



# Crafting a Sustainable Future

 **Kimball** International

2021  
Environment, Social,  
and Governance Report



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# 1

## Overview

This Environmental, Social, and Governance (ESG) Report reflects Kimball International’s performance as of, and for the year ended December 31, 2021 (except where noted). The report is a disclosure of information relevant to Kimball International’s business that aligns with frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB), and United Nations Sustainable Development Goals (UN SDGs). We are committed to employing sustainable business practices that are integrated into our strategy and culture. Our employees, customers, and communities have shaped our culture, and we believe that together we can create a better world.



## A Message from Our CEO

Kimball International’s journey began more than 70 years ago with humble roots, hand-crafting pianos in rural Indiana. Since the beginning, we’ve sought a greater purpose to “Dare to be Makers of Possibility”—to build communities, form connections, and develop a sense of belonging. But it’s not enough. We have an itch to do more.

As we have grown and continue to grow, our strong values have guided our belief in doing what’s right, not only for the communities we serve, but to make a positive impact on the world.

I’m tremendously proud of what we’ve accomplished to advance our ESG goals over the past year and we continue our commitment of leading the way as a socially responsible company as we focus on seven goals for Fiscal Year 2023. I invite you to learn about the strides we’ve made through our ESG journey, including these key achievements:

- Earning the WELL Health-Safety Rating for our Jasper, Indiana, Headquarters Campus through the International WELL Building Institute (IWBI™). We continue to commit to transparency in disclosing our environmental impact.



- Our commitment to Diversity, Equity, Inclusion, and Belonging (DEIB). This includes our vision, aspirational values, and the priorities we’ve set for our business.
- Recognitions we’ve received through awards and recertifications at our facilities for our outstanding health and safety records as well as personal stories and testimonials of how our people and products differentiate Kimball International.

What I hope shines through the brightest is the dedication and passion from our people at Kimball International who work each day to make a difference in the communities we serve creating a more sustainable future.

“Our strong values have guided our belief in doing what’s right, not only for the communities we serve, but to make a positive impact on the world.”

Corporate responsibility has always been embedded in Kimball International’s purpose and how we do business. One of our long-standing Guiding Principles says, “The environment is our home. We will be leaders in not only protecting but enhancing our world.” We will continue to dare to make a difference so that we not only lead by example, but we leave a legacy of lasting impact.

**Kristie Juster**  
Chief Executive Officer  
Kimball International

### Environmental, Social, and Governance Road Map

Kimball International is dedicated to building a more sustainable future and making a difference in our communities through five important focus areas.

- 1 Environmental Management and Sustainable Products
- 2 Investing in Our People With Personal and Professional Development
- 3 Diversity, Equity, Inclusion, and Belonging
- 4 Product Quality and Safety
- 5 Responsible Supply Chain Management



## Company Profile

Kimball International is a leading omnichannel commercial furnishings company with deep expertise in the Workplace, Health, and Hospitality markets, with a focus on the customer and broad channels of distribution.

We combine our bold entrepreneurial spirit, a history of craftsmanship, and today’s design-driven thinking alongside a commitment to our culture of caring and lasting connections with our customers, shareholders, employees, and communities. For over 70 years, our brands have seized opportunities to customize solutions into personalized experiences, turning ordinary spaces into meaningful places.

**Our family of brands:**

Kimball, National, Etc., Interwoven, Kimball Hospitality, D’syle, and Poppin

**Our four market-facing businesses:**

Workplace, Health, Hospitality, and eBusiness



### Kimball

With a comprehensive, design-driven systems and ancillary furniture portfolio, Kimball delivers a complete offering of workplace products and custom capabilities. Bring your culture to life through Kimball’s ability to create inspiring design with handcrafted style.



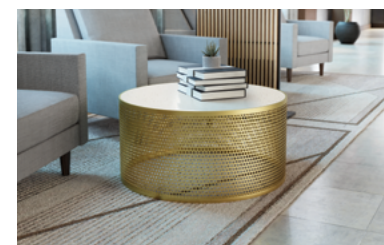
### Kimball Hospitality

Offering best-in-class product and experience to designers, buyers, and owners in the hospitality industry, this all-inclusive hospitality brand delivers the best design concepts and project solutions every step of the way.



### NATIONAL

National’s exceptional value combined with its smart design sense easily turn spaces into warm and inviting places. As an ancillary furniture brand, National delivers pleasing design, reliability, and ease of specification.



### D'STYLE

Design focused and able to outfit the most perfectly unique public spaces, D’syle delivers one-of-a-kind, statement furniture pieces that are inviting, comfortable, and stunning.



### Etc.

On trend, on time, and on budget, this ancillary furniture brand offers in-style designs available for quick delivery. With an eclectic soul and the right mix of attitude and style, Etc. puts attainable style at your fingertips.



### poppin.

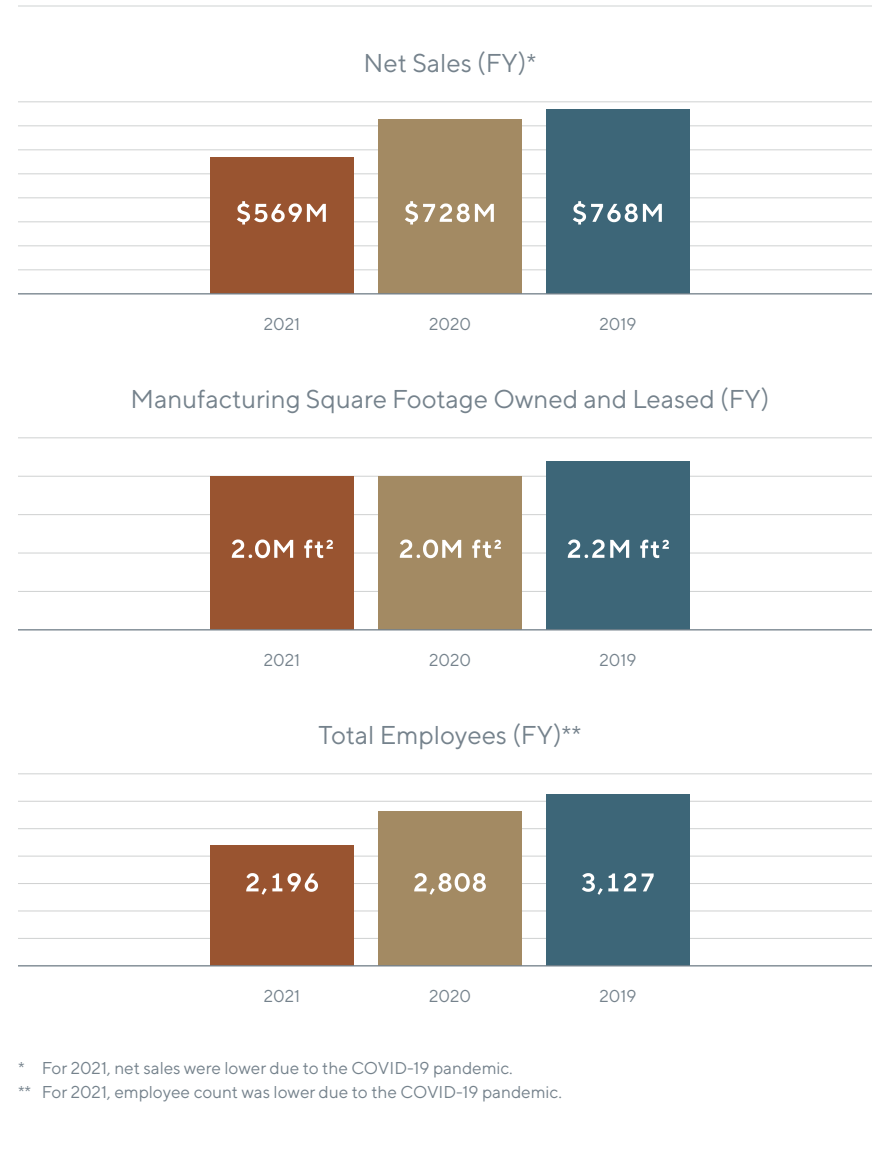
From free space planning and installation to ease of online ordering, Poppin effortlessly outfits spaces with a complete collection of solutions. This end-to-end service combined with the industry’s shortest delivery times brings their “work happy” brand promise to life.



### interwoven

As a full facility health solutions brand, Interwoven delivers human-centered products and custom capabilities to patients, families, staff, and communities. Through research-informed design and consultative partnerships, Interwoven offers leadership and expertise to improve the delivery of care.

## Activity Metrics



## Locations



### Headquarters and Hubs

- Jasper, Indiana
- New York, New York
- Atlanta, Georgia
- Dongguan, China
- Shenzen, China
- Ho Chi Minh City, Vietnam

### Manufacturing

- Danville, Kentucky
- Fordsville, Kentucky
- Jasper, Indiana
- Salem, Indiana
- Santa Claus, Indiana
- Tijuana, Mexico

### Showrooms

- Atlanta, Georgia
- Austin, Texas
- Boston, Massachusetts
- Chicago, Illinois
- Dallas, Texas
- Los Angeles, California
- Miami, Florida
- San Francisco, California
- Washington, D.C.



## Our Purpose

Our purpose is unique to Kimball International. As makers—not just furniture makers—our entrepreneurial spirit guides us to discover what’s next and bring it beautifully to life. We know that the place we work is more than just windows and walls.

It’s so much more. We build heart into everything we make and do. We give each other the room to discover our best and bring out the best in others. From shop floor to showroom, we’ve always crafted with an eye to the future. Helping every life our products touch to not just stage moments, but seize them. We believe that we can do more than just search for meaning. We can empower people to unlock their potential and bring it to life. Because we dare to be makers of possibility.



## Our Mission

Through relationships and products made to endure, we strive to be our customers’ first choice for shaping places that bring collaboration, discovery, well-being, and relaxation to life.



## Our Pillars

To answer who we are at our best, we articulated five Purpose Pillars. These were true the day we were founded, they are true today, and will continue to be who we are far into the future. These pillars are distinct to Kimball International and define what makes our culture so powerful.



### Rooted in Heart

As a family of brands built by family, we are grounded in caring. From our home in Jasper, Indiana, our roots now stretch around the world. No matter where we grow next, we bring our Midwestern values with us, everywhere we go. We do this by cultivating connections with those that matter most—our employees, customers, and communities. That’s why we celebrate wins together, give back to those that make us who we are, and infuse warmth and respect into all that we do. Because here, we don’t just treat people well—we treat them with heart.

### Ingrained in Trust

At Kimball International, we roll up our sleeves and do what it takes to get the job done right. That’s what makes us trusted, indispensable partners to our customers, steadfast team members, and a constant source of support to our communities. From products and solutions, to sustainable practices that protect the place we call home, we always deliver on our promises. Because to us, it’s not just our job—it’s who we are. So, whether working with us or for us, we’re committed to building the relationships that help us all thrive.

### Cultivate Craft

We provide our people the right tools to master their craft, giving them the freedom to forge their own way and encourage conviction and excellence every day. Within each of us is the drive to grow, learn, and do the right thing—which is why our employee handbook will always be thin. We believe in empowering our own to own their expertise. Because only by embracing their knowledge can we craft the smartest solutions. And only by embodying excellence can we keep moving forward.

### Seize the Horizon

Born with a true entrepreneurial spirit, we were made to seize the moment. Unafraid of reinvention, our success is fueled by an enduring optimism. From woodworking to pianos, electronics to furniture, we saw opportunity where others did not. That’s why we recognize the resourceful, promote the perceptive, and celebrate those who not only conquer challenges, but embrace them. In a world of constant change, we must be open to opportunity. We must evolve to meet new needs. We must choose to dare to do great things.

### Spark Possibility

At Kimball International, we don’t just fill rooms—we create opportunities to heal, learn, work, relax, discover, and connect. From our employees and communities, to our customers and theirs, our impact goes beyond what we make, to what our products and our relationships do for the world. That’s how we’re growing the economy, improving the environments around us, and shaping spaces that create connections. And as our way of working touches more and more lives, we’ll continue to set the stage for a world of possibility to grow.



## Our Guiding Principles

Since our humble beginnings in 1950, our Guiding Principles have always been a constant reminder of why we are in business, who we are, and who we serve. These are the foundational blocks that Kimball International was built on and they continue to serve as a guide to ensure we are aligned with our commitment of always improving and moving forward. For our customers, our people, and our shareholders.



### Our Customer Is Our Business

Long-term customers are more important than short-term results. We must provide innovative products and services that excite our customers and exceed their expectations. We must recognize and respond quickly and creatively to deliver more than was promised. We seek to consistently demonstrate a sense of warmth, humor, and mutual respect in our relationships.



### Our People Are the Company

We seek the beauty of differences, enabling us to envision a world without limitations. With an entrepreneurial spirit, our culture supports individual initiative, teamwork, and personal empowerment. By embracing our authentic selves, we can create freely based on all of our unique characteristics. We seek employees who are committed to maximizing their personal skills while preserving and enhancing our pillars.



### The World Is Our Home

We believe the greatest contribution we can make to the prosperity and quality of life of the communities in which we operate lies in being a dynamic, growing company. We strive to help our communities be great places to live. The environment is our home, and we will continue to protect and enhance our world.



### Profits Reflect Our Success

Profits are the ultimate measure of how efficiently and effectively we serve our customers and are the only true source of long-term job security. Profitability and financial resources give us the freedom to shape our future and achieve our vision.

## Our Approach to Sustainability

Kimball International has a long history as an environmentally conscious company. From our company’s inception as a wood furniture manufacturer, relying on nature’s resources to create our products, the ideas of conservation, sustainability, and sensitivity toward our environment have been deeply ingrained in our culture.

We seek to “lead by example” in the promotion of environmentally responsible business practices. We are dedicated to continued excellence, leadership, and stewardship in protecting the environment, the health and safety of our employees, customers, and the members of the communities in which we work and live.

As part of this commitment, we focus our impact in these key areas:



### Environmental Management and Sustainable Products

We integrate sustainability into the development of our products and their lifecycle through environmentally responsible business practices. We strive to help our customers achieve their own sustainability objectives.



### Product Quality and Safety

We ensure our product quality and safety by safeguarding the health and safety of our customers, manufacturing employees, and the environment through a robust set of systems and procedures.



### Employee Personal and Professional Development

We invest in the growth and development of our employees through structured education and training, mentoring, new opportunities, and promotions.



### Responsible Supply Chain Management

By utilizing materials obtained from environmentally and socially responsible sources, while partnering with businesses committed to the high ethical standards, we encourage a focus on sustainability throughout our supply chain management process.



### Diversity, Equity, Inclusion, and Belonging

We believe that diverse voices are essential in creating an organization where every person feels a sense of belonging, and we are committed to creating equity and inclusion for all.



# UN Sustainable Development Goals

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We strive to incorporate each of the 17 Sustainable Development Goals into our business, either directly or indirectly. We are focused on the 8 Sustainable Development Goals that we believe Kimball International can influence the most through our daily business. Those include goals addressing safety, climate, environment, anti-corruption, human and labor rights, responsible procurement, and diversity.



## Gender Equality

Kimball International remains committed to ensuring gender equality. In 2021, in conjunction with this longstanding commitment, we declared our Diversity, Equity, Inclusion, and Belonging (DEIB) strategy, vision, aspirational values, and priorities. We are proud of our current gender equality standing and increasing gender representation stands at the forefront of our DEIB efforts.



## Decent Work and Economic Growth

Kimball International is committed to a work environment that is free from human trafficking and any form of forced labor or unlawful child labor. Our policies prohibit Kimball International suppliers, partners, and others through whom Kimball International does business from engaging in any practice that constitutes trafficking in persons or forced labor.



## Industry, Innovation, and Infrastructure

We are building a more sustainable future. In August 2020, we announced the second phase of our transformation restructuring plan that will align our business units to a new market-centric orientation. The plan consolidates manufacturing of our brands into one, world-class global operations group. We are streamlining our manufacturing facilities by leveraging production capabilities across all facilities, establishing centers of excellence, and setting up processes to facilitate flexing of product between facilities in response to volume fluctuations.



## Reduced Inequalities

To create a more meaningful connection to the impact of inequities, we focus on employee and leadership development. In 2021, we launched additional programs such as formalized mentoring, executive coaching, and our Diversity, Equity, Inclusion, and Belonging education. Collectively, these programs, and many more, have laid the foundation for us to understand, commit to, and reduce any short-term and long-term inequities within our organization.

# UN Sustainable Development Goals

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## Responsible Consumption and Production

We have company-wide recycling programs dedicated to reducing waste to the landfill. In 2002, we opened our own recycling center which allows our manufacturing sites to increase recycling efforts and reduce waste accumulation on-site. The recycling center also allows us to increase the number of commodities recycled. Each waste stream is evaluated through our Environmental Management System Waste Disposition Procedures. The recycling center also provides recycling and paper shredding services for other regional businesses and industries. In 2021, our recycling facility diverted 3,018 tons of materials from the landfill.



## Climate Action

In 2021, we expanded our efforts to reduce our global energy footprint by partnering with leading energy companies, consultants, and government entities to help us implement, advance, and evolve our energy initiatives. We adopted a science-based methodology and broadened our greenhouse gas emissions goals to long-term energy reduction and increased use of renewable energy.



## Life on Land

Kimball International expects suppliers of wood-based materials to follow all applicable laws and regulations for territories from which they are sourced, such as the Lacey Act, as well as international treaties and agreements to which the United States is a signatory. We will seek to eliminate the use of species listed in CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora) Appendices I or II, for the manufacturing of our products.



## Peace, Justice, and Strong Institutions

Kimball International is committed to ethical practices in all aspects of the business. It is an expectation that all employees will conduct themselves with honesty and integrity in accordance with this long-standing commitment, starting at the top of the company with the CEO and Board of Directors. This commitment is demonstrated in day-to-day actions and confirmed with annual training of employees.

## Awards



### WELL Health-Safety Rating

In 2021, the Jasper, IN, Headquarters Campus earned the WELL Health-Safety Rating through the International WELL Building Institute (IWBI™). The rating is an evidence-based, third-party-verified measure that takes into account operational policies, maintenance protocols, stakeholder engagement, and emergency plans to address a post-COVID-19 environment now and into the future.



### America's Most Trustworthy Companies

Newsweek and Statista announced their first-ever list of America's Most Trustworthy Companies, and Kimball International ranked 13th in the Consumer Goods category. Recipients included publicly traded U.S. corporations in 22 industries with \$500 million or more in annual revenues. Selection was based on survey responses of 50,000 U.S. residents with focus on long-term investment value and treatment of customers and employees.



### OSHA VPP Recertification

In 2021, the Santa Claus, IN, facility and Logistics completed the three-year recertification to Voluntary Protection Program (VPP) Star Status by the Occupational Safety and Health Administration (OSHA). The Star Status designation is the highest certification level granted by OSHA and is given to companies with exemplary safety and health management systems that have achieved injury and illness rates at or below the national average of their respective industries.



### OSHA SHARPS Recertification

In 2021, the Fordsville, KY, facility was recertified by the U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) for the Safety and Health Achievement recognition Program (SHARPS) for excellence in workplace safety.



### Captive Resources Risk Control Award

In 2021, Kimball International was awarded the Columbus Resources Risk Control Award by our insurance captive, Columbus Resources, which manages our workers' compensation program and other initiatives. They give the award two times per year in four categories. We received this award at their last workshop under the Manufacturing category. There are approximately 150 companies in the captive.



### Outstanding Organization Award

Kimball International was chosen for the 2021 Outstanding Organization Award at the Women in Healthcare LeadHERship Summit. The Outstanding Organization Award recognizes an organization for an initiative, program, or other support they have implemented that aligns with the mission of Women in Healthcare.



### Kentucky Governor's Safety Award

In 2021, the Fordsville, KY, facility was recognized by the Kentucky Labor Cabinet for their outstanding safety and health records. The facility received the Governor's Safety and Health Award because they reached zero safety or health violations for a period of 24 months.



# 2

## Environment

Kimball International is committed to conducting business operations in ways that minimize our environmental footprint and use of natural resources while positively impacting the communities we serve.

Protecting our natural resources and utilizing environmentally responsible business practices have long been key components of our corporate purpose. In 2002, Kimball International opened a groundbreaking recycling center that allowed us to increase recycling capacity and reduce waste accumulation in our facilities. Kimball International's current sustainability practices include initiatives to reduce water usage, solid waste generation, VOC emissions, hazardous waste materials, and greenhouse gas emissions.

We continue to challenge ourselves and set aggressive environmental goals. In 2021, we developed a suite of ambitious targets we believe will meaningfully drive our performance in mitigating our most significant environmental impacts for the short and long term.

### Climate Change and Energy Management:

- Reduce Combined Scope 1 and Scope 2 Greenhouse Gas Emissions 50% by the end of Fiscal Year 2030 from a 2018 Baseline

### Waste Management:

- Obtain Zero Waste Certification at Three Facilities by the End of Fiscal Year 2025

### Water Use:

- Use a Context-Based Approach to Identify Operations in Stressed Water Catchments by End of Fiscal Year 2023



## Environmental Management System



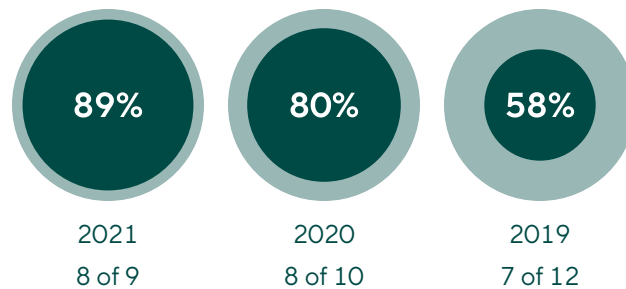
Kimball International has a third-party certified ISO 14001 Environmental Management System which includes assessing environmental risks associated with our operations.



As part of the system, we consider the needs and expectations of interested parties, including regulators, customers, investors, employees, and the communities in which we operate. Our environmental objectives and goals are established as a result of assessing the ever-changing needs of these stakeholder groups. We have a continuous improvement mentality and will strive to minimize the environmental impact to air, land, and water resources.

Senior management approves our [Environmental Policy](#) at least annually.

### ISO 14001 Certified Manufacturing Sites



## Voluntary Programs

Indiana and Kentucky manufacturing sites participate in voluntary reporting programs which drive annual initiatives reducing environmental impacts. These programs include:



### KY EXCEL

Kimball International’s manufacturing facilities in Kentucky participate in the KY EXCEL program. This program uses the circular economy approach to facilitate environmental leadership and recognizes environmental stewards for going above and beyond environmental compliance.



### Indiana Environmental Stewardship Program (ESP)

Kimball International facilities have been ESP members since 2008. The ESP is a voluntary, performance-based leadership program designed to recognize and reward Indiana regulated entities for going above and beyond current environmental regulations. In return for their exemplary environmental performance, ESP members receive program incentives including regulatory flexibility, public recognition, and networking opportunities.

ESP focuses on improving Indiana’s environment and business climate through innovation and efficient resource allocation.



### Partners for Pollution Prevention

Kimball International employees actively participate in the Indiana Partners for Pollution Prevention with our Environmental Manager serving as the Assistant Executive Director of the group, as well as Online Registration and Vendor Coordinator. Kimball International supports the group financially by sending employees to Partner events such as the Annual Conference and quarterly meetings. Kimball International has also previously hosted quarterly meetings. The group has over 100 active industrial, governmental, and consulting members and provides a unique opportunity to network with peers and share successful pollution prevention case studies and tour events.



## Climate and Energy

### Energy Management

Energy use at our manufacturing plants is the greatest environmental impact over which we have direct control. Kimball International engages in project related efforts to reduce energy consumption.

Initiatives to reduce energy consumption:
Conducting regular air leak audits and energy assessments
Implementing variable speed drives (VSDs) on compressors
Consolidating output of under-utilized work centers, enabling us to operate in a smaller energy footprint while maintaining production levels
Replacing lighting to low energy, more efficient alternatives
Maintaining thermostats at a specific level that allows for employee comfort without overheating/overcooling facilities
Coating facility roofs white to control heat build-up

Metrics for electric, natural gas, propane, and renewable energy	2021	2020	2019
Absolute Energy Use (kWh)	95,268,336	103,705,981	120,009,625
Energy Intensity (kWh per unit produced)*	33.0	30.9	29.0
Percentage Grid Electricity	35.9%	34.5%	38.3%
Percentage Renewable Energy	16.8%	20.5%	18.5%

\* For 2021, units produced were lower due to the COVID-19 pandemic.



CASE STUDY / 01

### Utility Optimization Program

In October 2021, a Utility Optimization Program was added to the Program Management Office team’s operational excellence goals. This program will capture, evaluate, and implement ideas around energy saving projects—along with other utility optimization projects.

Since establishing this program, specific projects submitted include, but are not limited to:

- Power factor corrections with electrical utilities
- Investigation into wastewater recycling from the powdercoat wash systems
- Steam trap repairs to improve water efficiencies

## Climate and Energy

### Greenhouse Gas Emissions

We continue to work with internal and external stakeholders to understand how we can best demonstrate our commitment to climate protection. A key step in our process is to use a science-based approach to establishing greenhouse gas (GHG) emissions reduction targets.

Science-based targets are emission reduction targets aligned with what the latest climate science says is needed to meet the goals of the Paris Climate Agreement. These goals call to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C. Science-based targets show how much and how quickly we need to reduce GHG emissions to be consistent with keeping global warming below the most dangerous levels.

In 2021, we established our GHG reduction targets using the recommended science-based tools and calculation algorithms while aligning with the 1.5°C scenario. Our targets are established using our FY2018 GHG emissions as a baseline. We selected FY2018 as the baseline for measuring our GHG reduction as this was the most recent year of our operations before they began to be impacted by COVID-19.

It is important to acknowledge we fell short on our 2% reduction goal denoted in our 2020 ESG Summary Report. This was an intensity-based goal, normalized to number of units produced. In 2021, our unit output was significantly impacted by COVID-19 causing us to fall short. Although we missed this intensity goal, our absolute GHG emissions were within our annual absolute reduction targets established using the science-based approach. Moving forward we plan to focus on absolute emission reduction targets.

We have embraced the Science Based Targets initiative (SBTi) methodology in the establishment of our GHG goal and are exploring a path for validating our target.

## ESG Goal / 01

**Climate Change and Energy Management:**  
Reduce Combined Scope 1 and Scope 2  
Greenhouse Gas Emissions 50% by the end  
of Fiscal Year 2030 from a 2018 Baseline





## Climate and Energy

### Greenhouse Gas Emissions

Our primary strategy for decreasing greenhouse gas emissions is to consume energy more efficiently.

We continually identify and implement energy efficiency projects and our environmental team analyzes monthly energy data, identifies candidate energy projects, shares best practices, and works together to reduce energy consumption. We also are focused on increasing procurement of renewable energy as a means to reduce our greenhouse gas emissions, as evidenced through our investment in the Green Power Program provided by the Indiana Municipal Power Agency and the City of Jasper.

Metric*	2021	2020	2019
Scope 1 Emissions MT CO2e	7,825.87	8,115.62	8,976.46
Scope 1 Emissions Intensity (MT CO2e/Unit)	0.00271	0.00241	0.00217
Scope 1 Emissions Intensity (MT CO2e/Employee)	5.48	5.12	4.70
Scope 2 Emissions MT CO2e	28,076.67	31,105.13	38,159.65
Scope 2 Emissions Intensity (MT CO2e/Unit)	0.00972	0.00926	0.00922
Scope 2 Emissions Intensity (MT CO2e/Employee)	19.65	19.63	19.99

\* The historical greenhouse gas emissions above have been revised using the current published EPA e-grid emission factors.  
 \* For 2021, units produced and employee count were lower due to the COVID-19 pandemic.



### Purchasing Green Power

In early 2021, Kimball International worked closely with long-time partners Jasper Municipal Utilities and Indiana Municipal Power Agency (IMPA), to implement a green power program. The program allows Jasper, IN, residents, businesses, and industries an option to help reduce their carbon footprints through the procurement of renewable electricity generated through solar, wind, water, and more. When the program was implemented in January 2022, Kimball International was the first to enter into a service agreement with Jasper Municipal Utilities, identifying a specific monthly purchase of Green Power. By working with our local government representatives, Kimball International helped to establish a program which can benefit the local community as well as support investments in renewable energy on a broader scale.

# Climate and Energy

## Climate Risks and Opportunities

Kimball International takes the challenge of climate change seriously and recognizes the role we play in contributing to global greenhouse gas (GHG) emissions.

In addition to establishing new targets to accelerate our ESG goals, we have aligned with the recommendations of the Financial Stability Board’s Task Force on Climate-Related Financial Disclosures (TCFD). The TCFD has developed a voluntary and consistent framework for climate-related financial risk disclosure for use by companies in providing information to investors, lenders, insurers, and other stakeholders. In leveraging the TCFD framework, we assess the climate-related risks and opportunities involved in our business and the associated governance, strategy, risk management, metrics, and targets that we have employed to manage those risks and opportunities. Our alignment to the TCFD recommendations also supports our annual submission to the CDP (formally Carbon Disclosure Project) Climate Change survey, to which 2021 was our 10th year participating in, and our 2nd as a unified Kimball International family of brands. Please refer to the TCFD appendix at the back of this report for more information.



## TCFD Recommendations and Supporting Recommended Disclosures

Governance	Strategy	Risk Management	Metrics and Targets
<p>Disclose the company’s governance around climate-related risks and opportunities.</p> <p>a) Describe the board’s oversight of climate-related risks and opportunities.</p> <p>b) Describe management’s role in assessing and managing climate-related risks and opportunities.</p>	<p>Disclose the actual and potential impacts of climate-related risks and opportunities on the company’s businesses, strategy, and financial planning where such information is material.</p> <p>a) Describe the climate-related risks and opportunities the company has identified over the short, medium, and long term.</p> <p>b) Describe the impact of climate-related risks and opportunities on the company’s businesses, strategy, and financial planning.</p> <p>c) Describe the resilience of the company’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>Disclose how the company identifies, assesses, and manages climate-related risks.</p> <p>a) Describe the company’s processes for identifying and assessing climate-related risks.</p> <p>b) Describe the company’s processes for managing climate-related risks.</p> <p>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the company’s overall risk management.</p>	<p>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</p> <p>a) Disclose the metrics used by the company to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.</p> <p>c) Describe the targets used by the company to manage climate-related risks and opportunities and performance against targets.</p>

Source: Task Force on Climate-Related Financial Disclosures.

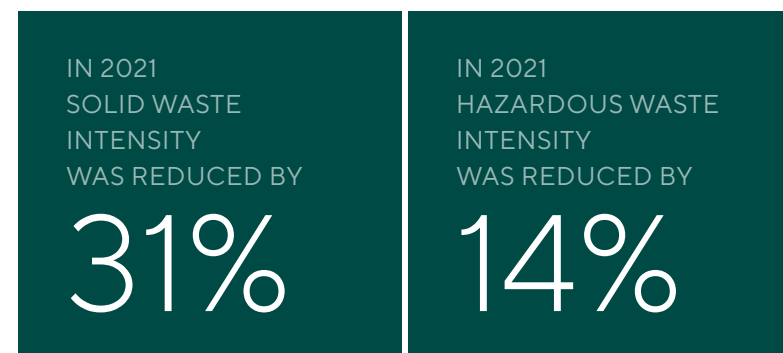


## Waste Management

At Kimball International we have evaluated our strategy for reducing waste generated by our operations. We gathered feedback from a variety of stakeholders, including market influencers, customers, and investors.

Throughout 2021, we were able to achieve our 2020 solid waste intensity goal. Solid waste disposal was reduced by 31% per unit produced compared to our 2019 baseline. Additionally, we reduced our hazardous waste intensity by 14%. Both metrics were significantly influenced by efficiency gains achieved through our facility optimization project.

Although our facilities have relatively high waste diversion rates, we have decided to embrace the concept of zero waste to landfill. We will strive to continue to improve our waste reduction metrics and desire to achieve external certification in the future.



## ESG Goal / 02

**Waste Management:**  
Obtain Zero Waste Certification at  
Three Facilities by the End of Fiscal Year 2025



## Waste Management

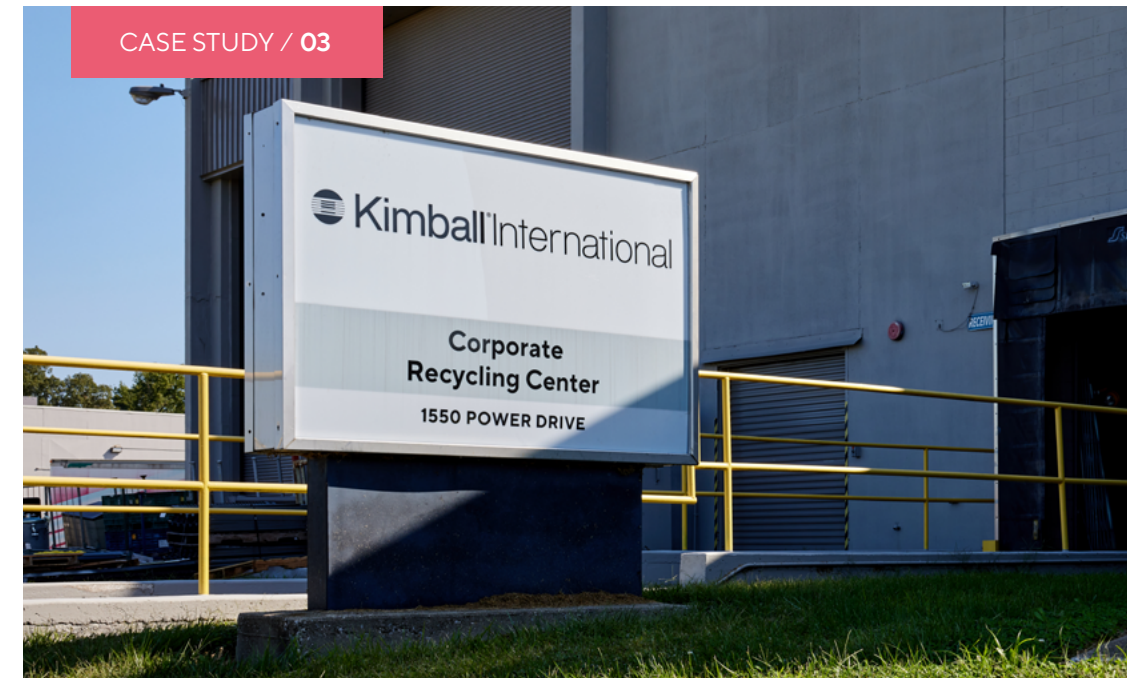
Kimball International has continuous improvement processes built into our design process and we continually evaluate methods to reduce offal, waste, and packaging materials used in the manufacturing of our products.

We also continue to support recycling efforts within facilities and the Corporate Recycling Center allowing for growth in the types and volumes of materials recycled.

Recycling efforts within Kimball International have been a focus for many years and continued emphasis has been placed on increasing these efforts within the facilities. We are investigating the potential registration of some facilities to the Total Resource Use and Efficiency (TRUE) Zero Waste certification program.

Metric	2021	2020	2019
Total Waste Generated (Tons)	1,289	1,434	2,658
Waste Intensity (lbs/Unit Produced)	0.892	0.917	1.285
Percent of Waste Recycled	92.2%	89.1%	87.2%
Percent of Waste Sent to Landfill	7.8%	10.9%	12.8%
Percent of Waste Incinerated	0%	0%	0%
Hazardous Waste Generation (Tons)	25.34	26.60	43.87
Hazardous Waste Intensity (lbs/Unit Produced)	0.018	0.017	0.021

\* The 2019 and 2020 solid and hazardous waste intensity measures have been restated due to a recalculation of units based on output of products shipped.



CASE STUDY / 03

### Recycling from External Companies

In 2014, the scope of Kimball International’s Corporate Recycling Center (CRC) was expanded to allow external customers, outside of our facilities to utilize our recycling capabilities. This effort has grown year over year, and in 2021 the CRC received 1,926,221 pounds of materials from external commercial, industrial, and governmental organizations. This represents 31.9% of the total materials recycled via the CRC (6,035,958 total pounds, internal and external). Also in 2021, the CRC celebrated Earth Day and America Recycles Day by allowing the public to bring documents and papers for free shredding. Looking forward, we seek to grow both our internal and external recycling volume.

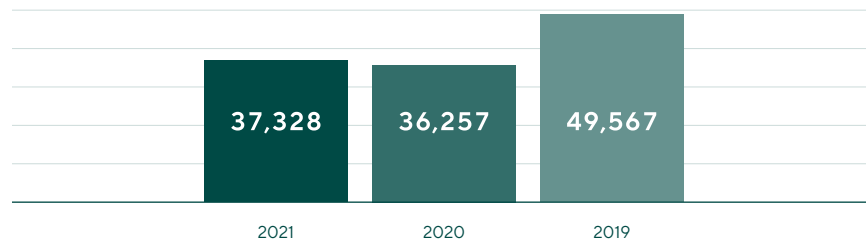


## Water Use

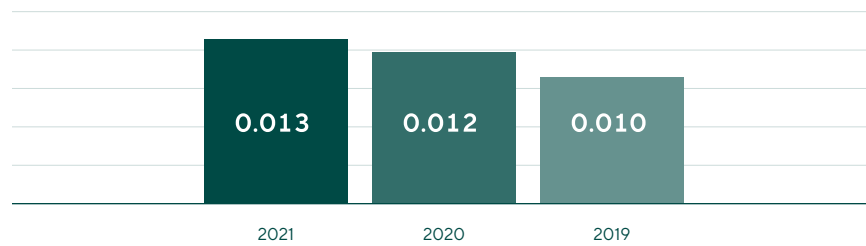
In 2021, we recorded a 3% uptick in water use across our manufacturing facilities. The intensity target published in our 2020 ESG Summary Report was to maintain water consumption at 2020 levels. In early 2021, our local municipality replaced a faulty meter at one of our manufacturing facilities which was under reporting usage. The replacement meter provides more accurate water usage data, however it is inflated compared to our historical consumption. This, coupled with the lower unit output in 2021, resulted in falling short of our intensity goal.

Moving forward, we plan to take a more context-based approach to managing and tracking water use which addresses water-related challenges within the surrounding basins where we operate.

Water Consumption (Cubic Meters)



Water Intensity (Cubic Meters / Unit)



## ESG Goal / 03

**Water Use:**  
Use a Context-Based Approach to Identify Operations in Stressed Water Catchments by End of Fiscal Year 2023





## Water Use

Our ambition in developing water reduction targets is to align with water-related challenges within the surrounding basins in which we operate. Our approach has four elements:

### Identifying Risk and Opportunities

We plan to use the World Resources Institute's (WRI) Aqueduct Water Risk Atlas tool to identify and map our water risks. Sites will be categorized using the "Baseline Water Stress" indicator, which is the ratio of total annual water withdrawals to total available annual renewable supply. Based upon the results of our WRI water risk analysis, in FY24, we plan to set appropriate water targets for facilities operating in critically stressed water basins.

### Improving Water Management and Use Efficiency

We will continue to work on optimizing water use and set annual water reduction targets at facilities that consume significant amounts of water, even though they may not be in a stressed water basin. Targets will be for internal tracking and managed through our ISO 14001 Environmental Management System. Our sites will continue to identify and employ a variety of technologies and techniques aimed at reducing our water footprint and improving operational performance. Many of our facilities employ water reuse and recovery strategies, including recirculation of water in cooling towers and condensation recovery.

### Protecting Water Quality

We strive to comply with applicable standards, regulations, and permits by providing reports on water quality measurements and trends to relevant authorities. Wastewater from our facilities is already managed and treated to minimize environmental impacts prior to discharge. Where on-site treatment is not needed, wastewater is discharged to local municipal wastewater treatment facilities that have the technology and capacity to treat and improve our wastewater.

### Engaging Collaboratively within our Watersheds

Access to clean and sufficient water by others in the watersheds where we operate is important to us and to our stakeholders. By working with local utilities to understand their water-related issues, we can identify what we can do to help make improvements.

# 3

## Product

Kimball International is committed to managing the impacts that our products have on human health and the environment. In line with this commitment, our practices focus on ensuring high product quality, integrating environmental and health considerations into materials use and product design, and working to make product transportation and end-of-life more sustainable.





## Product Quality and Safety

Kimball International is committed to improving quality control with the aim of providing our customers with high quality products that are durable and can withstand long-term use. Our ISO-certified quality systems help ensure our products and services meet customer expectations as well as legal and regulatory requirements.



### ISO 9001

Having our Quality Management System registered to the ISO 9001-2015 standard provides a uniform platform that can be used by all manufacturing and non-manufacturing entities within Kimball International.

In 2021, 90% of our manufacturing operations' quality management systems were certified to ISO 9001. Our objective is to continue to drive excellence in quality management and expand our ISO 9001 certification for all of our logistics warehouses by the end of FY2024.



### ISO/IEC 17025

Products are tested in our accredited ISO/IEC 17025 Testing Laboratory which is equipped with advanced robotic and hydraulic systems that allow us to provide comprehensive capabilities for a full range of furniture testing.

The lab is also equipped with state-of-the-art digital tools, real-time cycle data tracking, and camera systems with web-based viewing capabilities to monitor off-hours testing.



### BIFMA Compliant

Kimball International products are registered in the newly created Business and Institutional Furniture Manufacturers Association (BIFMA) Compliant Program. The program is an industry-wide registry of furniture products that conform to BIFMA safety and durability standards.

BIFMA Compliant provides clarity to the market by differentiating products that meet established industry standards, which:

- Helps customers find and verify trusted furniture products
- Improves employee safety and productivity
- Empowers consumers to buy quality and performance with confidence



## Product Design

Kimball International understands that consumer demand is driving a greater emphasis on sustainability in our industry, as customers desire more sustainable products and practices, and are willing to consider this in their buying decisions.

As sustainability has been a long-standing initiative of immense importance for Kimball International throughout our history, we understand that buyers are driven by more than function and price and are focusing heavily on brands that align with their own values and needs. We are dedicated to creating products and solutions that not only possess exceptional sustainable qualities expected, but also represent transparency around the materials used, development of product, and ethical business practices.

For Kimball, National, and Interwoven brands, our Design for Environment (DfE) process is executed as part of our product development process and ensures environmentally focused design principles. The DfE is also integrated within our multi-attribute ANSI/BIFMA e3 Furniture Sustainability Standard (LEVEL®). To align with consumer demand and mitigate negative environmental and human health impacts, our product design and development processes are guided by the following standard-setting organizations:



### Third-Party Certification

To meet the demands of sustainable furniture and ensure our products are designed with the entire lifecycle in mind, we pursue third-party certification to multi-attribute standards, such as the BIFMA LEVEL® certification and MindClick Sustainability Assessment Program. 67% of Kimball International products are certified to a multi-attribute sustainability standard.



Kimball  
NATIONAL.  
interwoven™



Kimball Hospitality  
D'STYLE

Notes:

- 1 ANSI/BIFMA e3-2014e Furniture Sustainability Standard.
- 2 Only products produced in a Kimball International facility are e3/Level certified.
- 3 Only Marriott products are certified to MindClick.

### CASE STUDY / 04



### ecoChecker

In partnership with ecomedes, Inc., Kimball International launched a digital product portal, ecoChecker, that offers designers the ability to evaluate how their choice in furniture can contribute to their sustainability efforts.

ecoChecker provides a database where designers can instantly find, compare, and evaluate a wide range of environmental and social criteria from the Kimball, National, Etc., Interwoven, Poppin, Kimball Hospitality, and D'Style brands. With over 400 Kimball International products in the database, designers can now find reliable, complete, and easy-to-use sustainability data in one location.

[kimballinternational.ecomedes.com](http://kimballinternational.ecomedes.com)

## Materials Use

For over a decade, Kimball International has worked to collect detailed information on the chemicals and materials in our products. We work deep within our supply chain, manufacturing processes, and products to address and replace problematic materials in our aim for cleaner chemistry. We do so because we're committed to becoming transparent, as well as producing the safest and healthiest products possible.

Through our Design for Environment (DfE) protocol, we not only work to meet all regulatory compliance standards for products, we also endeavor to meet our customers' needs for healthy, sustainable products and spaces. By holding ourselves to stringent environmental requirements and making products that meet the most rigorous certifications, we help our customers achieve their own goals, promote health and well-being, and deliver the best possible products.

To that end, we are focused on removing chemicals of concern from our products and ensuring they are not used in our new products. To do this, we are developing a Restricted Substances List (RSL) based on voluntary building standards, product certifications, and applicable regulations

Our research has led us to prioritize the chemicals based on considerations of the following:

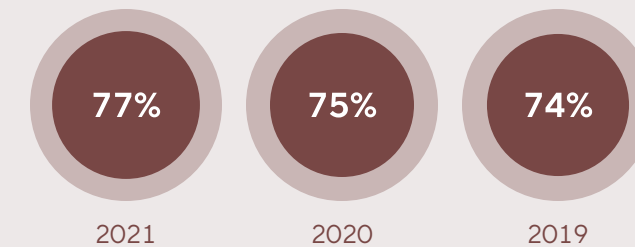
- REACH regulation (EC) No.1907/2006 including all amendments. Kimball International does not allow any substance of very high concern (SVHC) as defined by the EU Candidate List above 0.1% of weight per material, except if a lower limit is specifically stated within the RSL document.
- The US Consumer Product Safety Improvement Act (CPSIA)
- The Safe Drinking Water and Toxic Enforcement Act of 1986 in California (California Proposition 65)

Besides the RSL, materials supplied to Kimball International shall be in compliance with any set forth legislation concerning restricted substances, applicable to where Kimball International produces and sells products.

### Indoor Air Quality

When furnishings are installed in the workplace, they may release VOCs (volatile organic compounds) from materials or finishes, thus negatively impacting the quality of the air inside the building. Select Kimball International products are Indoor Advantage Gold certified, ensuring product VOC emissions meet criteria set by the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED™) criterion, and the WELL Building Standard. In addition, Indoor Advantage Gold also demonstrates conformance to the California Department of Public Health (CDPH) criterion commonly referred to as California 01350. California 01350 is a special environmental standard specification developed by the state of California to cover key environmental performance issues related to the selection and handling of building materials. By choosing low-emitting materials and furnishings, customers can create healthier environments with better indoor air quality while promoting personal comfort and productivity.

#### Our Products Certified to SCS Indoor Advantage™ Gold



## Product Transport

Our logistics operations are a longstanding U.S. EPA SmartWay partner. This partnership helps ensure our logistics and transportation methods have minimal effects on the environment.

In addition to utilizing SmartWay strategies to reduce greenhouse emissions, we have software programs that help optimize travel routes to shorten distances and improve fuel use. When we purchase new trucks, they have automatic transmissions, which help reduce fuel consumption and reduce greenhouse gas emissions. New trailer purchases include these smart truck features:

- **Forward Undertray and Integrated Sled**  
Captures air and directs it below suspension
- **Aero Rain Guard**  
Redirects high-energy airflow from roof down into wake
- **Side Fairings**  
Redirects high-energy airflow around back corners into low-energy wake
- **Top Fairing Systems**  
Helps close the gap of airflow from the truck to the trailer or between trailers in tandem

We have adopted optimized warehouse strategies that reduce the amount of shuttling. One example of this is setting up our Salem, IN, manufacturing facility as a warehouse so we can ship directly to the customer as opposed to shuttling product to a separate distribution facility. A similar shuttling optimization process is in development at our Santa Claus, IN, facility.



### Packaging

We have implemented new methods of packaging to reduce the amount of materials and increase shipping efficiency of our products.

Some finished goods are supplied unassembled, but with all components and assembly instructions. This results in less packaging materials.

Knockdown packs have been implemented in the past for some seating products and casegoods products, which result in smaller cubes and optimized packaging.

Bulk packs have been implemented for some system product components, such as frames, worksurfaces, fabric tiles, and wall tracks, yielding smaller cubes and optimized packaging.

We have installed fanfold box making machines that custom-cut corrugated material on-demand and right-sized, resulting in less waste and potential cost savings.





## Product End-of-Life

Kimball International collaborates with Green Standards to provide a sustainable solution for the ethical redistribution of surplus workplace furniture, fixtures, equipment, and supplies during times of workplace change.

It diverts products from landfills at a 98.6% diversion rate, and donates products to non-profits, schools, and charitable organizations. Through industry-leading expertise, proprietary technology, innovative strategies, and diligent planning, project costs are equal or less than conventional landfill disposal.

The program with Green Standards allows us to help our partners find a way to distribute their previously used furniture to help others. These programs create a holistic approach to sustainability by providing solutions for the beginning of projects through the end of their life cycle.

The take-back program was implemented in mid-2021 and has diverted 13 tons of end-of-life product from landfills since its inception. We look forward to expanding our product take-back program in the years to come.



### CASE STUDY / 05

## Enhancing our Extended Producer Responsibility Program

In 2021, we set out to enhance our Extended Producer Responsibility Program (often referred to as a product take-back program). We wanted to expand our current program to include all brands for all customers. A team was assembled to develop options and determined Green Standards could be a viable solution.

To validate the solution, the team conducted a pilot within our Poppin showroom in New York City. During the pilot, Green Standards took responsibility for the entire process, including the dismantling, removal, and relocation of each item, and coordinating between the movers, buyers, local non-profits, and specialized recyclers. They also provided documentation and in-depth environmental and social impact reports to help Poppin capture and review the outcome of the project.

Although the pilot was small, through the Green Standards platform Poppin was able to repurpose valuable products with a 100% landfill diversion rate on 13+ tons of surplus assets. The majority of items—including tables, desks, chairs, shelves, drawers, and pods—were either resold, recycled, or donated, benefiting the environment and local community groups.

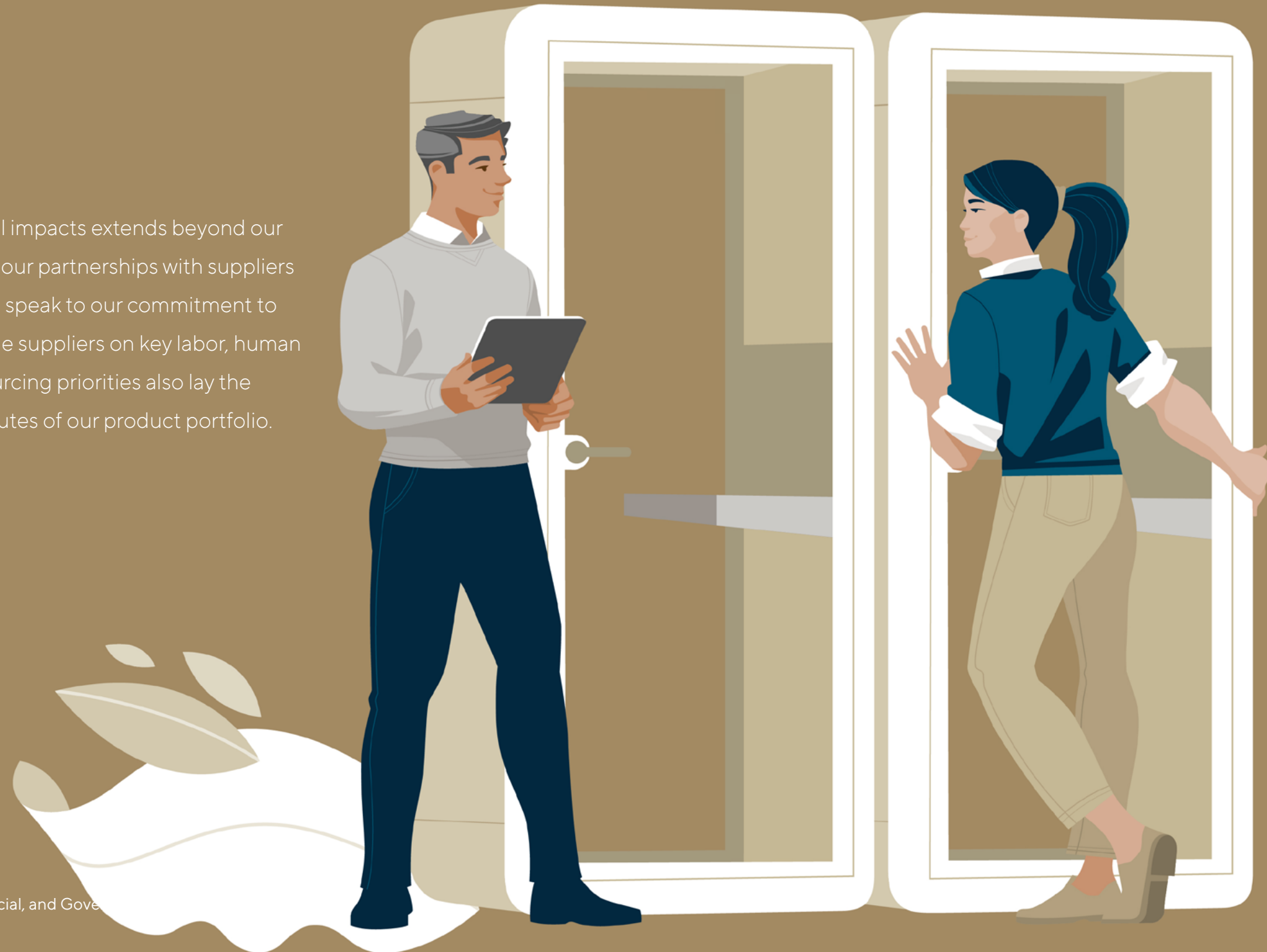
The pilot was such a success, the team decided to move forward with Green Standards as the recommended solution for our customers.

More information about the program can be found on our website at: [kimballinternational.com/sustainability](https://kimballinternational.com/sustainability)

# 4

## Supply Chain

Managing our environmental and social impacts extends beyond our owned operations and is a key factor in our partnerships with suppliers throughout our value chain. Our efforts speak to our commitment to ensure responsible conduct and engage suppliers on key labor, human rights, and environmental risks. Our sourcing priorities also lay the groundwork for the sustainability attributes of our product portfolio.



## Supplier Management

At Kimball International, we are committed to the highest ethical standards in selecting and working with our global suppliers, vendors, and business partners. We expect the same high standards of quality and performance that our customers expect from us.

We are proud that we have also been successfully audited by numerous customers, and that we have met their high standards for sustainability, environmental issues, and human rights. Likewise, Kimball International makes great efforts to screen and select our global supply chain partners. We expect all our partners to follow the laws and regulations where they operate, including human rights, safety, and fair wages and we share our code of conduct and communicate our expectations with them on an annual basis.

Our [Business Partner Code of Conduct](#) is a guide to conducting business with the highest integrity and ethical standards, which represents what we expect in all business partners, including suppliers, vendors, dealers, subcontractors, and other partners.

Kimball International has a formal Supplier Onboarding process that we follow when onboarding any new supply partner. As part of this process, suppliers are required to complete survey assessments that indicate labor and human rights conditions at their operations. In addition, on-site visits of supplier locations are conducted to allow for assessment of capabilities, working conditions, and other factors. We conduct supplier business reviews on an ongoing basis and complete follow-up visits to certain supplier locations.

## ESG Goal / 04

### Supplier Management:

To drive accountability on our supplier expectations, we set a goal to achieve 90% of strategic suppliers signing the Kimball International Business Code of Conduct by the end of Fiscal Year 2023





## Human Rights

We are committed to upholding and respecting human rights. Our approach to protecting and safeguarding human rights is guided by our [Human Rights Commitment](#) which applies to our employees and our suppliers.

Kimball International complies with all applicable U.S. federal, state, local, and non-U.S. country-specific national and international laws regarding labor relations, including work councils and union representation.

Our operations are covered by our labor code, made public via postings throughout our facilities. The code covers such topics as freedom of association, forced labor, child labor, and equality in employment, including nondiscrimination and equal remuneration.

Kimball International is committed to a work environment that is free from human trafficking and any form of forced labor or unlawful child labor. Our policies prohibit our employees, contractors, subcontractors, vendors, suppliers, partners, and others through whom we conduct business from engaging in any practice that constitutes trafficking in persons or forced labor. We expect that the entities with which we do business similarly respect individual human rights as laid out in our [Business Partner Code of Conduct](#).



## Responsible Sourcing

Kimball International strives to ensure that wood used in the manufacturing of our products is obtained from environmentally and socially responsible sources.

Procuring wood responsibly not only supports our sustainability initiatives, but also provides assurance that our wood-based components have the lowest possible burden on the environment. It is Kimball International's policy to work with partners who share our values of responsible management of wood from the forests where our raw materials are harvested. Kimball International strives to use wood from properly managed forests to reduce the environmental impact we have on our industry.

Kimball International expects suppliers of wood-based materials to follow all applicable laws and regulations for territories from which they are sourced, such as the Lacey Act, as well as international treaties and agreements to which the United States is a signatory. We will seek to eliminate the use of species listed in CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora) Appendices I or II, for the manufacturing of our products. Our Supply Chain Team will give preference to suppliers who are compliant with third party sustainability standards including the Forest Stewardship Council (FSC) and Sustainable Forestry Initiative (SFI). Our [Business Partner Code of Conduct](#) sets standards and expectations for the conduct of ethical business by our business partners.



Kimball International supports demand for various types of wood products which includes, but is not limited to, Particleboard, MDF, Plywood, OSB, and Solid Wood.

From July 2020 to June 2021 (FY2021), Kimball International procured 100% of its melamine particleboard panels, which amounts to more than 6 million square feet of various sizes in thickness, from sources which are members of the following organizations:

- Composite Panel Association (CPA)
- Forest Stewardship Council (FSC)
- American Institute of Architects (AIA)
- Architectural Woodwork Institute (AWI)

Additionally, throughout FY2021, Kimball International procured more than 180,000 panels with high pressure laminate applied. 85% of the overall square footage procured was used on surface materials. These particleboard panels are procured from sources which are certified by the Program for the Endorsement of Forest Certification schemes (PEFC) or Forest Stewardship Council® (FSC®).

## Supplier Diversity

Our commitment to Diversity, Equity, Inclusion, and Belonging extends to our suppliers.

We are committed to partnering with a diverse slate of suppliers as a core strategy, as guided by our [Supplier Diversity Policy](#), with our focus on development and engagement committed to empowering minority enterprises.

We participate in the Mid-States Minority Supplier Development Council and the Great Lakes Women’s Business Council to support these efforts.

As federal government contractors, our Kimball and National brands track and report to the General Services Administration (GSA) the total amount of dollars subcontracted to run the business, including the amount of spend with diverse suppliers.

In the government’s fiscal year of October 1st through September 30th 2021, our spend with diverse suppliers accounted for approximately 7.4% of the total spend reported.

The table to the right details the total spend with diverse suppliers based on the government’s fiscal year of October 1st through September 30th.

Our objective in FY23 is to increase spend with minority- and women-owned businesses.

Diverse Suppliers	Kimball Brand	National Brand	Total
GSA FY2019	\$12.6 M	\$5.5 M	\$18.1 M
GSA FY2020	\$12.7 M	\$6.6 M	\$19.3 M
GSA FY2021	\$9.4 M	\$9.4 M	\$18.8 M

**Diverse Suppliers as defined by the GSA reporting requirements include:**

- The Historically Underutilized Business Zones (HUBZone)
- Service-Disabled Veteran-Owned Small Business (SDVOSB)
- Small Disadvantaged Business (SDB)
- Veteran-Owned Businesses
- Women-Owned Small Businesses
- Alaskan Native Corporations and Indian Tribes, and Other than small-Alaskan Native Corporations and Indian Tribes





# 5

## Employees

Our Purpose and Guiding Principles are constant reminders of why we are in business, who we are, and who we serve. The foundational Principle, Our Employees are the Company, serves as a guide to ensuring we are aligned with our commitment of always improving and moving forward.

We seek the beauty of differences, enabling us to envision a world without limitations. With an entrepreneurial spirit, our culture supports individual initiative, teamwork, and personal empowerment. By embracing our authentic selves, we can create freely based on all of our unique characteristics. We seek employees who are committed to maximizing their personal skills while preserving and enhancing our pillars.

We encourage our people to build heart into everything they do, giving one another the room to discover our best and bring out the best in others, from shop floor to showroom.



# Talent Attraction

Our organization’s success is a direct result of the collective efforts of the talented employees who make up the Kimball International family.

Our talent attraction efforts go beyond traditional sourcing to intentionally engage future employees who bring a robust and diverse range of skills, experiences, and passions. We’re constantly focused on building relationships with qualified talent who offer specialized skills to drive our business forward.



Our continued focus includes:
Building talent pipelines at schools, colleges/universities, refugee and immigration partnerships, and diversity-centric associations
Refining our Talent Acquisition strategy to attract more diverse candidates, including leveraging our Hub location in Atlanta
Expanding the advertising of our employment brand and career opportunities through social media, radio, billboards, direct mailings, and other advertising channels
Engaging with industry contacts and business partners to recruit for specific roles
Participating in workforce development initiatives such as Career Advancement Partnership (CAP) and Automation and Robotics Academy (ARA) through Vincennes University, which offers apprenticeship opportunities to students
Offering job-shadowing opportunities and college internships through co-ops and partnerships with universities, as well as on-site tours of our facilities
Hosting and sponsoring career fairs throughout the communities in which we operate
Increasing the rewards associated with our employee referral program
Offering a competitive sign-on bonus for certain roles

**Kimball International**

## COME GROW WITH US

LOCAL POSTAL CUSTOMER

ADVANTAGES OF A MANUFACTURING CAREER AT KIMBALL INTERNATIONAL

- Work in an environment focused on safety, teamwork & flexibility - and have some fun, too!**
- \$16-26 Per Hour Including Incentive Pay, Paid Weekly**  
Hourly pay is based on experience & can increase through our incentive pay program
- \$1,000 Bonus Manufacturing Associates**  
\$200 at 3 months & \$500 bonus at 6 months of employment
- \$2,000 Bonus Experienced Upholsters & Sewing Operators**  
\$500 at 3 months & \$1000 bonus at 6 months of employment
- Hiring Process**  
If you have a proven history of demonstrating reliability, positive performance and safety, join us for an open interview or apply online
- Open Interviews & Applications**  
Visit [kimballinternational.com/careers](http://kimballinternational.com/careers) for dates and open positions in Danville, KY, Jasper, IN, and Santa Clara, CA
- Questions About Applying**  
Call us at 812-482-8200
- Healthcare Benefits**  
Start your healthcare benefits on the 31st day of employment and enjoy highly subsidized premiums
- Dedicated Health Center**  
Utilize our dedicated employee health center in Jasper, Indiana
- Paid Time Off**  
Enjoy immediate paid time off up to 15 days per calendar year
- Retirement Benefits**  
Receive an annual 401K contribution based on company performance

Scan here to visit our Careers website

Questions? Call us at 812-482-8200  
[kimballinternational.com/career](http://kimballinternational.com/career)  
Equal Opportunity

**Now Hiring Manufacturing Careers**

- \$16-26 Per Hour, Including Incentive Pay**
- Hiring Bonus After 3 & 6 Months**
- Healthcare Benefits Start On Your 31st Day of Employment**
- Paid Time Off Immediate, Up to 15 Days Per Calendar Year**

**Join Us!**

ADVANTAGES OF A MANUFACTURING CAREER AT KIMBALL INTERNATIONAL

- Receive a \$500 hiring bonus after 6 months of employment
- Earn \$16 per hour minimum training pay, and enjoy opportunity for growth
- Enjoy immediate paid time off and paid holidays
- Start your healthcare benefits on the 31st day of employment
- Take advantage of our benefits package that provides flexibility & choice
- Utilize our Jasper based employee healthcare center
- Receive an annual 401K contribution based on company performance

**HIRING PROCESS**  
If you have a proven history of demonstrating safety, reliability, and positive performance, join us for an open interview or apply online.

**OPEN INTERVIEWS & JOB APPLICATIONS**  
Current open interview dates and locations, as well as open positions are available on our Kimball International careers website at [kimballinternational.com/careers](http://kimballinternational.com/careers).

Scan here to visit our Careers website

**Kimball International**

## Talent Development

Cultivating Our Craft is our ambition to enable each of our employees the opportunity to excel. We're committed to supporting the growth and development of our employees and leaders as they each refine their own craft. Our support comes through an active investment in training, education, and leadership programs, as well as providing structured development for high potential talent.



### Continuing Leadership Development Programs:

#### Elevate

Our flagship senior leadership program that provides development through coaching, assessments, and experiential action learning projects. Started in 2019, this program is a year-long immersive and intensive program with direct mentoring from our CEO. In 2021, 15 participants graduated from the program.

#### Foundations

A frontline leadership development program for emerging or new supervisors and managers. This is a thirteen-module program that covers the fundamentals of management.

#### SOAR

SOAR, a unique women's professional development program, is designed to engage, stimulate, and grow emerging leaders. Participants meet for a series of discussions and apply their learnings by delivering the Young Women Lead conference for high school girls.

#### Dubois County Leadership Academy

The Dubois County Leadership Academy offers classes in leadership essentials, problem solving, public service, and communications.

### New Leadership Development Programs:

#### Virtual Self-Based Micro-Learning Sessions

Available to all employees, these sessions feature content from thought leaders such as FranklinCovey, Ken Blanchard, and John Maxwell, each forming the cornerstone of training we have provided our employees for many years.

#### Rise

A formal, one-on-one mentoring program that matches employees with leaders to foster career development.

#### Executive Team Coaching

Broadened use of executive coaching to support the ongoing development of current and future senior leaders.

#### Diversity, Equity, Inclusion, and Belonging

A refreshed educational journey including modules on unconscious bias and microaggressions.



CASE STUDY / 06



### Dubois County Leadership Academy

The Dubois County Leadership Academy (DCLA) is a leadership training program focused on establishing and developing community leaders.

DCLA participants dedicate more than 24 hours over 7 months in participation and volunteer time toward the delivery of capstone projects each year. The program curriculum focuses on leadership essentials, problem solving, public service, and civic leadership that leaders then use in capstone projects that deliver positive outcomes for the community.

In 2021, two Kimball International employees graduated from DCLA. Two of the capstone projects supported by our employees are critical to our local community. One led a service project to provide relief and assistance to a local intermediate school following severe flooding damage. The other led a project to re-design and furnish an activity room at the Southwestern Indiana Child Advocacy Center Coalition (SWIACC), which provides a safe space for children before and after forensic interviews.

CASE STUDY / 07



VINCENNES UNIVERSITY

### Vincennes University

Near our Corporate Headquarters in Jasper, IN, we partner with the local campus of Vincennes University (VUJ) to deliver leadership curriculum for manufacturing managers, OSHA training for safety personnel, and various office/professional related skills such as Microsoft Office products.

The VUJ Work-Based Learning Internship Program offers dual-enrollment business courses and on-site work experience for high school students near our HQ. We also participate in the Career Advancement Partnership (CAP) Program which combines a two-year degree in General Technology with paid work experience in our facilities, giving participants highly valued technical skills along with cutting-edge college curriculum.



## Talent Development

### Performance Management

To be a high-performing organization, we believe in the power of aligning our employees to our strategic business plans. Our performance management programs are tailored to our professional and manufacturing employees for maximum effectiveness.

#### Our performance management process includes:

Annual performance objectives for the CEO which are cascaded to each executive team member

Real-time feedback and coaching

Annual performance reviews which result in individual personal and professional development plans and a mutual understanding of career aspirations

Performance Improvement Plans to address any issues where specific actions are needed to improve performance





## Employee Engagement

A culture of care is alive when it feels human. To us, that means our interactions with each other across the company are grounded in listening, connecting, and growing together.

We seek employee feedback in various ways to understand employees' thoughts on our work environment, employee programs, and leaders. Ultimately, we work to understand if our employees agree that our workplace is one where they feel belonging.

Our outreach to employees has included individual communication across our various business units and functions. We asked questions focused on organizational vitality, communication, and returning to work in a post-COVID-19 world. In response to employee feedback, we added new forums to connect with all employees.

To create community and connection within our workplaces, we host fun, engaging events and activities. These events include celebration of work anniversaries, holidays, and project milestones that align with our Purpose and Guiding Principles.

As we look to the future, our plans include conducting a company-wide employee engagement survey to inform our focus areas for even greater levels of engagement.

### New forums to connect with all employees:

Created regular, interactive "Executive Chat" sessions where executive team members update the organization on strategic initiatives and an open forum for Q&A. These live sessions present opportunities for open dialogue on current and relevant topics across the organization such as Purpose, DEIB, and ESG.

Improved communications with our manufacturing employees by more effectively using digital displays and implementing a texting platform.

Increased the sharing of impactful things employees accomplished on the job and in the community.





## Talent Retention

Building long-term relationships with our employees, and supporting them in doing the same with each other, is a priority of focus for our company. The strength of these relationships rests on connecting our people to our Purpose in meaningful ways, living our commitments to creating a place to belong, and actively supporting development, employee engagement, and competitive compensation and benefits.

We monitor and manage turnover with special attention to voluntary, involuntary, and health/retirement reasons for separation of employment. With a broad range of roles, from professional roles to manufacturing associates, we also monitor turnover by these job categories and seek alignment to benchmarks for each.

Over the past fiscal year, the majority of our turnover has been concentrated in manufacturing roles. In early 2021, we began to feel the impact of an increased trend of voluntary resignations affecting many industries. With low unemployment rates and more employment options, we have experienced increased competition for talent, especially in similar industries and in our geographic locations. We continue to take actions to further support our employees and create a workplace where they choose to build their careers over time. These actions include ensuring competitive pay and benefits, enhancing employee recognition and appreciation programs, and reinvigorating fun and social activities. A significant percentage of our manufacturing turnover is within 90 days of hire, and we have taken further actions to improve orientation training, assign peer mentors to new hires, and increase opportunities for communication and feedback.



Turnover Type	FY2022 Manufacturing	FY2022 Professional	FY2022 Combined	FY2021 Combined	FY2020 Combined
Voluntary	34.5%	4.9%	39.4%	27.5%	26.5%
Involuntary	9.6%	0.6%	10.2%	7.7%	6.5%
Health/Retirement	5.7%	1.4%	7.1%	6.0%	3.9%
Total	49.8%	6.9%	56.7%	41.2%	36.6%

All metrics expressed as a percentage of total employees.

## Benefits

We offer comprehensive benefits to our U.S. full-time employees, including healthcare, pharmacy, health savings account, an Employee Assistance Program, dental, vision, short and long-term disability insurance, life and dependent life insurance, AD&D insurance, critical illness insurance, accident, and hospital indemnity insurance.

We also have an on-site health center located in Jasper, Indiana, for employees and dependents, including telehealth options.

We offer our employees and their families a wide range of support services and resources through our Employee Assistance Program, including counseling, legal and financial consultation services, dependent care resources, and identity recovery services.

Additionally, we offer employee participation in a defined contribution 401(k) through our Kimball International Retirement Plan. On an annual basis, we determine (based on profitability), a company contribution to employee accounts regardless of whether they contribute on their own. The Retirement Plan benefit is often mentioned by employees as a true enabler of a successful retirement, with the company's care for them lasting beyond their employment.



CASE STUDY / 08

### CareATC: On-site Health Center

The Kimball International Health Center is a convenient, near-site health center providing access to all employees, spouses, and children ages two to 26. The health center provides primary and acute care, helping employees appropriately manage their overall health. With a pharmacy and labs on-site, Kimball International's Health Center's main goal is to simplify the healthcare experience.

At the center, patients experience minimal wait times, extending their time with the medical providers.

Providers place emphasis on risk factors and total health, along with integrated and coordinated care. The longer, more individualized appointments strengthen patient-provider relationships and increase genuine patient accountability. The result is powerful provider loyalty and higher utilization.

Patients know when they come in the door they'll immediately be treated and receive one-on-one focused care. With the introduction of Collaborative Care in 2022, a targeted focus on chronic disease management is already experiencing remarkable outcomes.

100% of U.S. employees have access to CareATC through the Telehealth option

Those engaged with CareATC:

- Visit the ER 36% less
- Have 54% fewer unplanned hospitalizations
- Cost the health plan 20% less in 2021 than those who did not engage

Diabetics who engaged with CareATC in 2021 saw an average HbA1c reduction of 26%

Patients engaged with CareATC who had high-risk LDL cholesterol levels saw a 23% reduction in LDL during 2021

Those engaged with CareATC in 2021 lowered their risk score by 8%

- Risk score is a predictive value indicating the expected healthcare resource utilization for a patient in the coming 12 months.

## Employee Wellness

We are committed to increasing employee well-being through ever-evolving programs that engage and inspire our people.

Our comprehensive wellness program includes access to preventative care health screenings at no cost to the employee, increased access to healthcare through our leveraged relationships with local hospitals and third-party healthcare vendors, providing access to sit-to-stand desks and other ergonomic furniture, subsidized

gym memberships, on-site fitness and nutrition programming classes, access to stress management and therapeutic services, tobacco cessation, financial wellness educational content, and opportunities for community involvement.

**Our focus on employee wellness provides choices and flexibility to:**

- Support employees in improving overall health and wellness
- Recognize the whole person (body, mind, heart, and soul)
- Make wellness programming convenient and habit forming
- Create a healthy and safe workplace environment
- Recognize successes (improved productivity, increased daily activity, health improvements, etc.) and celebrate
- Reduce healthcare costs by focusing on preventative care
- Improve employee morale and our reputation as the Employer of Choice

CASE STUDY / 09



### WELL Health-Safety Rating

Our HQ Campus has earned the WELL Health-Safety Rating through the International WELL Building Institute (IWBI™). The rating is an evidence-based, third-party verified measure that takes into account operational policies, maintenance protocols, stakeholder engagement, and emergency plans to address a post-COVID-19 environment now and into the future.

This accomplishment is a direct result of the tireless efforts our team at Kimball International has put forth to keep the well-being of our employees as a top priority. By designing a workplace that is focused on employees, we further demonstrate our commitment to providing healthy and safe spaces that spark peace of mind and drive engagement.

This achievement is just one indication of our commitment to leading the industry as business leaders around the globe redefine the workplace

for the post-pandemic era. In part, we lead this conversation by example, as we dedicate ourselves to the programs that have kept our workplace safe and enhanced the well-being of our employees.

The WELL Health-Safety Rating was designed to empower owners and operators across large and small businesses alike to take the necessary steps to prioritize the health and safety of their employees, visitors, and customers. The measure both improves safety and offers reassurance to those who use these spaces for work, learning, healing, and relaxation.

Our HQ Campus earned the rating by implementing processes and procedures such as cleaning and sanitation procedures, emergency preparedness programs, health and wellness programs and resources, air and water quality management, and education.



## Employee Health and Safety

Kimball International has a Comprehensive Safety Program built on an internal 40+ element management system. Our CHOICES safety program promotes a behavior-based approach to incident prevention and creating a culture of safety at our operations.

We have created strong cultural values around safety.

Our vision is to create an injury free working environment for our people, with a primary focus on prevention.

Our Director of Safety is directly responsible for oversight and day-to-day implementation of employee health and safety, and reports to the Executive Vice President of Global Operations.

The Executive Vice President of Global Operations updates the Board of Directors on health and safety information periodically.

In 2021, our safety program was recognized by a number of organizations and certifications that promote best-practices in occupational health and safety:

Danville, KY, plant received the Kentucky Governor's Safety Award

Fordsville, KY, plant was recertified to OSHA's Safety and Health Achievement Recognition Program (SHARP)

Santa Claus, IN, plant received OSHA Voluntary Protection Program Recertification

All Kimball International Logistics locations received OSHA Voluntary Protection Program Recertification

Columbus Captive Risk Control award presented to Kimball International for highest risk control score



### Appointment to Indiana's State Safety Review Board

In September 2021, Indiana Governor Eric J. Holcomb announced the appointment of Kimball International's Vince Cooke to the state's Board of Safety Review. Positions on the Board of Safety Review are appointed by Indiana's Commissioner of Labor, with final approval by the Governor.

Members of the Board review all safety orders or citations issued by the Indiana Occupational Safety and Health Administration (IOSHA). Members can also conduct hearings on contested IOSHA safety orders. Each member can act as an Administrative Law Judge on cases that may be disputed or contested.

## Employee Health and Safety

## ESG Goal / 05

### Safety Rate:

Maintain our Total Recordable Incident Rate (TRIR) well below industry average, targeting 1.5 or lower

Our focus to drive continued improvement will include:	For FY23 and beyond, we have the following safety goals driving our efforts:		
Continuing front-line leadership education and alignment to hazards to support our culture of safety	Continue our journey to be "Injury Free" at each of our locations		
Strengthening our safety leaders by training additional shop floor employees to be ambassadors for safety	Maintain our Total Recordable Incident Rate (TRIR) well below industry average, targeting 1.5 or lower		
Continuing to build and develop our Safety team and providing orientation for our new Safety Coordinators	Continue our 20+ year participation in OSHA partnership programs		
Ensuring that safety best practices are upheld across our global operations			

Metric	2021	2020	2019
Total Recordable Incident Rate (TRIR)	1.15	1.28	1.56
Days Away, Restricted, or Transferred (DART)	0.22	0.31	0.58



## Pandemic Response

Kimball International is dedicated to our employees' personal protection from the spread of disease and ensuring the safety of our employees is our highest priority. Our goals are to raise the level of awareness and personal responsibility of employees and their families to take preventive measures regarding their health and wellness, and provide a safe and secure work environment with appropriate emergency response procedures.

During the COVID-19 pandemic, Kimball International engaged key leaders to be part of our response to the pandemic as a COVID Emergency Response Team. This team consisted of leaders in Safety, Human Resources, and executive leadership to navigate business decision-making around the pandemic and our internal protocols. The COVID Emergency Response Team used resources from the CDC, local public health sources, and business continuity plans in decision making. The COVID Hotline (staffed by Kimball International employees trained in our COVID response protocols) became the front-line source of support, contact tracing, and communication for employees and groups within Kimball International. Calls to the COVID Hotline would establish contact tracing, quarantine guidance, and communication to initiate the Emergency Response Team to respond, analyze, clean, and sanitize based upon the COVID exposure following CDC guidelines. Communication and visual prompts educated employees on social distancing, sanitizing, masking, and any other personal protective equipment necessary. Our Kimball International Health Center provided COVID testing and support for employees and dependents. The COVID Emergency Response Team monitored CDC, State, and local health resources to determine appropriate response to COVID outbreaks, contact tracing, and vaccination guidance.



We took actions to support our employees in getting vaccinated against COVID-19. We increased access to the vaccines for our employees by offering on-site vaccination clinics. We also ran our “For The Greater Good Campaign,” which encouraged employees to get vaccinated by awarding incentives to employees who received at least one dose. Additionally, we provided a cash incentive for all eligible employees who received at least one dose of the vaccine and those with medical or religious exemptions. We believe these efforts helped protect our employees, their families, our communities, and our business.



# 6

## Diversity, Equity, Inclusion, and Belonging (DEIB)

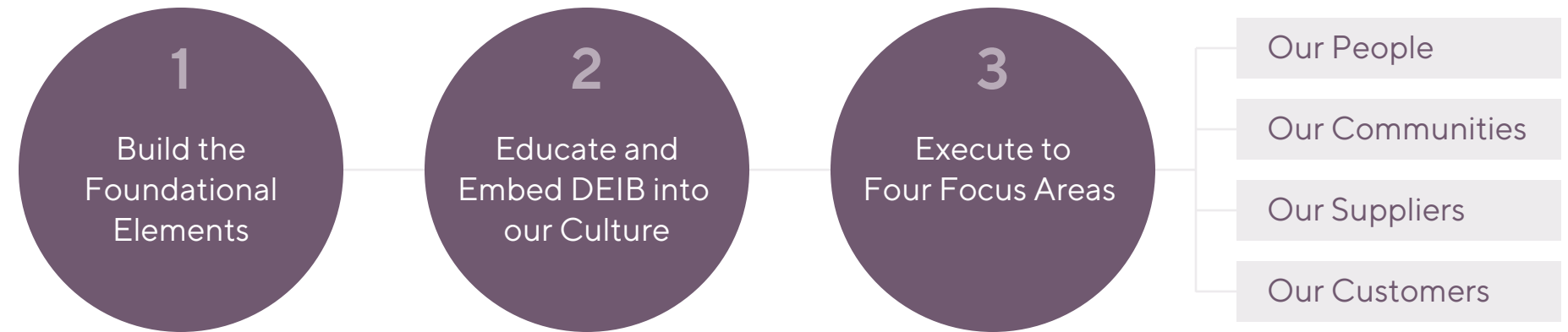
Kimball International promotes an environment where each employee is valued, respected, and treated with dignity. We believe that diverse voices are essential in creating an organization where every person feels a sense of belonging, and we are committed to creating equity and a sense of inclusion for all. This is our mission and commitment.

Kimball International's Diversity, Equity, Inclusion, and Belonging journey is about ensuring every person is seen, heard, and feels there are no boundaries to what they can accomplish at our company. Becoming a more diverse, equitable, and inclusive organization is a journey, but we are committed to this work, building on our culture of care and learning more about each other in intentional ways.



## Our DEIB Journey

Our Diversity, Equity, Inclusion, and Belonging journey crystallized in 2021 with a renewed focus on expanding our culture of care through three carefully defined strategic phases:



### DEIB Vision Statement:

At Kimball International, our journey to inclusion and belonging is rooted in the power of differences. Our goal to seek the beauty of differences enables us to envision a world without limitations, encouraging us to embrace our authentic selves, and create freely based on the unique characteristics of our employees and those we serve.

At our core, we believe that through our dedication to embracing differences we contribute to a world where the impossible becomes possible.

It is with this understanding that Kimball International needs the world, and the world needs Kimball International.

### DEIB Aspirational Values:

- Standing up and speaking up for what is right. We are a culture of care. We demonstrate our care for one another through support and allyship.
- Inviting others to join the conversation and valuing their contributions. We welcome diverse experiences, thoughts, and perspectives; therefore, we invite them to the discussion.
- Believing everyone has a special skill or talent. We all have unique gifts. As leaders and colleagues, we partner and collaborate to help our natural gifts flourish.
- Nurturing greatness within ourselves and one another. We are a learning community with a growth mindset. We seek out new information to expand our perspectives and explore possibilities.
- Always leading by example. We do not need leadership titles to lead. Instead, we lead by exemplifying courage, respect, integrity, and collaboration.

### Our DEIB Commitment:

Our journey began with deeply understanding the complexity of diversity while recognizing that as people, we are more alike than we are different. As such, we have chosen to begin our journey underscoring the importance of inclusion and belonging.

- The foundation of our journey is education and embracing a growth mindset.
- To better understand this journey, we have to educate ourselves on matters related to diversity (age, race, ability, gender, orientation, and all matters related to human differences).
- When we talk about diversity, we are speaking about more than race and gender, but we also recognize the importance of race and gender in the discussion of diversity.
- We believe that every person, no matter their differences, wants to feel included and wants to feel as if they belong.

## DEIB Leadership

The DEIB Governance group is responsible for ensuring strategic alignment, equitable and fair practices, decisions, and processes of all DEIB related activity under the DEIB focus areas of Our People, Our Communities, Our Suppliers, and Our Customers.

The DEIB Leadership Council is a collaborative partnership with cross-functional leaders bringing the DEIB strategy to life. These leaders ensure the DEIB vision statement and aspirational values are aligned to the activities associated with the DEIB focus areas. Members also shape the charter, council bylaws, meeting frequency, cadence, and measures/metrics of the Council and organization’s progress.



Operating Cadence
<p><b>Monthly</b></p> <p>The DEIB Leadership Council meets monthly and is currently charged with initiating Employee Resource Groups in response to employee interest</p>
<p><b>Quarterly</b></p> <p>The DEIB Governance group meets quarterly with the DEIB Lead to review status on strategic initiatives and proposals identified through the DEIB Leadership Council</p>
<p><b>Semi-Annually</b></p> <p>The Board of Directors is updated by the DEIB Executive Sponsor</p>

Focus Areas
<p><b>Our People—Who We Are</b></p> <p>Engaging all of our employees, from the manufacturing shop floor, to showrooms, and to our headquarters in Jasper, IN, to create a company-wide sense of belonging</p>
<p><b>Our Communities—Where We Work and Live</b></p> <p>Championing progress in the communities in which we work, live, and play through advocacy, leadership, volunteerism, and financial donations</p>
<p><b>Our Suppliers—Who We Work With</b></p> <p>Building on our robust Supplier Diversity Program and actively participating in Diversity Councils such as the Mid-States Supplier Diversity Council and the Great Lakes Women’s Business Council</p>
<p><b>Our Customers—Who We Serve</b></p> <p>Celebrating and building partnerships by sharing best practices and learning from others</p>



## DEIB Education

As part of the journey to deepen our DEIB commitment, vision, and values into our culture, we have developed a suite of DEIB education opportunities for all employees.

Our commitment as we continue on this journey is to roll out the DEIB Foundations training to all active employees by the end of FY23.

We increased internal and external DEIB communications and initiated an operating rhythm that includes monthly DEIB education opportunities and progress updates from DEIB leadership on a monthly and quarterly basis.

Additionally, in 2021, we announced we would observe Martin Luther King Jr. Day for the first time in 2022 and encouraged employees to practice a day of community service on that day.

The three-part training series includes the following training modules:

### DEIB Foundations

Beginning course that introduces employees to concepts associated with diversity, equity, inclusion, and belonging

### Unconscious Bias

Focuses on helping employees identify attitudes or stereotypes about certain groups, often based on mistaken or inaccurate information

### Microaggressions

Awareness of daily behavior (verbal or nonverbal) that communicates hostile or negative insults toward a group, either intentionally or unintentionally, particularly culturally marginalized groups

## Pay Equity

Our compensation programs are designed to ensure employees are equitably compensated through a mix of base pay, incentives based on job roles, and opportunity for a company contribution to retirement savings.

Our focus is to provide competitive pay structures that attract, retain, and reward performance. We set target total compensation within ranges developed based on external benchmarks and internal pay equity. Compensation decisions are influenced by key factors including job scope, impact and contribution to the business, and geographic differentials.

## U.S. Workforce Diversity Metrics

A diverse workforce brings new ideas, innovation, and capabilities to Kimball International, and aligns with our DEIB commitment, vision statement, and aspirational values.

Gender Representation	Women	Men	Not specified
Executive/Senior Management	25%	75%	0%
All Other Employees	41%	57%	2%

Racial/Ethnic Representation	Diverse	Non-Diverse	Not specified
Executive/Senior Management	12.5%	87.5%	0%
All other Employees	12%	84%	4%

This information is based on current EEO-1 reporting categories, and represents Kimball International's diversity in 2022. Diverse is defined as Hispanic or Latino, Black or African American, Native Hawaiian or Pacific Islander, Asian, Native American or Alaska Native, and Two or More Races and Non-Diverse is defined as White or Caucasian.

### Equal Employment Policy

Kimball International prohibits unlawful discrimination, harassment, and retaliation. Our employment practices are non-discriminatory and non-retaliatory, and our policies are designed to safeguard all persons (employees and job candidates) from discrimination, harassment, and retaliation on the basis of race, color, religion, sex (including pregnancy, gender identity, and sexual orientation), parental status, national origin, age, disability, genetic information (including family medical history), political affiliation, military service, or other legally protected status or actions. We are committed to eliminating barriers to success. This includes, but is not limited to, hiring qualified applicants with disabilities and providing reasonable accommodations that do not impose an undue hardship to employees and job candidates with disabilities.

## ESG Goal / 06

### Workforce Diversity:

We seek to hire diverse talent enabling us to meet or exceed racial/ethnic representation in the communities in which we serve



## DEIB Commitments and Community Action

Our DEIB efforts proudly extend into our employee communities. As an organization, we seek to expand upon existing partnerships and initiate new opportunities to give back to our communities and the markets we serve.

We recently focused our community support on low-income education areas and partnered with Kids In Need Foundation (KINF) as a HALFTIME campaign sponsor.

Our commitment to equity through our DEIB efforts garnered the healthcare industry distinguished “Women in Healthcare” award at the Women in Healthcare LeadHERship Summit.



CASE STUDY / 11

### Kids In Need Foundation

Kimball International gives back to the community through several donations to local and national non-profit organizations. One of those organizations is the Kids In Need Foundation (KINF), which provides school supplies and support to teachers and students in low-income areas in the United States.

KINF’s football-themed HALFTIME campaign ensures that teachers and students receive the support and school supplies that are needed throughout the school year, specifically during the second half of the year. For 2021, Kimball International was the Indiana “Team Captain” for the HALFTIME campaign.

Our Kimball International-Habig Foundation donated \$10,000 to KNIF and included the organization’s information in our annual holiday e-card, encouraging our business partners to join us to raise funds.

Over \$12,600 was raised to provide supplies and support to local and national teachers and students. Supplies were distributed in areas throughout the country where Kimball International has facilities and employee bases.



CASE STUDY / 12

### Women in Healthcare Award

Kimball International was recently for the 2021 Outstanding Organization Award at the Women in Healthcare LeadHERship Summit. The Outstanding Organization Award recognizes an organization for an initiative, program, or other support they have implemented that aligns with the mission of Women in Healthcare.

As this year’s winner, we’re proud to be recognized as a company that promotes an environment where each employee is valued, respected, and treated with dignity. We were also recognized for our intentional focus on increased diversity for our Board of Directors and Executive Leadership Team, as well as strategically chosen acquisitions like D’syle and Poppin that diversified our talent pool.

Of particular importance is the creation of our flagship ‘Elevate’ senior leadership program that provides leadership development through coaching, assessments, and experiential action learning projects. The program is a year-long, immersive and intensive program with direct mentoring from Kimball International’s CEO, with over 50% of the participants being women.



# 7

## Community

Our Dare to be Makers of Possibility purpose extends into the communities in which we live, work, and play. The world is our home, and as the Kimball International Guiding Principles say, “We strive to help our communities be great places to live.”

Giving back in a meaningful way is an integral part of Kimball International’s culture. We have the Kimball International-Habig Foundation that focuses its funding and resources on five primary categories: Education, Health and Human Services, Civic and Community Programs, Arts and Culture, and Religious Institutions. Our strategy is to support non-profit organizations that align with these primary categories and with our Guiding Principles, Purpose Pillars, and DEIB efforts, as a means to support support the communities in which our operations and employees reside.

Since 1963, Kimball International has donated over \$13 million to various local charities and projects in communities where our employees live and work. We also proudly grant in-kind product donations to local schools, charities, and community-based projects that serve our communities and the passions of our employees and their families.



## Employee Volunteerism and Charitable Giving

Giving back is embedded within Kimball International’s culture. We encourage collaboration and teamwork while fostering an environment where employees feel inspired to play an integral role in making a positive impact in our communities.

Our communities depend on volunteers to achieve their missions and make positive impact possible. The Kimball International Volunteer Time Off (VTO) program allows our employees to take additional paid time off to volunteer in the community. Many employees volunteer their time and talent to economic development organizations, community development initiatives, non-profit entities, academic programs, athletic programs, and faith-based groups. They also share their professional skills by volunteering on Advisory Councils and Boards.

We also sponsor or contribute to numerous causes and national organizations such as Kids In Need Foundation, American Cancer Society, Alzheimer’s Association, American Forests, Mentors for Youth, Knots Of Love, and the Humane Society. Additionally, we sponsor local fundraising events for our employees to participate in such as

5K Walks/Runs, Relay for Life, and the Walk to End Alzheimer’s. We have conducted fundraising campaigns where Kimball International matches employee donations to a non-profit association up to a certain amount. In 2021, we donated more than \$80,000 to various organizations.

We are committed to making even greater impact in our world through our commitment to community engagement.

At the onset of the COVID-19 pandemic, we used our charitable giving, volunteerism, and manufacturing capabilities, to provide PPE and healthcare furniture to our community’s “Healthcare Heroes”.





## In-Kind Donation

In-kind donations of our products and raw materials are a cornerstone of our spirit of giving.

New, gently used, and showroom displays are routinely donated to non-profit, civic, and public school systems.

We also donate furniture to fundraising auctions as owning a Kimball International product is of great pride to the communities in which we operate.

In 2021, we made in-kind product donations valued at approximately \$300,000.

In 2021, we made significant product donations to organizations such as Southwestern Indiana Child Advocacy Center Coalition in Jasper, IN, Baystate Community Services in Quincy, MA, and The Furniture Trust in Boston, MA.

We are committed to increasing in-kind giving to causes and organizations that align with our DEIB commitments.



CASE STUDY / 13

### Community Support for the Ohio County Area

To support recovery from a devastating tornado in Kentucky, Kimball International collected donations and worked with our Fordsville, KY, team to deliver much needed supplies to the Ohio County area and beyond.

Kimball International employees in Jasper, IN, Santa Claus, IN, and Fordsville, KY, donated supplies, organized logistics, packed shipping trailers, and helped coworkers with cleaning up property damage.

### Community Support During COVID-19

We are proud to recognize the efforts Kimball International employees have demonstrated caring for others in our local communities, across the country, and internationally.

During COVID-19, our employees recognized local Healthcare Heroes and donated healthy snacks to help refuel the volunteers working at mass vaccination clinics.



CASE STUDY / 14



CASE STUDY / 15

### Earth Day Partnership Donation Announcement

We believe it's not enough to simply sustain; we strive to be good stewards to the environment and enhance our world.

We are grateful to announce that together with contributions from our employees, partners,

customers, and communities – as well as a donation from our Kimball International-Habig Foundation – we were able to raise \$20,000 to reach our goal of planting 20,000 trees across the United States



## Scholarship Program

Since its founding in 1963, our Kimball International-Habig Foundation has awarded more than 400 college scholarships to children/dependents of employees.

Two types of scholarships awarded:

### Kimball International Scholarship

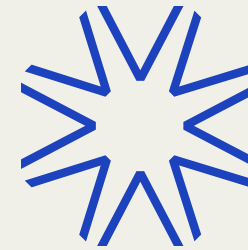
- \$2,000
- Available to students attending two- and four-year colleges/universities. Applicants must be a dependent of an active part-time or full-time U.S. employee or a past Kimball International scholarship recipient.

### Bob Schneider Skilled Trades Scholarship

- Up to \$2,000 depending on the cost of tuition, books, and equipment for the program the recipient will attend.
- Available to students pursuing a skilled trades certification at an accredited institution. This scholarship is open to the general public and does not require any association with a Kimball International employee.

### CASE STUDY / 16

## UpStar Program Creates a Professional Forum for Emerging Talent in the A+D Industry



The UpStar program was launched in New York by a team of Kimball International Architecture and Design (A+D) and Regional A+D Workplace Advisor employees. What was initially a grassroots initiative has grown to a multi-city forum for the A+D industry's most profound new voices and rising stars, providing an opportunity for them to network and share their thoughts, dreams, and goals—all while making a positive impact on design.

Members of the UpStar program are emerging designers and architects who work for some of the nation's top A+D firms in and around New York, Chicago, and Atlanta. They are personally nominated by the principals of their firm. Currently, 15 A+D firms are participating nationwide.

The UpStar program helps high potential A+D talent to:

- Explore opportunities for leadership and career growth
- Participate in high-impact mentoring
- Facilitate meaningful relationships
- Elevate their personal brand

Through virtual and in-person events, both local and national, UpStar's thought-leadership focus gives these emerging designers a voice and recognition. Important industry trends and topics like sustainability and climate action are discussed, and speakers chosen for meetings are frequently up-and-coming professionals themselves. The UpStar program embodies Kimball International's culture of caring and spirit of giving back.



# 8

## Governance

As reflected in our Guiding Principles, Ethics Policy, and overall code of conduct, our Company and Board of Directors are committed to operating at the highest ethical standards and focused on engaging in good governance practices that support the success of the Company. Our strong corporate governance practices ensure that we hold ourselves accountable and that the Kimball International is managed for the long-term benefit of its stakeholders.

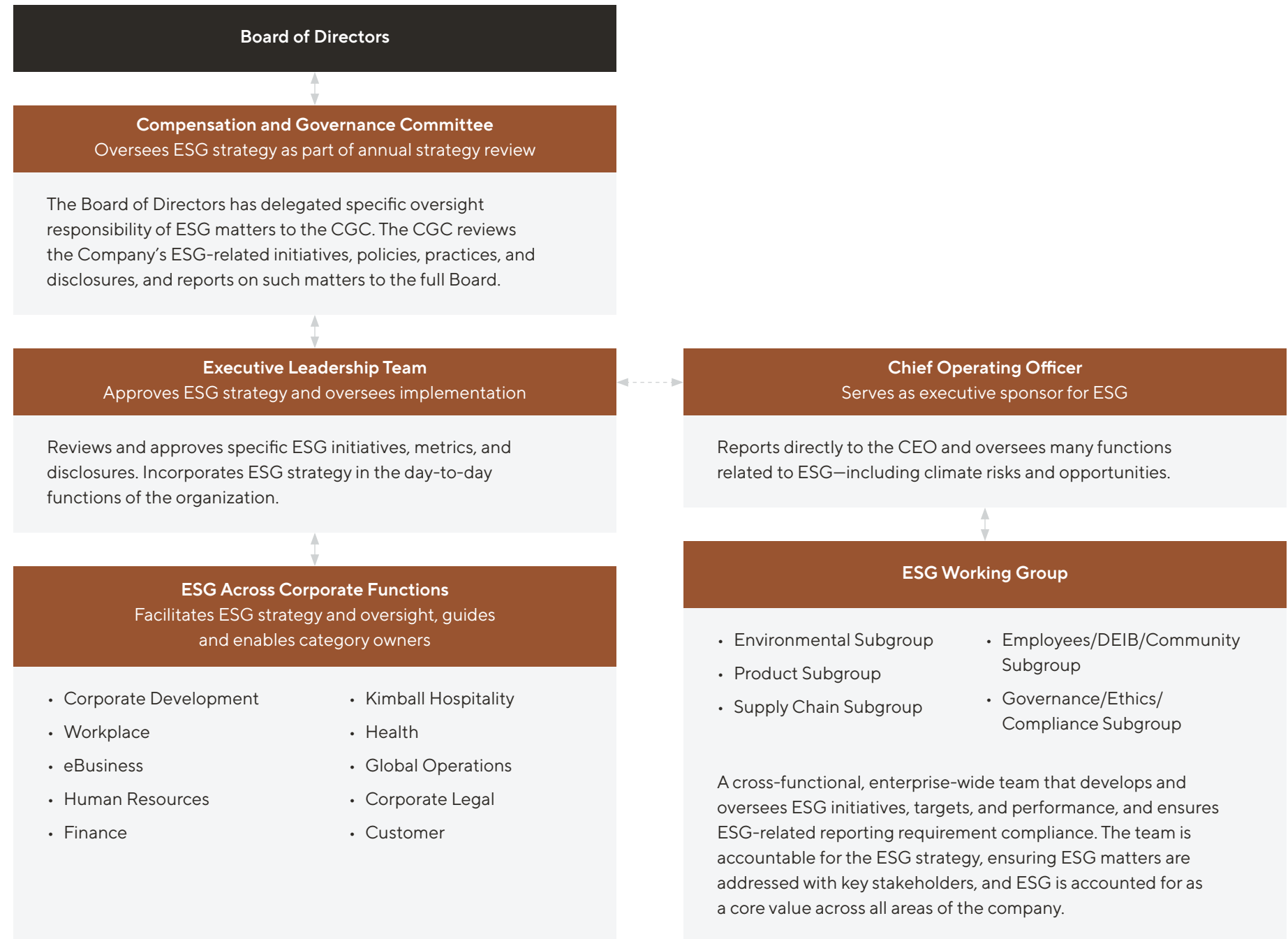


## ESG Oversight

While the full Board maintains overarching responsibility for oversight and management of the broad range of ESG issues impacting Kimball International, the Board has designated the Compensation and Governance Committee (CGC) responsible for specifically overseeing the Company’s ESG program.

As stated in its charter, the CGC periodically reviews Kimball International’s ESG initiatives, policies, and practices for adherence to and alignment with our Guiding Principles, values, and objectives. The CGC also assesses the effectiveness of ESG disclosures, performance metrics, and communications. The CGC regularly reports to the full Board on ESG matters to support the Board’s oversight responsibilities.

Management of ESG matters is performed at multiple levels within the organization.





## Ethics and Compliance

Our Guiding Principles and Ethics Policy are guides to how we conduct business with the highest level of integrity and ethical standards. While our policies reflect our values and expectations, we also comply with all applicable requirements and regulations of the U.S. Securities and Exchange Commission and Nasdaq listing requirements.

We have a formalized Compliance and Ethics Program which provides formal governance and oversight of our ethics program and policies. The CGC regularly reviews and updates the Business Ethics policy and recommends any changes to the Board. Management reviews activities for our Compliance and Ethics program with the Audit Committee quarterly, and we review a Compliance and Ethics Program Report with the Board annually.

We have an external Ethics Reporting hotline called EthicsPoint that allows employees to report illegal or unethical behavior on an anonymous and confidential basis. Our Business Ethics Policy emphasizes the importance of speaking up when becoming aware of certain behaviors that may represent a violation of our Ethics Policy. All reports are promptly investigated, and our policy includes whistleblower protection to ensure there will be no retaliation for making a report or cooperating with an investigation. In the event an incident is reported, investigations are completed under direction and control of our Chief Ethics and Compliance Officer and Corporate Legal team, and are reported to the Audit Committee quarterly. A Compliance and Ethics report is reviewed annually with the Board.

The organization's enterprise-wide internal audit team reviews the entity level controls related to our ethical standards on an annual basis. This team also performs a fraud risk assessment annually considering integrity and ethical values, asset misappropriation, corruption and bribery, financial reporting, and external fraud. The risk assessment is reviewed with the Audit Committee.

Depending on their role, employees are required to complete annual compliance training for Ethics, Compliance, Cybersecurity Awareness, Workplace Harassment, and all contents of our Employee Handbook. Additional training is required based on the employee's role in the organization, including content such as handling sensitive data.

## ESG Goal / 07

### Ethics and Compliance Training Completion:

In an effort to maintain our strong culture of ethics and integrity and increase visibility in measuring performance, we set a goal to achieve a completion rate of 95% in Ethics and Compliance training for enrolled employees year-over-year



## Corporate Governance

Our Board of Directors is elected by the shareholders to protect their interests through counsel, direction, and oversight of management with a long-term view toward the Company’s success and prosperity.

Some of the Board’s core areas of oversight include corporate strategy, financial performance, risk management, executive performance, talent management, and ESG matters.

The Board is currently comprised of seven directors. Our by-laws provide that the authorized number of directors shall be between seven and nine directors, as determined from time to time by resolution of the Board. Each of our directors is highly qualified to serve, contributing a combination of skills, core competencies, qualifications, experiences, and education that continue to guide the company’s executive management team to build success and increase shareholder value. Each current director holds or has held executive-level positions in successful large public or privately-held companies within a range of industries and markets. In these roles, they have developed expertise in a wide variety of business and operational areas that benefit Kimball International, as they bring this wealth of knowledge, experiences, and ideas to their director roles. While the tenure of longer-term directors brings intimate knowledge of Kimball International’s operations and history, shorter-term directors bring a fresh perspective that generates renewal and different ideas and opportunities. In 2021, the Board was refreshed, adding additional strength of experience, skill, and knowledge in organizational design, executive compensation matters, and leading people-related strategies, as well as gender and ethnic diversity to our Board. We also continue to evaluate the Board’s needs, director roles, and contributions to ensure the Board is operating at an optimal level of proficiency and performance.

The positions of Chair of the Board and CEO are currently held by different persons. The Board believes that this separation has served Kimball International well since it began the practice in 2018. Our Board currently has two standing committees: the Audit Committee and the Compensation and Governance Committee.

### Best Practices

- Separate CEO and Chairperson roles, with independent Chair
- Stock Ownership Guidelines for Directors and Executive Officers
- Board Oversight of ESG
- Shareholder Engagement Program
- Robust New Director Orientation Program
- Board Commitment to Seek Diverse Director Candidates

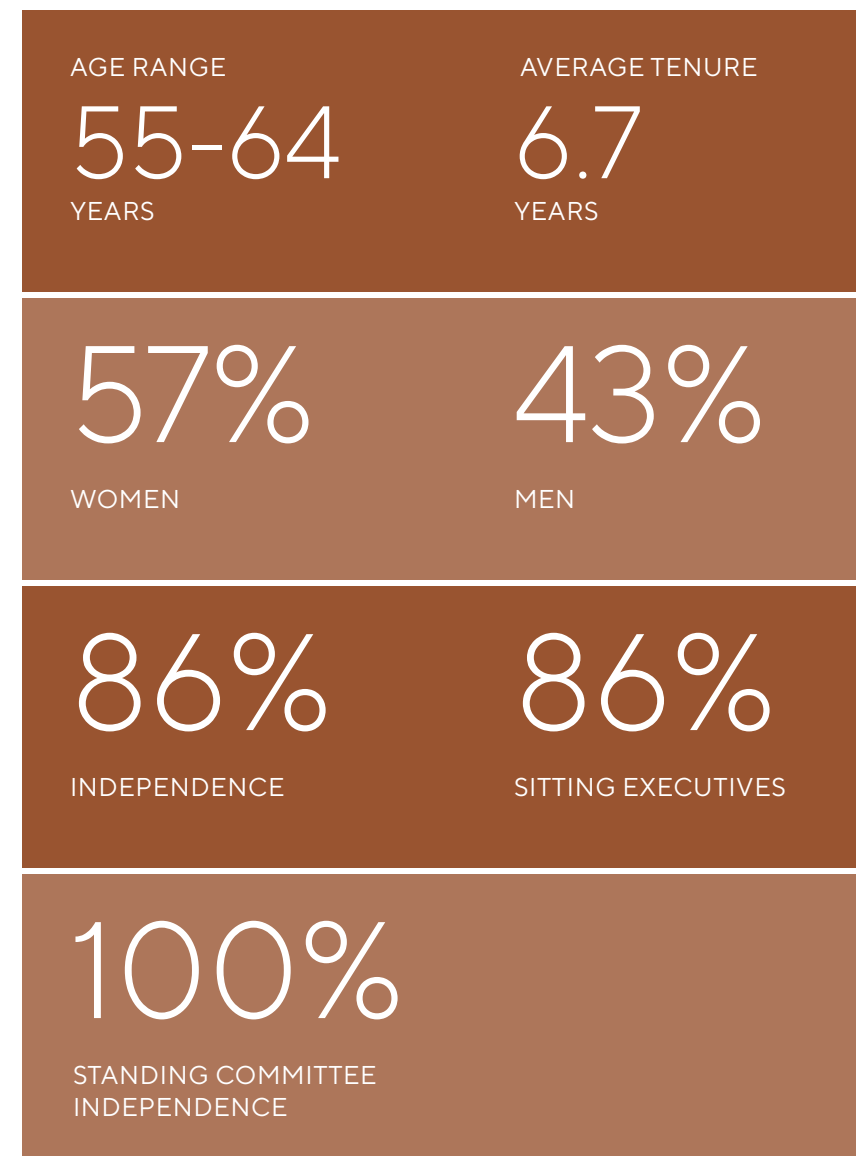
### Accountability

- Regular Board and Committee Evaluations
- Annual Evaluation of CEO by Independent Directors
- Clawback Provisions
- Director Resignation Policy
- Anti-Hedging/Pledging Policy

### Shareholder Rights

- No Poison Pill
- No Dual Class Common Stock
- No Cumulative Voting
- Simple Majority Vote Standard
- No Mandatory Classified Board Requirement
- Shareholders May Unilaterally Amend By-laws

## Board Composition



## Corporate Governance

### The Audit Committee

The Audit Committee is responsible for appointing the independent registered public accounting firm to audit our books and records, overseeing the work of the accounting firm, and approving the associated services and fees, as well as ensuring their independence.

The Audit Committee is also responsible for overseeing our risk and compliance practices, financial reporting practices, and internal controls. Further, it reviews our financial reporting and meets regularly with management and the independent registered public accounting firm regarding audit planning, audit results, and other matters within its scope. In addition, the Audit Committee oversees cybersecurity and data protection activities to ensure that Kimball International is actively and appropriately protecting its own data as well as that of its employees, customers, and suppliers and that it is meeting data protection compliance requirements. A more complete listing of the responsibilities of the Audit Committee is available in the [Audit Committee Charter](#).

### The Compensation and Governance Committee

The Compensation and Governance Committee's responsibilities consist of making all determinations with respect to the compensation of the CEO, reviewing and approving the compensation of all other executive officers in consultation with the CEO, reviewing and approving our annual contribution to our defined contribution retirement plan, and approving targets, certifications of target achievements, and authorization of payments under our stock and cash incentive plans.

The Compensation and Governance Committee's responsibilities also include advising the Board on matters of corporate governance, providing oversight and reviewing initiatives, policies and practices regarding environmental, social, and governance (ESG) related matters, evaluating and adjusting director fees, reviewing any resignations of incumbent directors who fail to receive a majority of votes cast in any uncontested election, overseeing evaluations of our Board and individual directors, reviewing related person transactions for conflicts of interest, and evaluating succession planning needs. The Compensation and Governance Committee is also responsible for nominating the Chair of the Board and the Lead Independent Director, when applicable, for election by the Board. A more complete listing of the responsibilities of the Compensation and Governance Committee is available in the [Compensation and Governance Committee Charter](#).



## Corporate Governance

### 2021 Corporate Governance Highlights

In fiscal 2021, the Board of Directors took several actions to enhance Kimball International's corporate governance practices and standards.

Most prominently, the Board of Directors opted out of Indiana's requirement that Kimball International has a classified board structure. Prior to July 1, 2021, public companies incorporated in Indiana were only permitted to opt out of the classified board structure during a 30-day period in 2009 or within 30 days of when the company's shares were registered under Section 12 of the Securities Exchange Act of 1934. However, legislation adopted effective as of July 1, 2021, permitted Indiana companies to opt out of the structure at any time. Based on feedback received from stakeholders and in the interest of good governance practices, the Board determined it was in shareholders' best interests to opt out of the statutory requirement and did so on its own initiative on July 12, 2021. As such, Kimball International's by-laws no longer require the Company to have a classified board structure, although the classified structure currently remains in place.

The Board also addressed another shareholder governance issue on its own initiative based on stakeholder feedback. Under Indiana law, a corporation's Board of Directors has the sole power to amend or repeal the by-laws, unless otherwise stated in its articles of incorporation. The company's Amended and Restated Articles of Incorporation (the "Restated Articles") previously followed the default position under Indiana law, providing the Board with the exclusive right to make, alter, amend, or repeal our by-laws. As part of its ongoing review of our governance practices, the Board considered feedback on the default position received from our shareholders and investors through our engagement activities. After careful consideration, the Board determined that amending our Restated Articles to allow shareholders to unilaterally amend our by-laws would strengthen our corporate governance practices and would be in the best interests of Kimball International and its shareholders. The Board placed the issue up for shareholder vote at its Annual Meeting, and the proposal passed with overwhelming shareholder support.

### Forward-Looking Statements

This Kimball International, Inc. ESG Report contains statements reflecting our views about our future performance that are considered forward-looking under the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally can be identified by the use of words or phrases, including, but not limited to: "intend," "anticipate," "believe," "estimate," "project," "target," "goal," "plan," "expect," "will," "should," "would," or similar statements. We caution that forward-looking statements are subject to known and unknown risks and uncertainties that may cause our actual future results and performance to differ materially from expected results. Such risks and uncertainties are summarized in our most recent Annual Report on Form 10-K and other filings with the Securities and Exchange Commission. Kimball International, Inc. undertakes no obligation to update, amend, or clarify forward-looking statements, whether as a result of new information, future events, or otherwise.

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## Appendix

In this appendix, we directly address the disclosure requests of prominent sustainability standards and frameworks, namely, the Sustainability Accounting Standards Board (SASB) and the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD). We selected these standards and frameworks, in addition to the United Nations Sustainable Development Goals denoted throughout this report, because of their focus on material aspects to our business, financial condition, and impact on our stakeholders.

## Sustainability Accounting Standards Board (SASB) Index

Kimball International reports to the SASB standards for the Building Products and Furnishings industry. In this index, we respond directly to SASB’s metric requests and reference to relevant sections of the report for

narrative information requests. Please refer to the related sections of this report for further contextual information and historical data.

Topic	Accounting Metric	Category	Unit Of Measure	Code	Kimball International 2021 Disclosure
Energy Management in Manufacturing	1. Total energy consumed 2. Percentage grid electricity 3. Percentage renewable	Quantitative	Gigajoules (GJ) Percentage (%)	CG-BF-130a.1	1. Energy consumed in 2021 was 342,966 gigajoules. 2. Percentage of grid electricity in 2021 was 35.9%. 3. Percentage of renewable energy in 2021 was 16.8%.
Management of Chemicals in Products	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and analysis	Not applicable	CG-BF-250a.1	2021 ESG Report, page 27
	Percentage of eligible products meeting volatile organic compound (VOC) emissions and content standards	Quantitative	Percentage (%) by revenue	CG-BF-250a.2	77% of Kimball International products were certified for indoor air quality through the SCS Indoor Advantage Gold program in 2021.



## Sustainability Accounting Standards Board (SASB) Index Continued

Topic	Accounting Metric	Category	Unit Of Measure	Code	Kimball International 2021 Disclosure									
Product Life cycle Environmental Impacts	Description of efforts to manage product life cycle impacts and meet demand for sustainable products	Discussion and analysis	Not applicable	CG-BF-410a.1	2021 ESG Report, pages 26-29									
	1. Weight of end-of-life material recovered 2. Percentage of recovered materials recycled	Quantitative	Metric tons (t), Percentage (%) by weight	CG-BF-430a.1	1. Total weight of material recovered for 2021 is as follows: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Method</th> <th>Metric Ton</th> </tr> </thead> <tbody> <tr> <td>KII End-of-Life Program . . . . .</td> <td>13</td> </tr> <tr> <td>Material Recycled from KII Facilities . . . . .</td> <td>15,236</td> </tr> <tr> <td>Material Recycled From External Partnerships . . . . .</td> <td>963</td> </tr> <tr> <td><b>Total . . . . .</b></td> <td><b>16,212</b></td> </tr> </tbody> </table>	Method	Metric Ton	KII End-of-Life Program . . . . .	13	Material Recycled from KII Facilities . . . . .	15,236	Material Recycled From External Partnerships . . . . .	963	<b>Total . . . . .</b>
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<b>Total . . . . .</b>	<b>16,212</b>													

## Sustainability Accounting Standards Board (SASB) Index Continued

Topic	Accounting Metric	Category	Unit Of Measure	Code	Kimball International 2021 Disclosure
Wood Supply Chain Management	1. Total weight of wood fiber materials purchased 2. Percentage from third party certified forestlands 3. Percentage by standard 4. Percentage certified to other wood fiber standards 5. Percentage by standard	Quantitative	Metric tons (t), Percentage (%) by weight	CG-BF-430a.1	The broad range of wood products in Kimball International’s portfolio creates a complex dynamic for the quantifiable measurement of wood consumption by weight. Due to the complexity and variation in weight calculations, we find this metric to be inaccurate and a misrepresentation of consumption. While Kimball International continues to seek an accurate and measurable method for all wood consumption calculations, we can provide insight for some of our largest suppliers. Please refer to the Responsible Sourcing section of this report for a discussion on sourcing of wood in our supply chain.
Activity Metric	Category	Unit Of Measure	Code	Kimball International 2021 Disclosure	
Annual Production	Quantitative	Multiple allowed	CG-BF-000.A	2,891,354 units were produced in 2021.	
Area of Manufacturing Facilities	Quantitative	Square meters (m2)	CG-BF-000.B	Kimball International operated 304,072 square meters in aggregate in 2021, of which approximately 283,262 square meters are owned, and 20,810 square meters are leased.	

## Task Force on Climate-Related Financial Disclosures (TCFD) Index

This index reflects Kimball International’s first disclosure specifically addressing the TCFD recommendations. In this first year, we provide an overview of our approach to each disclosure recommendation, upon which we will build in future reporting as we continue to integrate climate risks and opportunities into our overall enterprise risk management and corporate strategy. Please refer to the Environment section of this report and our 2021 submission to the CDP Climate survey for further information.

Governance	Kimball International 2021 Disclosure	Reference
<p>A. Describe the Board’s oversight of climate-related risks and opportunities</p>	<p>The Kimball International Board of Directors has delegated oversight responsibility of ESG matters to the Compensation and Governance Committee (CGC). The CGC reviews the Company’s ESG-related initiatives, policies, practices, and disclosures and reports on such matters to the full Board. Climate-specific matters are included in ESG initiatives and reported on periodically.</p>	<p>Kimball International 2021 CDP Climate Disclosure, Section C1</p>
<p>B. Describe management’s role in assessing and managing climate-related risks and opportunities.</p>	<p><b>Executive Leadership Team</b> Reviews and approves specific ESG climate-specific initiatives, metrics and disclosures. Incorporates strategies in the day-to-day functions of the organization.</p> <p><b>Chief Operating Officer</b> Reports directly to the CEO and serves as the executive sponsor of our ESG Working Group. Oversees many functions connected to ESG, including climate risks and opportunities.</p> <p><b>ESG Working Group</b> A cross-functional team set up to identify and oversee ESG initiatives and ensure ESG-related reporting requirement compliance. The team is accountable for the ESG strategy, ensuring ESG matters are addressed with key stakeholders, and promoting ESG as a core value across all areas of the company.</p> <p><b>ESG Environmental Subgroup</b> Chaired by the Director of R&amp;D. Sets climate-specific performance targets, shares best practices for climate mitigation, and has ownership of related policies and programs.</p> <p><b>Environmental Manager – Operations</b> Reports to the Director of R&amp;D and oversees collection and tracking of key environmental metrics, and ongoing monitoring and quantification of company-wide climate-related risks and opportunities.</p>	



## Task Force on Climate-Related Financial Disclosures (TCFD) Index

Strategy	Kimball International 2021 Disclosure	Reference
<p>A. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p>	<p>Kimball International has identified climate-related risks and opportunities with potential impact to our business over short (0-1 years), medium (2-10 years) and long-term (10-50 years) time horizons.</p> <p><b>Physical Risks</b> Short-term acute physical risks include extreme weather such as strong storms and tornadoes. These risks have been identified with facilities operating in southern Indiana and northern Kentucky.</p> <p>Long-term chronic physical risks include changes in precipitation patterns and extreme weather conditions such as floods, storms, droughts,, and fires that may impact plantations and forests where we source wood-based components, which could result in supply chain interruptions and higher costs.</p> <p><b>Transition Risk</b> Market risks in the form of increased cost of raw materials, parts and components; and shifts in consumer preferences are present. These risks impose a serious but uncertain amount of risk to our operations. The shortages of certain raw materials, parts, and components in climate-effected areas could decrease the demand for certain products in our portfolio.</p> <p>Reputational risk is also present. Increased stakeholder concern or negative stakeholder feedback could arise from increasing costs of energy use in manufacturing that may affect pricing of the product as marketed. This is due to increased costs passed along by utility suppliers and capital expenditures for energy-related projects. Continually raising the price of our products would impact the market view of Kimball International and our product offerings.</p> <p>Emerging regulatory and legal requirements designed to protect the environment could impose significant environmental liabilities. The increased prevalence of global climate issues may result in new regulations that may negatively impact us. We cannot predict what environmental legislation or regulations will be enacted in the future, how existing or future laws or regulations will be administered or interpreted, or what environmental conditions may be found to exist with respect to our facilities and real property. Compliance with more stringent laws or regulations, or stricter interpretation of existing laws, may require additional expenditures, some of which could be material.</p>	<p>Kimball International 2021 CDP Climate Disclosure, Section C2.</p>

## Task Force on Climate-Related Financial Disclosures (TCFD) Index

Strategy	Kimball International 2021 Disclosure	Reference
<p><i>continued</i></p> <p>Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p>	<p><i>continued</i></p> <p><b>Climate-Related Opportunities</b></p> <p><b>Resource Efficiency</b></p> <p>Our primary strategy for decreasing greenhouse gas emissions is to consume less energy. We continually identify and implement energy efficiency projects and our environmental teams analyze monthly energy data, identify potential energy projects, share best practices, and collaborate to reduce energy consumption. Through improving energy efficiency we not only reduce GHG emissions, but also decrease operating costs.</p> <p><b>Product/Services</b></p> <p>Our research informed design indicates consumers are interested in more sustainable products and looking for products with lower environmental impacts. As we reduce our climate-related emissions, we are able to manufacture product options with lower embodied carbon which we believe will provide an opportunity for increased sales revenue. We are constantly looking at the ways people work, where they work, and responding to changing demand with products that have the lowest possible impact, bringing the highest value products to serve customers wherever they are working.</p>	<p><i>continued</i></p> <p>Kimball International 2021 CDP Climate Disclosure, Section C2.</p>

## Task Force on Climate-Related Financial Disclosures (TCFD) Index

Strategy	Kimball International 2021 Disclosure	Reference
<p>B. Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.</p>	<p>A substantive financial or strategic impact on our business would include those items that could have a material impact to our financial performance including costs or revenue, be harmful to our reputation, or that would halt production of our products. We assess risks and the impact of those risks to our business on a case-by-case basis with varying levels of materiality.</p>	
<p>C. Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>Kimball International set a science-based carbon emission reduction target aligns with the most ambitious goals of the 2015 Paris Climate Agreement (1.5°C scenario).</p>	<p>2021 ESG Report, page 17.</p>



## Task Force on Climate-Related Financial Disclosures (TCFD) Index

Risk Management	Kimball International 2021 Disclosure	Reference
<p>A. Describe the organization’s processes for identifying and assessing climate-related risks.</p>	<p>Climate change has been incorporated into our ISO 14001 Environmental Management System (EMS). Each facility in scope of certification has a process for identifying Significant Environmental Aspects (SEAs). SEAs could be in the form of energy, water, waste, GHG emissions, and other indicators that have a major environmental impact. The process requires implementation of SEA programs to reduce these environmental impacts, which will reduce the risk associated with the SEAs. The process also calls for a “Report Out” that addresses the liability, environmental, and financial areas and overall results.</p>	<p>Kimball International 2021 CDP Climate Disclosure, Section C2.</p>
<p>B. Describe the organization’s processes for managing climate-related risks.</p> <p>C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.</p>	<p>Management of our climate-related risks are integrated into existing plans such as Emergency Action Plans, Environmental Contingency Plans, Business Plans, and Environmental Management procedures.</p> <p><b>Emergency Preparedness and Response</b> When extreme weather events interrupt our manufacturing sites, we have Emergency Response Plans and Facility Management Plans that incorporate weather-based risks, strategies to reduce the impact of such events, and plans for recovery. Plans are developed using What-If Scenarios for such items as fire, tornado, flood, or spills. Manufacturing sites also have an Environmental Contingency Plan (ECP) which establishes procedures for spill prevention and guidelines for events such as fires, leaks, and/or other emergencies created by hazardous material/wastes. These emergency plans are reviewed at least annually, or as part of a debrief following an incident or emergency.</p> <p><b>Disruptions to Operations</b> When extreme weather events interrupt our operations, we leverage production capabilities across all sites. Our processes are set up to facilitate flexing of production between facilities in response to volume fluctuations or weather events. Three of our facilities have capability to produce laminate products, three have capability to produce veneer products, and two produce seating products.</p>	

## Task Force on Climate-Related Financial Disclosures (TCFD) Index

Risk Management	Kimball International 2021 Disclosure	Reference
<p><i>continued</i></p> <p>B. Describe the organization’s processes for managing climate-related risks.</p> <p>C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.</p>	<p><i>continued</i></p> <p><b>Environmental Management</b> We reduce our climate-related risks through sound environmental management. We measure and manage natural resource use in our manufacturing sites, warehouses, and office buildings. Although these sites vary in activity and operation, all function under a common environmental policy and guidelines to help minimize their impacts on the environment. We manage climate-related risk through:</p> <ul style="list-style-type: none"> <li>• Implementing an Environmental Management System (EMS) in manufacturing sites we operate. These sites are certified to ISO 14001 standards.</li> <li>• Comply with applicable environmental laws and regulations.</li> <li>• Monitor performance through Significant Environmental Aspects (SEAs) designed to protect the environment.</li> <li>• Provide training and guidance to environmental teams to help keep up with evolving environmental issues and best practices.</li> <li>• Publicly disclosing environmental performance through reporting frameworks such as CDP.</li> </ul> <p><b>Supply Chain Management</b> When risks from longer-term climate shifts affect our purchased materials, our supply chain teams manage these by monitoring market conditions and planning adjustments in normal operating patterns accordingly when risks are predicted or are beginning to impact our business. This includes managing inventory, frequent business reviews with suppliers, assessments of supplier health, and general risk mitigation activities.</p>	

## Task Force on Climate-Related Financial Disclosures (TCFD) Index

Risk Management	Kimball International 2021 Disclosure	Reference
<p><i>continued</i></p> <p>B. Describe the organization’s processes for managing climate-related risks.</p> <p>C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.</p>	<p><i>continued</i></p> <p><b>Emerging Regulatory and Legal Requirements</b></p> <p>Kimball International employees proactively engage with government, regulators, and industry organizations to help identify emerging mandates. This engagement is typically done by participating on trade organization committees that work on legislative and regulatory issues. This committee work provides opportunities to work closely with regulators and other organizations and allows us to develop financial forecasts for needed changes to products or processes. Such groups include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• BIFMA Government Affairs Committee</li> <li>• Partners for Pollution Prevention (IDEM)</li> <li>• City of Jasper Storm Water Council</li> <li>• Environmental Stewardship Program (IDEM)</li> <li>• Indiana Chamber of Commerce</li> <li>• Indiana Manufacturer’s Association</li> <li>• Indiana Compliance and Technical Assistance Program (CTAP)</li> <li>• Kentucky Pollution Prevention Center (KPPC)</li> <li>• Southern Indiana Environmental Manager’s Group</li> <li>• Association of Hazardous Materials Professionals (AHMP)</li> <li>• Indiana Industrial Operator’s Association (IIOA)</li> <li>• Association of Energy Engineers (AEE)</li> <li>• Kentucky Division of Compliance Assistance (DCA)</li> </ul>	



## Task Force on Climate-Related Financial Disclosures (TCFD) Index

Metrics and Targets	Kimball International 2021 Disclosure	Reference
<p>A. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>	<p>For 2021, an intensity metric was used to assess climate-related risks and opportunities. Intensity allowed us to account for economic output in the metric tons CO2e per unit of production. Moving forward, we plan to move to an absolute metric, which will align with a science-based approach to carbon emission reduction targets.</p>	<p>Kimball International 2021 CDP Climate Disclosure, Section C1 and C4</p>

## Task Force on Climate-Related Financial Disclosures (TCFD) Index

Metrics and Targets	Kimball International 2021 Disclosure	Reference						
<p>B. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>	<p>Scope 1 and 2 emissions are calculated in accordance with the methodology set out in the GHG Protocol Corporate Standard (Revised edition). In January 2015, the GHG Protocol published a guidance document on the method used to account for Scope 2 greenhouse gas emissions, which introduces dual reporting:</p> <ul style="list-style-type: none"> <li>• Location-based reporting, which reflects emissions due to electricity consumption from a conventional power grid. It therefore uses primarily an average emissions factor of the country’s energy mix.</li> <li>• Market-based reporting, which reflects emissions from energy consumption taking into account the specific features of the energy contracts chosen, and also considers the impact of the use of energy from renewable sources.</li> </ul> <p>At this time we have not adopted market-based reporting. We plan to start reporting both location-based and market-based with our 2022 data disclosure.</p> <p>Our emissions (Scopes 1 and 2) are calculated by applying global warming potentials and emission factors to the activity data:</p> <ul style="list-style-type: none"> <li>• Electricity emission factors use the global warming potentials for methane (CH4), nitrous oxide (N2O), and carbon dioxide (CO2), that correspond to data provided in the latest US EPA eGRID Summary Tables.</li> <li>• The factors used for natural gas and propane are from the US EPA’s AP-42: Compilation of Air Emissions Factors.</li> </ul> <p><b>Emissions Performance</b></p> <table border="1" data-bbox="857 1218 1632 1365"> <thead> <tr> <th>2021 Emissions</th> <th>Metric Tons CO2e <sup>1</sup></th> </tr> </thead> <tbody> <tr> <td>Scope 1 <sup>2</sup></td> <td>7,825.87</td> </tr> <tr> <td>Scope 2 <sup>3</sup></td> <td>28,076.67</td> </tr> </tbody> </table> <p><sup>1</sup> Reporting is based on GHG Protocol using emission factors.  <sup>2</sup> Calculation includes CO2, CH4 and N2O.  <sup>3</sup> Gross location-based indirect emissions</p>	2021 Emissions	Metric Tons CO2e <sup>1</sup>	Scope 1 <sup>2</sup>	7,825.87	Scope 2 <sup>3</sup>	28,076.67	<p>Kimball International 2021 CDP Climate Disclosure, Section C6.</p>
2021 Emissions	Metric Tons CO2e <sup>1</sup>							
Scope 1 <sup>2</sup>	7,825.87							
Scope 2 <sup>3</sup>	28,076.67							

## Task Force on Climate-Related Financial Disclosures (TCFD) Index

Metrics and Targets	Kimball International 2021 Disclosure	Reference
<p>C. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<p>2021 Intensity Goal: Achieve a 2% reduction in GHG emissions per unit from the 2019 base year. Although we fell short of this intensity goal, our absolute GHG emissions were within our annual absolute reduction targets established using the science-based approach.</p> <p>Kimball International set a science-based carbon emission reduction target aligns with the most ambitious goals of the 2015 Paris Climate Agreement (1.5°C scenario).</p>	<p>Kimball International 2021 CDP Climate Disclosure, Section C1 and C4. 2021 ESG Report, page 17.</p>