

# CORPORATE SOCIAL RESPONSIBILITY

2021

HOOKER<sup>®</sup>  
FURNISHINGS

# >> A Word From Our CEO



Long before corporate stewardship was taught in schools and strategized in board rooms, the essential idea was alive and well at Hooker Furnishings. It boiled down to doing the right things for our employees, communities and customers – all our stakeholders - even when no one was watching.

Today, people are watching, and Hooker's commitment to what is now termed "ESG" is an intuitive part of our company character. It is also something we work to improve – daily and with intention.

To thrive, we must all be protectors of our planet, conserving and deploying resources mindfully. Today, Hooker recycles office and manufacturing waste where possible. LED lighting and cleaner-operating forklifts are becoming standard in our facilities, and recyclable packaging materials are replacing non-sustainable materials.

Hooker Furnishings' commitment to environmental, social, and governance priorities is a significant part of how we continue to be a preferred employer, and good steward. Hooker's various locations are, in fact, thriving micro-communities. We support local charities with cash donations and volunteerism. Hooker is active in the United Way, local art's associations, the Boys and Girls Club of America, SPCA, the American Cancer Society and the Alzheimer's Association. As individuals, we care for each other in times of personal crisis.

Our commitment to diversity, equity and inclusion has stepped up to new levels. We embrace diversity in all its forms and are focused on providing an inclusive workplace where everyone feels comfortable being their authentic self and we appreciate and celebrate our differences as well as all that we have in common.

And to protect all stakeholders, Hooker leads the industry in workplace and product safety. One example is that Hooker is a Product Safety Advocate as part of the American Home Furnishings Alliance 20+20 Project. Our goal is to raise consumer and industry awareness of product safety features like tip restraints, upholstery flammability, and many other industry safety initiatives.

I invite you to read more about our efforts in the following pages. We are watching and the world is too. Our ESG policies are a matter of record and personal commitment from all of us at Hooker Furnishings.

  
Jeremy Hoff

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# >> The Right Thing To Do

## Corporate Social Responsibility

(CSR) is a business approach that contributes to sustainable development by delivering economic, social, and environmental benefits for all.

At **Hooker Furnishings**, we carry the same passion for Corporate Social Responsibility that we do for quality furnishings. Simply put, our dedication to CSR is a continuation of our long-standing tradition of doing what is right.



# >> Our Commitments

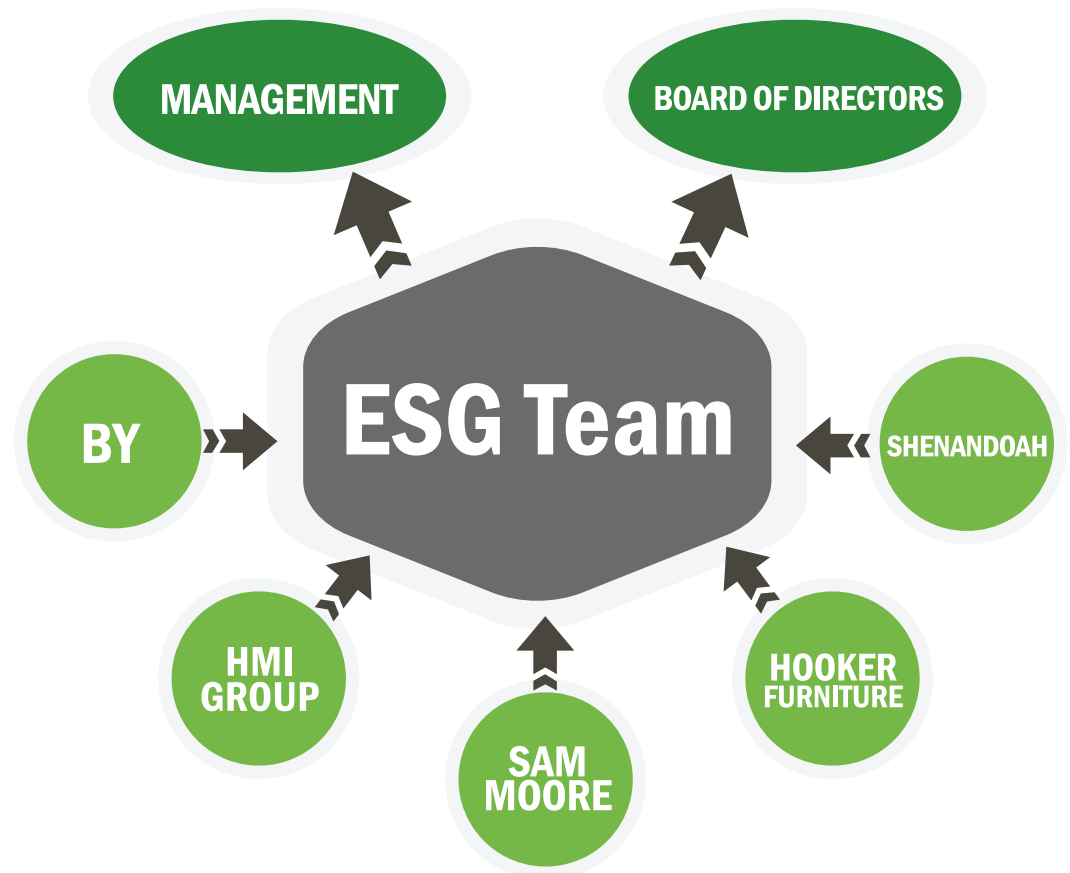


# >> ESG Oversight

The Board of Directors has adopted a set of policies and practices addressing environmental stewardship, social responsibility, ethics and governance that we believe create long-term value for our shareholders, while investing in our associates and communities and positively impacting the environment.

A **cross-functional, cross-brand team** has been assembled to drive environmental, social, and governance initiatives for our organization.

The Board of Directors exercises oversight over these initiatives and discusses them quarterly with management. Management then meets at least monthly to discuss the development and implementation of ESG initiatives. They actively work to refine the Company's ESG initiatives based on current best practice, shareholder expectations, and regulatory developments.





# OUR PERFORMANCE

# >> Environment



## **Toward our environmental goals, since 2008 we have:**

- » Become EFEC certified at our Hooker Furniture, Sam Moore, and Bradington-Young facilities
- » Recycled, reused, or repurposed 100% of pallets
- » Resold 100% of leather scraps for use in other industries
- » Diverted 1,076,775 lbs of cardboard, paper, and plastic from Martinsville facilities from landfills
- » Utilized FSC compliant paper products

## **In addition, we:**

- » Repurposed 100% of wood chips and sawdust from Bradington-Young for use in farming
- » Implemented LED and T5 lighting in Hooker Furniture, Home Meridian, Shenandoah, and Bradington-Young, resulting in a reduction of electrical consumption by 20%
- » Doubled the size of our Bradington-Young facility with increase of only 10% in electrical usage by utilizing energy efficient lighting, heating, and cooling,
- » Established environmental education program at Stanleytown Elementary School to educate youth within the community about taking care of the environment
- » Eliminated use of Styrofoam products for non-production related functions
- » Established a composting program at Hooker Furnishings Headquarters
- » Dispose of eWaste using an EPA compliant eWaste recycling firm
- » Partnered with the Sustainable Furnishings Council and the Arbor Day Foundation to assist in their efforts and discover new ways to bolster our own

# >> Social

We have recently formalized our **Human Rights Policy Statement** to reflect the values and beliefs that we share and hope to exemplify in practice as an organization.

## Hooker Furnishings Human Rights Policy Statement

*Hooker Furnishings recognizes the importance of promoting and respecting human rights in all locations of our global operations and supports the United Nations Declaration of Human Rights. Our mission is to offer innovative, on trend, high quality products of exceptional value while protecting, safeguarding, and valuing the rights of all employees and stakeholders.*

### **We are committed to:**

- » Preventing all forms of child labor, forced labor, and human trafficking in our organization and supply chains
- » Providing a work environment that is free from all forms of harassment, discrimination and inequality
- » Providing a diverse, equitable and inclusive space for all our employees, customers, and retail partners
- » Compensating employees competitive relative to the industry, local labor market, and in accordance with all applicable federal, state, and local wage, work hour, overtime and benefit laws
- » Advancement for all by providing training and educational opportunities for all employees
- » Providing affordable and comprehensive health benefits to our employees focused on financial, emotional, and physical health and well-being
- » Providing a safe, healthy, and productive workplace

# >> Diversity + Equity + Inclusion

Now more than ever, we are committed to new efforts and ideas that promote **diversity, equity, and inclusion** in the workplace and beyond. We have rolled out a number of initiatives, programs, and policies dedicated to addressing these crucial topics, and there are plans in place to expand and improve as we go. Below is a sampling of actions that we have taken thusfar to ensure that we are fostering an inclusive, fair and diverse work environment for our employees and external contacts.



- » Formed a **DEI Leadership Team**, which includes 15+ senior executives representing each of our divisions
- » Incorporated **DEI initiatives** into each business unit's **strategic plans**; reviewed and revised regularly
- » Issued a **Diversity, Equity & Inclusion survey** to all employees in January 2021
- » Formed an **employee-led Diversity Council**, consisting of a diverse group of employees with a passion for DEI initiatives
- » Partnered with **Catapult**, an outside DEI Consultant, to assist in crafting a plan to ensure DEI is culturally embedded
- » Rolled out **Diversity, Equity & Inclusion training** for all employees
- » Examination of internal **processes and policies** around compensation, career development, and promotional opportunities



# >> Community

Since 2019, we have contributed over **2.2 million dollars** of funds and furniture to charitable organizations in the communities where our employees live and work.

Over the years, we have had the distinct pleasure of helping to support the inspiring organizations below, among countless others.



# >> Community: SCHOLARSHIP PROGRAM



## The Hooker Educational Scholarship Fund

### Typical Grant TBA

Provides scholarships to deserving undergraduate students in Henry County or the City of Martinsville Virginia and to high school seniors or undergraduate students who are children or spouses of Hooker Furniture Corporation (HFC) employees.

### Eligibility Requirements for students who are children or spouses of HFC employees:

- be the child or spouse of an HFC employee, who, at the time of an initial scholarship grant, is a "full-time" employee and has been continuously employed for two or more years by HFC.
- Have a minimum GPA of 2.5 on a 4.0 scale.
- Demonstrate the capacity to satisfactorily complete college-level studies as evidenced by high school and/or college transcripts or similar documentation.
- Demonstrate financial need as evidenced through the completion of a FAFSA form or similar evaluation document.

*Note: This scholarship is renewable for a period of up to six years and a maximum award of \$16,000. Students pursuing a graduate degree may not apply. Family members of former directors and officers of Hooker Educational Foundation and directors and officers of HFC are not eligible.*

We are proud to maintain The **Hooker Educational Scholarship Fund**.

We began the scholarship program over 20 years ago and it is awarded annually to an exceptional member of the Hooker Family. We also provide a stipend to qualified students who apply, but are not ultimately selected, to assist in their educational pursuits.

# >> Looking Ahead

**We recognize there is still much more to be done.**

**In 2021 and beyond, we are doubling down on our commitment by:**

- » Measuring our carbon footprint in order to establish definitive annual goals
- » Supporting reforestation efforts through Corporate Sponsorship of the Arbor Day Foundation
- » Leveraging Sustainable Furnishings Council to enhance responsible wood sourcing programs
- » Participating in environmental programs as part of our membership of the Eco-Council of the Dan River Basin
- » Converting fork truck fleet within distribution centers to electric
- » Implementing LED and motion lighting in offices and warehouses not already upgraded
- » Building a new warehouse in Savannah, GA that will result in reduced fuel consumption from port and feature many environmentally friendly features (fans instead of AC, LED lighting etc.)
- » Expanding company-wide recycling program for batteries, cardboard, cans/bottles, pallets, and manufacturing waste
- » Supporting environmental/STEM opportunities for students through sponsorship of the VA Museum of Natural History
- » Implementing environmentally friendly materials around our offices and other facilities
- » Proactively creating a more diverse organization by evolving our recruiting / talent acquisition practices
- » Closely examining our charitable giving practices to better align with our DEI vision
- » Looking at ways to measure our results, and sharing those results with employees for accountability



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