2023

Corporate Social Responsibility Report



HF HOOKER' FURNISHINGS



Table of Contents

INTRODUCTION A Word from Our CEO
Our Family of Brands
WE CARE About CARE
ENVIRONMENT Climate Risk – A Call to Action
CLIMATE & ENERGY Carbon Reduction – Greenhouse Gas Emissions
PEOPLE Human Rights Policy
DIVERSITY, EQUITY & INCLUSION Diversity Strategy
HEALTH & SAFETY Occupational Health & Safety Policy

CORPORATE CITIZENSHIP

Ethical Leadership41
Ethics in Supply Chain
Charitable Giving43
Charitable Giving – Focus Areas44
/olunteering45
/irginia Museum of Natural History46
Hooker Furnishings Annual Charity Furniture Sale 47
Charitable Giving – Susan G. Komen
Charitable Giving – Hurricane Ian Relief
Hooker Scholarship Program50
LOOKING AHEAD
Planning for the Future
POLICIES
Our Policies 54





A Word from Our CEO

2022 was a transformative year for Hooker Furnishings. Looking back, our team's progress toward advancing our Corporate Social Responsibility objectives has been remarkable.

Our CARE (Community Action & Responsibility for the Environment) and AIDE (Advancement of Inclusion, Diversity, and Equity) teams have laid the foundation for driving organizational change to reduce our environmental impact, promote equity inside and outside of our company, and support our communities, all while operating with the same integrity, transparency, and accountability we are known for at Hooker Furnishings. They have created processes, metrics, and reporting methods that provide us with better visibility of our progress while allowing us to build on areas of success and identify improvements.

We are moving the needle in the right direction—and while there's always more work to be done, it's important to celebrate our successes.

In 2022, we strengthened our environmental focus by measuring and understanding our Greenhouse Gas Emissions. We are now utilizing 30% to 100% energy from renewable resources to power 3 of our major facilities resulting in an overall 40% reduction in the use of carbon-based energy annually. We plan to expand this program to all facilities and further reduce our carbon footprint.

We have made great strides with our Diversity, Equity, and Inclusion committee, asking important questions and creating meaningful challenges for ourselves in the spirit of further developing our good corporate citizenship and ensuring that all members of our team feel seen, heard, and valued. Looking ahead, we will issue our first DEI annual report this year and gather critical employee data to help us drive change via an employee engagement survey. This year also marks our first employee "listening session," moderated by our DEI partner, The Diversity Movement.

Hooker Furnishings remains a vital member of the communities we work and live by, donating \$1.5 million of funding, in-kind donations, and countless volunteer hours to charities important to our employees.

As we head into our 100th year in 2024, I am proud of our team's progress and, more importantly, the promising path ahead.

leremy Hoff Chief Executive Officer **Hooker Furnishings**

Jerem Hoff

3































care.

Community Action & Responsibility for our Environment





In supporting our company's commitments to address environmental, social, and governance issues, the CARE Team has analyzed our current ESG position and identified important areas of focus for our company.

ENVIRONMENT



To preserve the earth's natural beauty and resources for generations to come, through utilizing sustainable business practices.

- Carbon Reduction
- Waste Reduction
- Sustainability
 - Products
 - Packaging

PEOPLE



To create a diverse, equitable, and inclusive space for all our employees, customers, and retail partners.

To promote and respect human rights in all locations of our global operations.

- Social Justice
- Occupational Health & Safety
- Employee Growth & Retention

CORPORATE CITIZENSHIP



To ethically operate the business to generate shareholder value.

To be an active and supportive member of the communities where we work and live.

- Ethical Leadership
- Ethics in Supply Chain
- Corporate Giving



Climate Risk – A Call to Action

As an organization committed to sustainability, we recognize the importance of addressing climate change and reducing our environmental impact. We have developed an environmental policy outlining our commitment to preserving the earth's natural beauty and resources for generations to come through sustainable business practices. We have established projects to reduce our greenhouse gas emissions and are implementing strategies to increase energy efficiency, leverage renewable energy, and minimize waste.

We continue to monitor and assess our exposure to climate risks and take appropriate actions to manage and mitigate these risks. We plan to engage with stakeholders—including customers, investors, and communities—to understand their expectations and concerns related to climate change and sustainability and incorporate their feedback into our decision—making processes.

Visit our Policies page for the link to a full copy of our Environmental Policy.



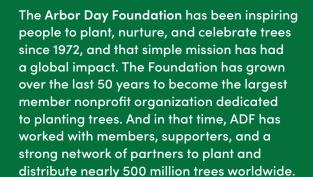


Environmental Partnership Organizations

Hooker Furnishings seeks to partner with environmentally-minded and sustainability-focused organizations such as the Arbor Day Foundation and the Sustainable Furnishings Council to learn and do more to positively impact our environment.

We pledge to make more informed choices in our business and educate our employees and communities on the necessity of preserving and replenishing our precious natural resources.









The Sustainable Furnishings Council, a 501(c)(3) corporation, is a coalition of manufacturers, retailers, and designers dedicated to raising awareness and expanding the adoption of environmentally sustainable practices across the home furnishings industry. The SFC is focused interest in environmentally safe furnishings, and promoting the development of more sustainable options. The SFC provides guidance, education, and networking opportunities.



Eco Ambassador Council

In our ongoing effort to support the environmental protection and preservation of the Dan River Basin area, Hooker Furnishings and six other regional companies founded the Eco Ambassador Council (EAC).

Founded in 2020, the EAC organizes support for environmental projects that help increase tourism and economic development while preserving natural resources in the area for future generations.

Hooker Furnishings currently holds two seats on the Board of Directors for the EAC, helping

to fundamentally shape the projects and

efforts that the Council undertakes.
In addition to Board membership,
we also support the EAC by offering

In 2022 and through June of 2023, our support is going directly back into our communities to help encourage and preserve an environmental responsibility mindset for future generations through the following projects:

- Building outdoor learning space(s) at select schools
- WC Martin Park Creekside Trail
- Creating a trail to the marina at Philpott Dam
- Beaver Creek campus trail
- · Chatham Heights nature trail

Starting in June 2023, the Eco Ambassador Council will identify new projects to continue developing and preserving the environment within the Dan River Basin.







We proudly announce that all Hooker Furnishings brands, except for our newly acquired Sunset West brand, are now **EFEC** certified.

We plan to certify Sunset West in 2024.

EFEC is a voluntary environmental management system created by the American Home Furnishings Alliance (AHFA) in 1999 to help members develop and maintain strong, proactive environmental programs. EFEC stands for "Enhancing Furniture's Environmental Culture." The program remains as relevant today as when it was introduced over two decades ago, providing a systematic approach to improving a company's environmental performance and, in turn, its profitability.





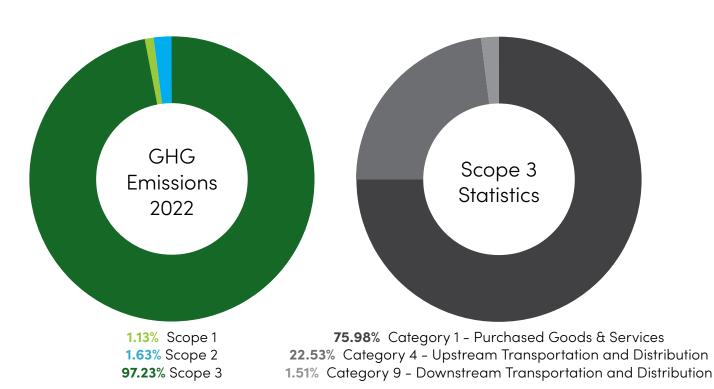
Carbon Reduction – Greenhouse Gas Emissions

Hooker Furnishings has recently completed a corporate-wide inventory of our Scope 1, 2, and 3 Greenhouse Gas Emissions (GHG). Third-party verification of our GHG data is in process and will be completed by 2023. Once verified, we will have data to establish a functional baseline and create a path for future improvement initiatives to reduce our carbon footprint.

In the future, each of our facilities will have its footprint measured annually. Having this new real-time data will allow us to make effective, tangible changes while also allowing us to grow and adapt when needed.

Our GHG inventory results have been verified by Apex Company LLC. For the official verification statement, please visit <u>here</u>.

266900 2022 Emissions Breakdown





Carbon Reduction - Energy Usage

As part of our GHG evaluation, we determined we utilized 15,250,000 KWh of non-renewable energy in our facilities*. Using this data we have identified and started projects to reduce our overall impact.

- Investment in renewable energy
- Investment in projects to reduce energy consumption



Facilities Under Operational Control			Electricity (kWh)
Bldg #	Site Name	State	Normalized Total
1	Sam Moore	VA	2,497,631
2	Corporate Office	VA	526,560
3	58 Warehouse	VA	273,360
4	Shenandoah Beaver Creek	VA	686,040
5	CDC Warehouse	VA	727,000
6	CDC 2 Warehouse	VA	528,873
7	Mt.Airy	NC	2,156,008
8	Valdese	NC	940,224
9	High Point Office	NC	287,932
10	HMI Showroom	NC	473,637
11	Hooker Showroom	NC	559,052
12	Hickory BY	NC	1,626,289
13	Cherryville BY	NC	594,382
14	Midway	GA	172,000
15	Vegas Showroom	NV	64,205
16	Meridian HMI**	NC	2,696
17	HMI Madison**	NC	677,394
18	HMI Mayodan**	NC	1,022,101
19	Griffin Gordon Holding**	NC	935,236
20	Home Meridian International**	CA	427,505
21	China	_	3,653
22	Vietnam	_	67,915
Total Usage			15,249,691

Notes **Sites now closed.

HF | 2023 Corporate Social Responsibility Report



Carbon Reduction - Reduced Energy Consumption

LED LIGHTING

In 2021, we began a multi-year project to replace all lighting within our company-owned facilities in favor of LED and motion lighting (where appropriate) by 2025.

In 2022, we updated to LED lighting in our manufacturing and distribution centers, which resulted in an electrical usage reduction of 20 to 30% at our domestic facilities.







Carbon Reduction – Renewable Energy

Hooker Furnishings is committed to reducing our carbon-based utility consumption. We are pleased to report that in Q4 2022, we began purchasing renewable energy from solar farms operated by our electrical service providers at several facilities -- including our most significant contributor to GHG in Bedford, Virginia.



- Sunset West Outdoor Furnishings Division (Vista, CA)— operating on 100 percent renewable resources
- Sam Moore (Bedford, VA) operating on 50 percent renewable energy with a plan to move to 100 percent in 2024
- East Coast Warehouse (Savannah, GA) operating on 30 percent renewable energy

Moving forward, renewable energy options are being explored for our other facilities, with a priority on the following:

- Manufacturing Sites
- Administrative Facilities
- Distribution Centers
- Showrooms

We plan on all remaining facilities participating, at least in part, in renewable energy programs by the end of 2024.









WATER USAGE

Water is an essential natural resource. It is essential for basic human needs such as cooking, drinking, and hygiene. As such, we want to ensure we are managing this resource responsibly.

In 2023, we plan to begin a water usage program to identify ways to minimize our water consumption.

REUSE / REPURPOSE / RECYCLE

Hooker Furnishings reuses, repurposes, or recycles:

- Pallets
- Sawdust for use in:
 - · Heating facilities
 - Manufacturing pellets for pellet grills
 - Agriculture
- Leather for use in belts & boots
- eWaste
- Cardboard, paper, and plastic

In addition, we have initiated a Waste Management Project to provide a holistic view of our waste stream. Data from this program will enhance our existing reduce, reuse, and recycling programs and help us to divert more waste from landfills.



Sustainable Operations & Sourcing



SUSTAINABLE OPERATIONS

Hooker Furnishings continuously seeks new ways to operate our day-to-day business sustainably.

We:

- Use environmentally friendly supplies in our offices.
- Use soy- or corn-based packing peanuts and honeycomb in our re-pack operations.
- Geographically optimize warehouse locations in better proximity to ports, reducing drayage distances.

SUSTAINABLE SOURCING

All wood products used within 3 of our domestic production facilities are sustainably sourced and certified:















At Hooker Furnishings, we take pride in the quality of our furniture and the safety of our customers. That's why we go above and beyond to ensure that our products meet the highest safety and compliance standards. From lead testing to tip testing and flame-retardant assessments, we conduct multiple tests to guarantee that our furniture is safe and durable for everyday use.

Our tests include the following:

- ASTM F2057-23 tip-over testing for clothing storage units
- ASTM F-3096 tipping device strength test
- UVA-351 (100hs) on paints and finishing
- Static bed load, bed strength under a static load
- 181 transit tests for packaging and box performance
- Hot and cold cycles for paint and glue adhesion
- ASTM F-1427 bunk bed safety protocols
- ASTM B117-19 resistance to corrosion
- AATCC 8-2001 dry and wet croaking on fabric and leather (colorfastness)
- · Lead in coatings/paint and substrate
- 16 flame retardants
- ASTM-D6007 (CWP) TSCA Title VI
- Phthalates

Products that do not meet our high standards are remediated to ensure our customers receive a product that is both safe and stylish.



WE ENSURE OUR CUSTOMERS RECEIVE A PRODUCT THAT IS BOTH SAFE AND STYLISH.



M Brand & Arbor Day Foundation



Hooker Furnishings is committed to seeking new ways to reduce our carbon footprint and strengthen our overall commitment to a healthy planet. We know being environmentally responsible is a prerequisite for doing good business. Therefore, our focus is on the well-being of our planet for future generations, which is an essential component of our corporate mission and our culture. With the launch of this brand, we made it our mission to give back to the one

who needs it most, Mother Earth. For every piece of furniture purchased, M will plant one tree in partnership with the Arbor Day Foundation.

The Arbor Day Foundation is a 501(c)(3) nonprofit conservation and education organization.

A million members, donors, and partners support their programs to make our world greener and healthier. M is proud to be one of them. Visit arborday.org to learn more about the organization.







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. We are committed to preventing all forms of child labor, forced labor, and human trafficking in our organization and our supply chains. Our mission is to offer innovative, high-quality products of exceptional value while protecting, safeguarding, and valuing the rights of all employees and stakeholders. The Hooker Furnishings Board of Directors has oversight and responsibility for the Human Rights and Labor Principles.

EQUAL EMPLOYMENT OPPORTUNITY



- We are committed to providing a workplace that is free from all forms of harassment, discrimination and inequity. We recruit, employ, promote and compensate without regard to race, color, religion, age, sex, national origin, disability status, genetics, protected veteran status, sexual orientation, gender identity or expression, citizenship, marital status, or any other characteristic protected by federal, state, or local laws.
- We expect the same of business partners, clients, vendors or other third parties with whom we have dealings.

DIVERSITY, EQUITY, & INCLUSION



- Hooker Furnishings is committed to providing a diverse, equitable and inclusive space for all our employees, customers, and retail partners.
- We are a multicultural, global organization, and strongly believe that when all voices are heard. we are stronger together.
- You can find our DEI Statement by clicking here.

WORK HOURS, WAGES, & BENEFITS



- We compensate employees competitively relative to the industry and local labor market, and in accordance with all applicable federal, state and local wage, work hour, overtime and benefit laws.
- Hooker Furnishings carefully evaluates our overall compensation and benefits packages regularly to ensure the economic security and safety of our workforce.

Visit our **Policies page** for the link to a full copy of our **Human Rights Policy**.



At Hooker Furnishings, we are committed to providing our employees with the tools and resources they need to succeed. That's why we are proud to say that we provide, on average, 28 hours of training per employee per year. Whether it's through on-the-job coaching, formal training sessions, or access to online learning resources, we believe that investing in our employees' development is the key to unlocking their full potential. By providing our employees with the skills and knowledge they need to excel in their roles, we're supporting their personal and professional growth and building a more vital, more resilient organization better equipped to meet the challenges of today's rapidly changing business landscape.



- Continuing Education opportunities
- Comprehensive leadership development program
- Tuition reimbursement program

(30.8k

30,800 TRAINING HOURS ANNUALLY





Hooker Furnishings periodically conducts surveys to monitor employee engagement and satisfaction to gather valuable insights regarding our employees' level of satisfaction and engagement regarding our mission. By asking questions regarding job satisfaction, efficiency, leadership & the future, we can understand what is working well and where improvements are needed.

We are pleased to report that in our 2023 employee engagement survey, we met or exceeded industry benchmark scores for manufacturing across all categories surveyed.

We have analyzede the results and ar executing plans, as appropriate, to continue providing our workforce with a fulfilling career at Hooker Furnishings.

> **Job Satisfaction 4.2** (out of 5) **3.7** (out of 5) Efficiency **3.9** (out of 5) Leadership The Future **3.9** (out of 5)







Hooker Furnishings is committed to creating a diverse, equitable, and inclusive space for all our employees, customers, and retail partners. We believe that not only is it the right thing to do socially, but it is the right thing to do for our business. We have laid important groundwork in 2022 and are committed to driving future change in 2023 and beyond.

Our DEI strategy includes several key components:

- Leadership Commitment: Executive management incorporates the company's DEI initiatives into the company's overall business strategy while directly supporting the AIDE council's mission and vision.
 - Diversity Council: A DEI Council (AIDE) comprised of employees from all areas

of the

organization meets monthly to work on initiatives that foster an inclusive environment, increase cultural intelligence, address challenges, and celebrate diversity and open-mindedness.

- Training: Regular training is provided to our people managers and individual contributors to further promote and educate all staff members on understanding foundational DEI, unconscious bias, inclusive language, and inclusive leadership.
- Open Discourse: We feel that improvement is driven through open and honest discussion and feedback. As a result, we conduct listening sessions with our employees and conduct assessments to ensure that everyone's voice is represented.
- Talent Acquisition and Development: We are committed to building a diverse workforce and ensuring all employees have equal opportunities for advancement and growth. We have partnered with organizations to source diverse talent and provide development opportunities for all employees regardless of background.
- Community Engagement: Hooker Furnishings is committed to giving back to the communities in which we work and live. Given our strong commitment to DEI, social justice, and equity initiatives are important to our Charitable Giving Strategy.

Overall, Hooker Furnishings' DEI strategy is to create a culture of belonging and respect for all employees by incorporating diversity, equity, and inclusion into all aspects of our business.



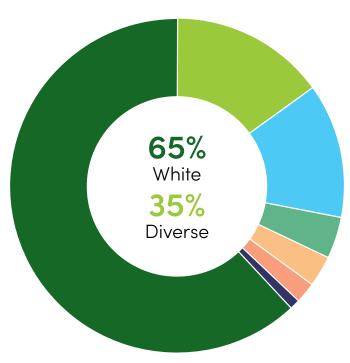


Building a diverse and inclusive workforce is an extension of our company values . Research suggests that companies with more diversity benefit from higher success rates due to the broader perspective it creates in the workforce. We are committed to driving change in 2023 and beyond.

Below are Hooker Furnishings' 2022 company demographics for US-based employees.

Overall Company Demographics*

RACIAL & ETHNIC IDENTITY



*Charts are rounded, specific values shown below

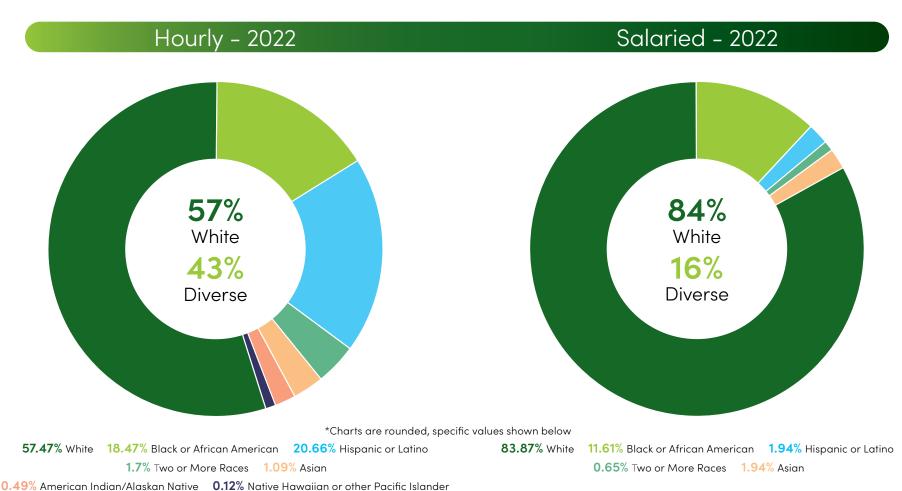
64.7% White 16.59% Black or African American 15.53% Hispanic or Latino 1.41% Two or More Races 1.32% Asian 0.35% American Indian/Alaskan Native 0.09% Native Hawaiian or other Pacific Islander



Overall Company Demographics*

RACIAL & ETHNIC IDENTITY

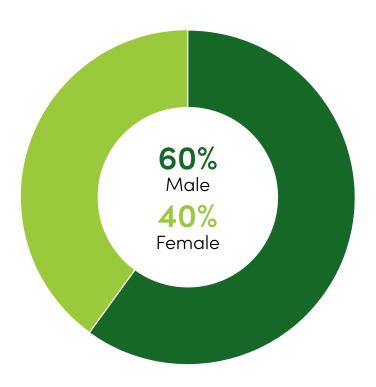
Hourly vs. Salary





Overall Company Demographics*

GENDER REPRESENTATION



*Chart is rounded, specific values shown below

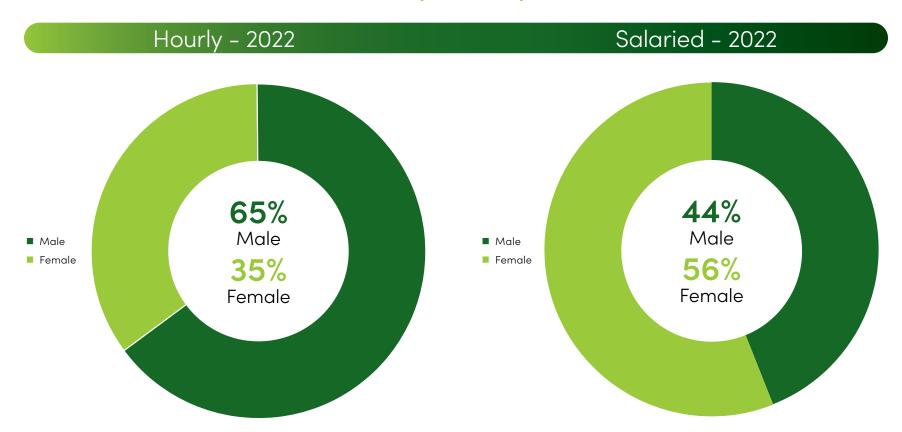
59.66% Male **40.34**% Female



Overall Company Demographics*

GENDER REPRESENTATION

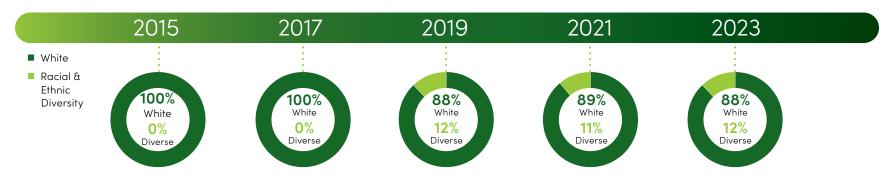
Hourly vs. Salary





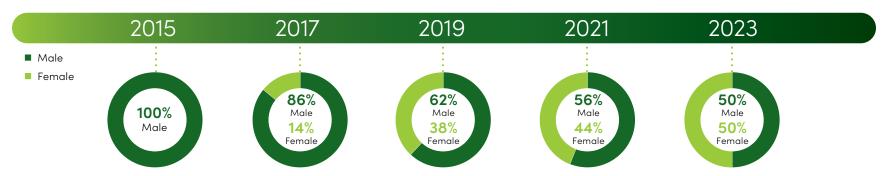
Board of Directors 2015 – 2023

RACIAL & ETHNIC IDENTITY



^{*}The following groups make up the diversity calculations for the category "Racial and Ethnic Diversity": Black or African American, Hispanic or Latino, Two or More Races, Asian, American Indian/Alaskan Native, Native Hawaiian or Other Pacific Islander.

GENDER REPRESENTATION



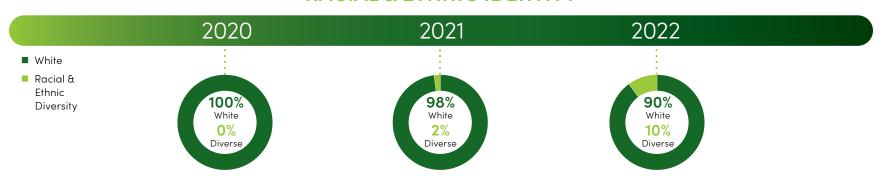


Salaried Staff Progress 2020 – 2022

EXECUTIVE AND SENIOR LEVEL

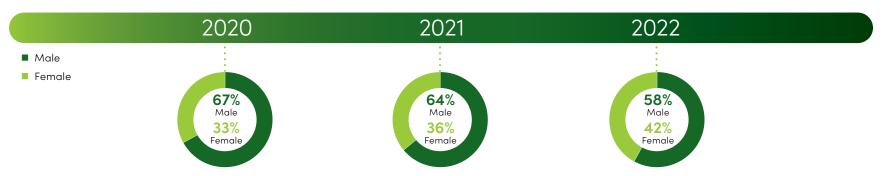
(VP AND ABOVE)

RACIAL & ETHNIC IDENTITY



^{*}The following groups make up the diversity calculations for the category "Racial and Ethnic Diversity": Black or African American, Hispanic or Latino, Two or More Races, Asian, American Indian/Alaskan Native, Native Hawaiian or Other Pacific Islander.

GENDER REPRESENTATION





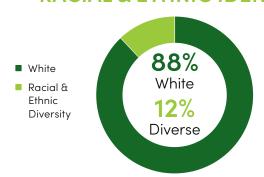
Salaried Staff – 2022

FIRST AND MID LEVEL OFFICERS

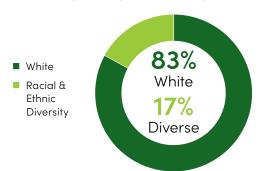
(DIRECTORS AND MANAGERS)

PROFESSIONALS (SALARIED LEVEL STAFF)

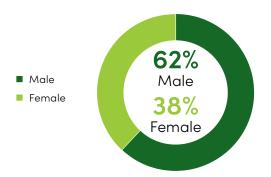
RACIAL & ETHNIC IDENTITY



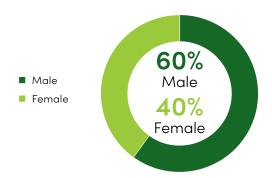
RACIAL & ETHNIC IDENTITY



GENDER REPRESENTATION



GENDER REPRESENTATION



^{*}The following groups make up the diversity calculations for the category "Racial and Ethnic Diversity": Black or African American, Hispanic or Latino, Two or More Races, Asian, American Indian/Alaskan Native, Native Hawaiian or Other Pacific Islander.



In 2022, we undertook many efforts to improve recruitment and retention of a diverse workforce. Some of the items we accomplished were:

CREATED AND NURTURED STRATEGIC DEI-CENTRIC PARTNERSHIPS

- Centro Latino: Participated in job fairs and posted open positions in Spanish on their job board.
- Bedford Adult Education Center: Created a workforce literacy program for limited English speakers, allowing their students to learn specific manufacturing terminology to prepare them for employment at Hooker Furnishings.
- Veteran Centric Organizations: Completed certification to be classed as a V3 employer, allowing Hooker Furnishings to partner with them for specific events to help hire veterans throughout Virginia. Host periodic job fairs at Fort Stewart.
- · Historically Black Colleges or Universities (HBCU) Partnerships: Ongoing commitment to establishing partnerships with HBCUs in the areas where we live and work. AIDE committee representatives attended and will continue to attend recruitment events, ensuring there is diverse representation available to speak with candidates.

MAJOR DOCUMENTS HAVE BEEN TRANSLATED INTO SPANISH

 Major documents such as the employee handbook, PTO policies, surveys, AIDE committee updates, etc. have been translated into Spanish.

CREATED AN ANNUAL DEI REVIEW AND METRIC REPORT

CREATED STANDARDIZED INTERVIEW TEMPLATES AND JOB DESCRIPTIONS

CONDUCTED ADDITIONAL INTERVIEW TRAINING FOR HIRING MANAGERS ACROSS THE ORGANIZATION

CONDUCTED EQUITY ANALYSES ON ALL ANNUAL MERIT INCREASES



PARTNERED WITH THE DIVERSITY MOVEMENT

· Committed to an ongoing relationship, allowing them to work closely with our leadership teams on developing and implementing new strategic DEI initiatives to support our evolving workforce **DEI** initiatives.



In 2023, we will continue to grow our diverse workforce by:

AIDE UPDATE

• Our AIDE council has started the year strong, working with DEI consultant, The Diversity Movement (TDM) to create a new charter and welcome new members from across the organization. Monthly communications have increased this year to support the council's mission to foster an inclusive environment for all employees and to celebrate the diversity of our workforce and beyond. AIDE continues to seek new members, and applications are open each quarter.

INCLUSIVE LEADERSHIP TRAINING - Q1

• We have partnered with TDM to provide training on inclusive leadership for all our people managers across the organization.

LISTENING SESSIONS - Q1 AND Q2

• We are offering the opportunity for all employees to participate in a listening session that TDM will moderate. The listening session aims to uncover gaps within our organization and help gain actionable insights to guide our overall DEI strategy. We will also share these action items internally.

DEI SURVEY Q2 AND Q3

• The DEI Survey will help us understand where we have made progress and where gaps remain. The more honesty we have in the responses, the better our insights and recommendations to enhance our culture and DEI initiatives.

PUBLISH ANNUAL DEI REPORT - Q3 AND Q4

• We will work with TDM to create and review our first DEI Annual Report. We plan to share data from this report both internally and externally.

EXPAND HBCU PARTNERSHIPS

 We have established a great partnership with Winston Salem State University (WSSU) but will seek to expand our HBCU partnerships to other HBCUs in communities where we are located.

INTERNSHIPS

 In conjunction with our HBCU partnerships, we plan to offer more internship opportunities and focus recruiting efforts for these internships on our diverse partnerships.

EXPAND REACH OF CURRENT PARTNERSHIPS

· While we have established diverse partnerships at many locations, we have also added new locations in Midway, GA, and Vista, CA over the last year. In 2023, we will work to add community partnerships for all locations that will help expand our DEI recruiting efforts.





Occupational Health & Safety Policy

The safety and health of our employees are of the utmost importance to us. Therefore, we strive to provide and maintain a safe, healthy, secure, and productive workplace in conjunction with our employees by addressing and remediating identified risks of accidents, injury, and impacts on health.

We have established safety committees that consist of management and employee representatives. These committees are tasked with identifying and reporting hazards and unsafe work practices, removing obstacles to accident prevention, and evaluating our effort to achieve an accident and injury-free workplace. They have adopted the following as some of their guiding principles.



To strive to meet our goal of ZERO:

Zero accidents. Zero injuries.



To stay up-to-date on and improve upon our training initiatives as our industry and its regulations evolve.



To provide employees with the right tools for the job, staying on the forefront of ergonomic solutions and personal protective equipment.



To take every report or incident seriously, investigating thoroughly to find the best resolution and to try to prevent it from occurring again.



To continuously measure our performance to align with the industry's Best Practices.



Visit our Policies page for the link to a full copy of our Occupational Health & Safety Policy

Keeping Our Employees Safe

In support of our commitment to maintaining a safe and healthy workplace, we take the following measures:

- We provide standardized safety training, including first-aid, at all locations to ensure our employees have the knowledge and skills to respond to potential safety hazards.
- We maintain standardized safety procedures (e.g., Lock Out / Tag Out, Housekeeping) to minimize the risk of accidents and injuries in the workplace
- We have established a mentorship program designed to assist new employees in learning about safety processes and expectations beyond their initial training period.
- We conduct annual safety audits with our worker's compensation insurance provider to identify potential safety hazards and develop proactive strategies to mitigate those risks.

Our current Total Recordable Incident Rate (TRIR) is 4.2 per 100 employees with zero fatalities. We are committed to implementing and continuosly improving our safety measures to ensure all our employees work in a safe and healthy environment. As a result, we are conducting monthly reviews of injuries and near misses with the aim of engineering them out of our processes. Additionally, we are placing a strong emphasis on ergonomic solutions to eliminate repetitive motion injuries. We believe working together we can create a safer and healthier workplace for our employees.



HF HOOKER' FURNISHINGS





Hooker Furnishings strives to model good Corporate Citizenship for our industry peers, colleagues, and business associates, putting business ethics at the top of our priorities list. Our business ethics initiatives fall into two main categories.

ADHERING TO OUR BUSINESS CODE OF ETHICS

- Periodically review / maintain Code of Ethics (CoE).
- Communicating CoE internally.
- Employees required to sign off on CoE upon hire.
- Periodic employee assessment and compliance agreement to ensure understanding of and adherence to the CoE.
- Periodic Anti-Bribery / Anti-Corruption Training for employees upon hire with annual reassessment.
- Regularly review best practices for opportunities to improve.

VERIFYING OUR VENDORS' CODE OF ETHICS COMPLIANCE

- Periodically review / maintain Vendor Code of Conduct (VCoC).
- Communicating VCoC with International commitment to adherence.
- Audit multiple Suppliers / Vendors annually to ensure compliance.
- Assist Vendors / Suppliers who are not in compliance with VCoC, offering education and training to bring them back up to speed, and in some cases terminating
- compliance as a future reference point.



Ethics in Supply Chain

Hooker Furnishings is proud of the way that we conduct ourselves as an organization, and we insist that our vendors act in a similarly fair and ethical manner.

We are also proud of the commitment that our supplier base is demonstrating in signing our **Vendor Code of Conduct** which includes:

- Upholding the Law
- Child Labor Policy
- Involuntary Labor Policy
- Non-Discrimination, Fair Discipline, Coercion, and Harassment Policy
- · Health, Safety, and the Environment
- Compensation Policy
- Working Hours Policy
- Responsible Sourcing
- Monitoring Transparency
- C-TPAT (Customs Trade Partnership Against Terrorism) Certification

100% of our current international supplier base has signed our Vendor Code of Conduct.

In addition, vendors will are conducting periodic audits to ensure compliance with our vendor code of conduct, including environment, human rights, security, safety, HR, facility staff housing, and more.

Further, in 2023 and 2024, we plan to:

- Have domestic suppliers sign the Vendor Code of Conduct
- Implement audits for domestic suppliers
- Leverage our Vendor Code of Conduct and business requirements to develop a criterion for vendor selection to ensure vendor support of our values.

100% OF OUR CURRENT INTERNATIONAL SUPPLIER **BASE HAS SIGNED OUR VENDOR CODE OF CONDUCT**



Visit our Policies page for the link to a full copy of our Vendor Code of Conduct.



Hooker Furnishings is committed to supporting the communities in which we work and live.

OUR APPROACH

We have established a framework for philanthropy that guides us to:

- Give Locally: We give locally rather than nationally so that our contributions have a direct effect on the communities in which we live and work. National groups with local chapters with strong ties to our locations are also candidates for our support.
- Give Apolitically: We do not use company funds for political contributions such as political campaigns or PACs.
- Give to Maximize the Good: We donate to organizations that get support to those who can benefit from it in the most efficient manner possible.

OUR PERFORMANCE

In 2022, we contributed \$1.5 million dollars in monetary and in-kind support.

OUR GOALS

Our charitable goals for 2023 are:

- Implementing a more effective system for tracking volunteer hours
- Expanding our partnerships to give to agencies that support Social Justice and Equity
- Enhancing our Corporate Giving policy to make it easier for our team members to support the charities that are important to them







Charitable Giving – Focus Areas



OUR FOCUS

We have decided to focus charitable giving in these areas:

- Health & Welfare: We support organizations that help our communities and their families in times of crisis, support at-risk youth, advance medical research, and advocate for our seniors. That is why we donate to organizations such as the United Way, the City of Hope, and the Boys and Girls Clubs.
- Social Equity & Justice: As an organization committed to diversity, equity, and inclusion, we feel it is important to donate to organizations like the Equal Justice Initiative and the Trevor Project, which advance social justice and support the needs of our diverse community.
- **Environment:** Hooker Furnishings is committed to protecting the environment for future generations. As such, we are Board members and financial supporters of the Eco Ambassador Council, which focuses on supporting environmental protection and preservation opportunities in the Dan River Basin region. In addition, to support reforestation efforts, we are members of the Arbor Day Foundation.
- Education & the Arts: We donate to programs such as Piedmont Arts and the Virginia Museum of Natural History with the goal of making education and the arts accessible to all, regardless of their economic situation. We proudly sponsor the Hooker Scholarship Foundation, which offers merit and needs-based scholarships to the spouses and children of our employees.
- Animal Welfare: We can't forget our animal friends. We are committed to supporting animal health and well-being through the sponsorship of organizations like the SPCA, Humane Society, and other local animal shelters.

We routinely revisit the organizations we partner with and adjust our sponsorships based on the need and the value we feel we can bring to our communities.



At Hooker Furnishings, we're committed to positively impacting the communities where we live and work. That's why we prioritize volunteerism as a core value, encouraging our employees to give back and make a difference in the world around us. We believe that volunteering not only helps to improve the lives of others but also strengthens our own sense of purpose and connection to the world. By coming together to serve our communities, we're not only making a tangible impact on the world, but we're also creating a culture of empathy, compassion, and social responsibility that's deeply rooted in our organizational DNA.





Virginia Museum of Natural History



Hooker Furnishings believes educating the next generation of leaders is an important part of our environmental stewardship responsibilities. Through our partnership with the Virginia Museum of Natural History (VMNH), we underwrite critical environmental and STEM education programs for students in under-served schools throughout the Commonwealth of Virginia. Additionally, as a proponent of "Museums

for All" and to promote equal access and further remove barriers to environmental and STEM education opportunities for under-served populations, we underwrite the balance of the admission





Hooker Furnishings Annual Charity Furniture Sale





Charitable Giving – Susan G. Komen









The October High Point Market marked the commencement of a licensing partnership between Hooker Furniture and Susan G. Komen®, the world's leading breast cancer organization.

The partnership was initiated by Hooker Furnishings in an effort to assist in spreading awareness of the pervasive, non-discriminatory, and devastating effects of breast cancer worldwide. According to Komen, every 46 seconds, somewhere in the world, someone dies from breast cancer. That is more than 1,876 women and men every day.

"This collection is about celebration and remembrance," said Mike Harris, President of Hooker Casegoods and Upholstery. "We look to honor the journeys of all those affected by breast cancer; celebrating the triumphs, revering the battles, and commemorating those that are no longer with us. Many of Hooker Furnishings' employees, former employees, friends, and family members have had their lives forever changed by breast cancer, and it is a cause that is near and dear to our company."

The collection's initial 18-piece offering includes eight accent chests, six accent tables, a desk, credenza, dining table, and dining chair set. The group is characterized by signature pink hues, soft curves, and feminine silhouettes, juxtaposed with several hearty, robust pieces that represent the incredible strength and fortitude of those affected by breast cancer.

"Curating a collection that exemplifies the spirit and courage of those diagnosed with breast cancer was an honor," said Jenni Jungers, Executive Vice President of Merchandising for Hooker Furniture. "We imagined a collection that embodies the tenacity and resolve of breast cancer warriors, expressing the values and mission of Susan G. Komen."

"We hope to be a positive force in the battle against breast cancer, and we look forward to a long, beneficial relationship with Susan G. Komen." Harris concluded.

A portion of the proceeds from each piece sold within the Susan G. Komen Collection will be donated to the organization.



Charitable Giving – Hurricane Ian Relief

Hooker Furnishings has teamed up with Florida-based retailers Baer's Furniture and Matter Brothers Furniture & Mattress to donate over 1,200 beds to victims of Hurricane Ian, the devastating natural disaster that swept through the state in late September.

"With the recent devastation caused by Hurricane Ian, I want to extend our heartfelt concern and sympathy for those that have been irreparably impacted," said Jeremy Hoff, CEO of Hooker Furnishings. "Hooker Furnishings has always prided itself on being family- and community-focused, so we didn't have to think twice about jumping in to help when we were approached by Baer's and Matter Brothers.

It is my hope that our donation helps to ease the burden of families and communities that are going through some unimaginably difficult times."

HOOKER FURNISHINGS DONATED APPROXIMATELY \$650,000 TO HURRICANE IAN RELIEF.



Just over 1,200 beds have been transported out of the new Hooker Furnishings Warehouse in Midway, Georgia, by Brooks Transportation, who is providing the freight costs as a donation as well. The retail value of the Hooker Furnishings' donation comes out to approximately \$650,000.

"When the storm hit, we knew we had to act," said Jerry Baer, CEO of Baer's Furniture. "As a family-owned business with multiple stores in the affected areas, we saw and experienced the devastation first-hand. When we reached out for help, Jeremy Hoff, valued partner and CEO of Hooker Furnishings, did not hesitate to step up. 'What do you need?' was his immediate response. We are working

in conjunction with the Salvation Army, whose stellar reputation during disaster recovery is well-deserved and respected. We appreciate all our partners, communities, our store teams, and our customers who have reached out to help in the statewide relief effort."

"Our family and our entire team are committed to supporting the recovery and rebuilding of our community," said John Matter, President of Matter Brothers Furniture and Florida Leather Gallery. "We have connected with United Way to provide necessities, mattresses, and furniture to our community. My brothers and I grew up here, raised our families here, and this is our home. All of our locations serve as drop-off points to collect donations to be distributed by United Way, and the amount of care and support has been amazing. We have leaned into our valued vendor partnerships and asked for furniture and mattress donations. Hooker Furnishings' kindness and generosity will dramatically impact the lives of many families and help them to rebuild their homes."



Hooker Scholarship Program

The Hooker Educational Foundation has awarded more than one million dollars in scholarships to more than 300 children of company employees since its inception in the 1990s.

The foundation provides scholarships to deserving undergraduate students and to high school seniors or undergraduate students who are children or spouses of Hooker Furnishings' employees.

We also provide a stipend to qualified students who apply but are not ultimately selected to assist in their educational pursuits.

To learn more about the program, visit https://www.hookerfurnishings.com/philanthropy.inc.





Locking Chead



Planning for the Future



Hooker Furnishings strives to integrate ethical, environmental, and social considerations into everything we do. From improving the well-being of our planet for future generations to promoting equity inside and outside of our company to supporting the communities in which we work and live—we recognize that this is a journey, not a destination.

By weaving these objectives into our company's day-to-day activities, they permeate deeper into our corporate culture, allowing us to make even greater progress toward our continued ESG journey.

With an enhanced focus on KPIs headed into 2024, we are in a stronger position to understand our current state, build on our successes and identify areas of improvement.

This is more than just an annual report. This is an ongoing corporate commitment and, to us, a prerequisite for doing good business.

Through our actions, we strive to not only continue to improve within our company but also to share our sustainability mission with our peers. We hope these initiatives inspire others to enhance their efforts, both within their organizations and in their personal lives.

HF | 2023 Corporate Social Responsibility Report





To learn more about the policies which help shape our efforts, please visit the links below.



