 Business Practices

- Competition Law and Trade Regulation Compliance, 01LEG-06-001A
- Conflict of Interest, 01LEG-06-002A
- Obtaining Competitive Information, 01LEG-06-003A
- Proper Business Practices and Anti-Bribery (FCPA), 01LEG-06-004A

PUR – Purchasing

01 Procurement

- Procurement Process, 01PUR-01-001
- Supplier Ethics, 01PUR-01-003

HNI Corporation members can reference specific procedures in the following sections:

02 – Administration

- 01 Member Safety
 - Corporate-Wide Safety Procedures
- 02 Environmental Control
 - Chemical-Specific Procedures
 - Design for the Environment, 01PRO02-02-009
 - Manufacture for the Environment, 01PRO02-010
- 03 General
 - Community Giving Budgeting for HNI Charitable Foundation, 01PRO02-03-002B

05 – International

07 – Manufacturing Services

08 – Marketing

01 Environmental

- Guidelines for Environmental Marketing Claims