Kimball International

2020 Environmental, Social, and Governance Summary Report

This ESG Summary Report contains disclosure of relevant ESG (environmental, social, and governance) metrics to Kimball International's business, as well as those included in the Sustainability Accounting Standards Board® (SASB) standards for the Building Products and Furnishings sector. We also aligned the disclosures in this report with the 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. This document covers ESG disclosures for Kimball International for the period Jan. 1, 2020 through Dec. 31, 2020, unless otherwise noted. All disclosure excludes the Company's recent Poppin, Inc. acquisition which closed in mid-December 2020.

About Us

The Kimball International brands come together as a design-driven product innovation leader that aligns its business units to winning in Workplace, Health and Hospitality end markets through diverse S U R G X F W R - H U L Q J V l R F X V R Q the customer and broad channels of distribution, including eCommerce.

Our Purpose

For over 70 years, we've combined a culture of caring and belonging with our craft of building design-driven commercial furnishings. We seize opportunities to transform ourselves and meet the needs of those we serve.

Dare to be Makers of Possibility

Our Mission

As a leading omnichannel commercial furnishings company, we create customized solutions and personalized services. Turning ordinary spaces into meaningful places.

Cultivating connection with our employees, our customers, our shareholders, and our communities.

Our Business

Our Family of Brands: Kimball, National, Etc., Poppin, Interwoven, Kimball Hospitality, and D'style

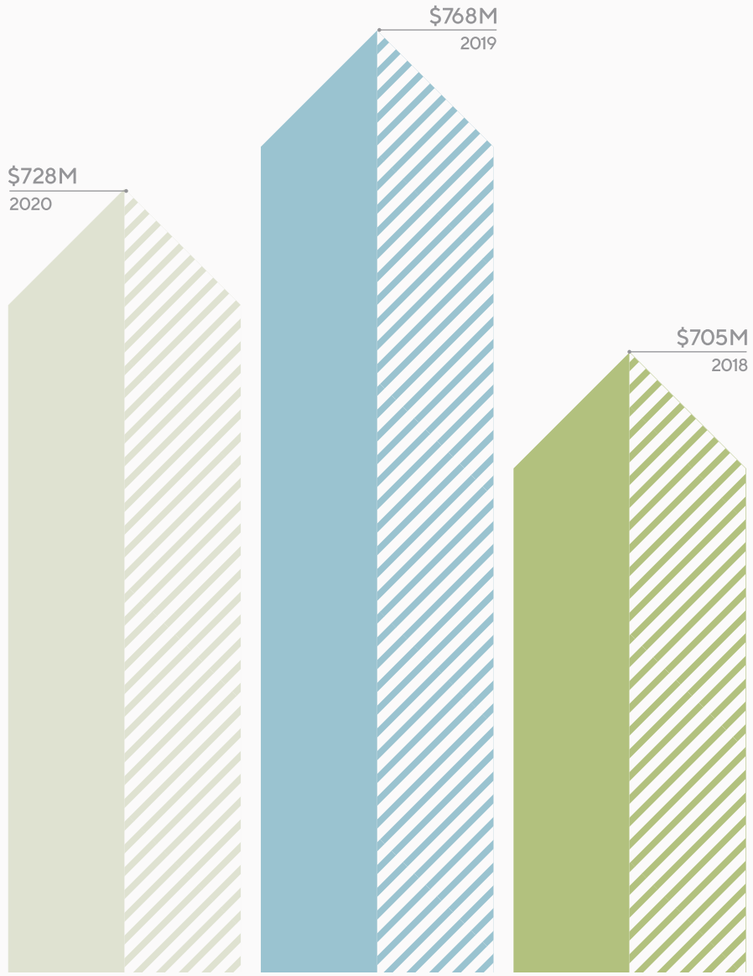
Our four market-facing business units: Workplace, Health, Hospitality and eBusiness

Driving sustaining share growth with our distinct brands and our end market expertise.

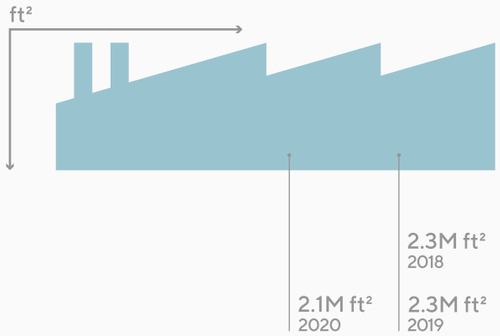
Kimball NATIONAL &tc. interwoven poppin. Kimball Hospitality D'STYLE

Activity Metrics

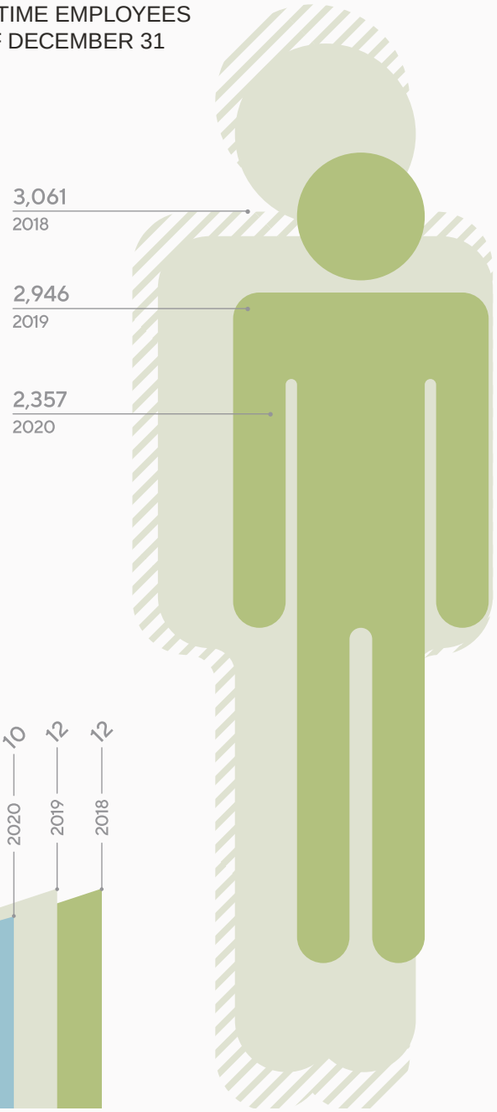
NET SALES—FISCAL YEAR



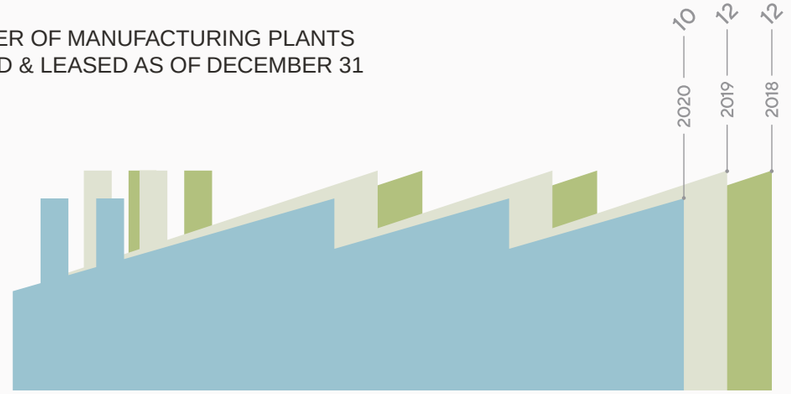
MANUFACTURING SQUARE FOOTAGE
OWNED & LEASED AS OF DECEMBER 31



FULL TIME EMPLOYEES
AS OF DECEMBER 31



NUMBER OF MANUFACTURING PLANTS
OWNED & LEASED AS OF DECEMBER 31



ESG Program Objectives

At Kimball International, corporate social responsibility is built into the fabric of our company’s long-held Guiding Principles and our authentic purpose to “Dare to be Makers of Possibility.”

A philosophy of giving back to our communities is just part of our value system. Since 1950, Kimball International has proudly been ahead of its time in many actions we have taken to protect the safety and well-being of our employees, to improve the quality of life in our operating communities, and to promote the responsible use and preservation of our natural resources.

Because our company was established in a small town, and as it grew, expanded operations into several other small towns, we have always had a special understanding of what social responsibility really means. Because we live and work in our communities, it was always just as important to Kimball International as to our neighbors that we protect our environment, that we treat everyone with respect, and that we contribute to the local quality of life. As stated in our long standard Guiding Principles, “The environment is our home. We will be leaders in not only protecting but enhancing our world.”

We are committed to being responsible stewards of the environment, maintaining a diverse and caring culture with an emphasis on employee safety and wellbeing, and having strong corporate governance practices.
We strive to be a good corporate citizen by focusing on improving the quality of people’s lives including our employees, our customers, and the communities in which we operate.
We will focus our energies on impactful strategies and actions to ensure that our people, processes, and products are always focused on doing what’s right for our world.

Dare to Be Makers of Possibility

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.

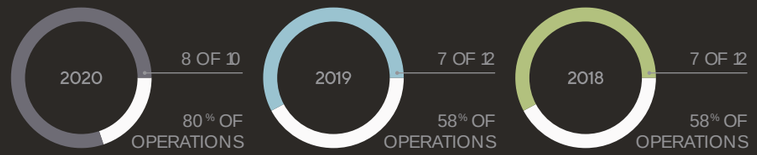
Protecting our natural resources and utilizing environmentally responsible business practices have long been key components of our corporate purpose. In 2002, Kimball International opened a ground-breaking recycling center that allowed us to increase recycling capacity and reduce waste accumulation in 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 to set aggressive environmental goals, and measure against those benchmarks.

Environmental Policy

Senior management approves our Environmental Policy minimally on an annual basis.

Environmental Management System

To ensure we properly manage environmental risks, we maintain management systems such as ISO 14001. As of December 31st, of each year, the following number of PDQXIDFWXULQJ VLWHV ZHUH ,62 FHUWL®HG



Indiana and Kentucky manufacturing sites participate in voluntary reporting programs. Annual initiatives that drive reduced environmental impacts include:

Indiana - Environmental Stewardship Program

Indiana - Partners for Pollution Prevention

Kentucky - KYEXCEL Program

Climate Change and Energy

Topic	2020	2019	2018
Energy Management in Manufacturing SASB-CG-BF-130a.1	Energy consumption metrics include electric, natural gas, propane, and renewable energy (converted total unit of measure to kWh)		
Absolute energy use (kWh)	103,705,981	120,009,625	118,299,224
Energy intensity (kWh/units)	30.9	29.0	23.5
Percentage grid electricity	34.5%	34.6%	38.5%
Percentage renewable energy m	20.5%	18.5%	11.9%
(Q H U J \ H ° F L H Q F \ H - R U W V	As energy use at our manufacturing plants is our greatest environmental impact over which we have direct control, the F R P S D Q \ H Q J D J H V L Q S U R M H F W U H O D W H G H - R U W V W R U H G X F H H Q H U J \ F R Q V X P S W L R Q 7 K H V H L Q F • 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. ü 5 H S O D F L Q J O L J K W L Q J W R O Z H Q H U J \ P R U H H ° F L H Q W D O W H U Q D W L Y H V ü 0 D L Q W D L Q L Q J W K H U P R V W D W V D W D V P H F L ® F O H Y H O W K D W D O O R Z V I R U H P S O R \ H H F R P I R U W Z L W H • Coating facility roofs white to control heat build-up.		
Greenhouse Gas Emissions	2020	2019	2018
Scope 1 emissions MTCO2e	8,076	8,610	10,309
Scope 1 emissions intensity MTCO2e/unit produced	0.00219	0.00208	0.00205
Scope 1 emissions intensity MTCO2e/employee	5.38	4.42	5.07

Greenhouse Gas Emissions	2020	2019	2018
Scope 2 emissions (metric tons CO2e)	34,450	43,475	47,763
Scope 2 emissions intensity MTCO2e/unit produced	0.00936	0.01050	0.00948
Scope 2 emissions intensity MTCO2e/employee	22.967	22.340	23.517
Avoided Emissions from Recycling n (metric tons CO2e)	1,910	2,215	2,470
Avoided Emissions from Recycling n Intensity MTCO2e/unit produced	0.000519	0.000535	0.000490
Avoided Emissions from Recycling n Intensity MTCO2e/employee	1.273	1.138	1.216

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Our primary strategy for decreasing greenhouse gas emissions is to consume less energy. We continually identify DQG LPSOHPHQW HQHUJ\ H°FLHQF\ SURMHFWV DQG RXU HQYLURQPHQWDO WHDP DQDO\]HV PRQWK candidate energy projects, shares best practices, and works together to reduce energy consumption.

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- One Showroom in Boston – LEED Silver
- Two Showrooms in Chicago – LEED Silver
- One Showroom in Dallas – LEED Gold

Additionally, Kimball International is an EPA SmartWay Transport Partner, illustrating our commitment to IOHHW H°FLHQF\ DFURVV RXU YDOXH FKDLQ DV D PHDQV WR UHGXFH RXU HQYLURQPHQWDO IRRW

Short-term goals are established within our Environmental Management System to reduce energy consumption. We are currently working to develop long-term climate and energy targets. We report our environmental metrics to CDP, for which we will receive a public score in 2021.

2021 Intensity Goal:
Achieve a 2% reduction in GHG emissions per unit from the 2019 base year.

These metrics exclude immaterial operations including those recently acquired or divested. 2020 also excludes the acquisition of Poppin, Inc. which occurred in December 2020.

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n Avoided emissions from recycling refers to a reduction in emissions within our value chain that would have otherwise RFFXUUHG LI WKH ZDVWH KDG EHHQ VHQW WR ODQG®OO RU RWKHU ZDVWH WUHDWPHQW PHWKRG :H WUDFN HPLVVLRQV IURP ZDVWH JHQHUDW LQ RSHUDWLRQV LQ RXU 6FRSH *+* LQYHQWRU\ ZKLFK GXH WR RXU UHF\FOLQJ H-RUWV UHPRYHV LQ EDOHG[DWLRQ DYRLGHG HPLVVLR

Water Use I

Water Reduction
7DUJHWV (-RUWV

The company consistently evaluates ways to reduce and reuse water within our manufacturing processes. We monitor and trend monthly water usage at our facilities, identifying root cause for any abnormal consumption. Objectives and targets are set within our Environmental Management System. For example, the following actions KDYH EHHQ WDNHQ DW VSHFL®F VLWHV WR ZDWHU XVH DQG RU LQFUHDVH ZDWHU H°FL

- Elimination of UV operations at two facilities.

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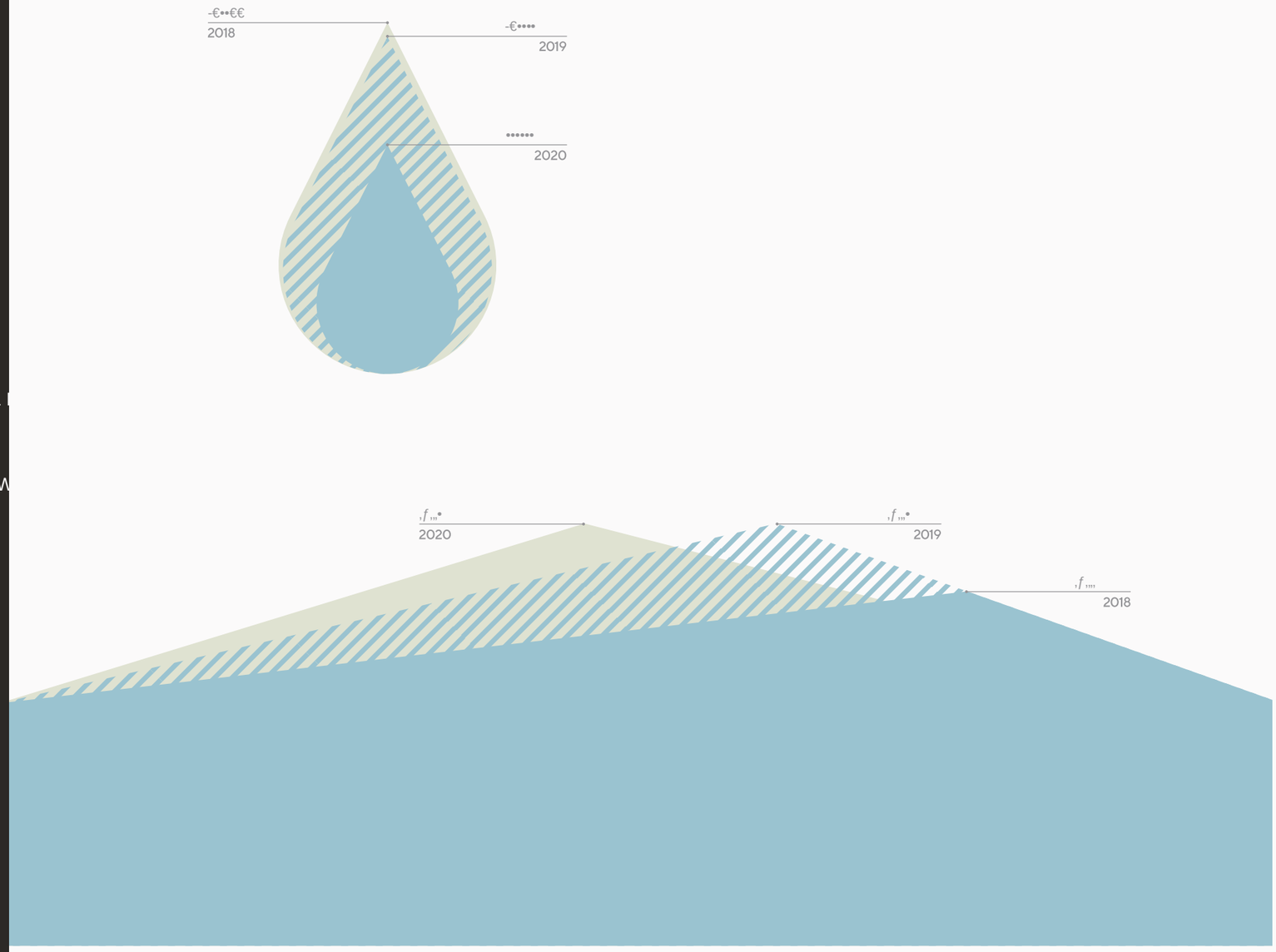


2021 Intensity Goal: Maintain water consumption at or below the 2020 level.

I These metrics exclude immaterial operations including those recently acquired or divested. 2020 also excludes the acquisition of Poppin, Inc. which occurred in December 2020.

Waste Management[1]

Waste Reduction 7DUJHWV (-RUWV

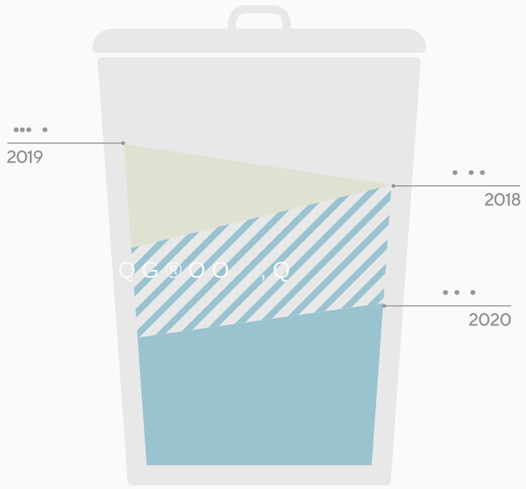
Kimball International has company-wide recycling programs DQG LV GHGLFDWHG WR UHGXFLQJ ZDVWH W the company opened a recycling center which allows our manufacturing sites to increase recycling and reduce waste accumulation onsite. The recycling center also allows the company to increase the number of 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.

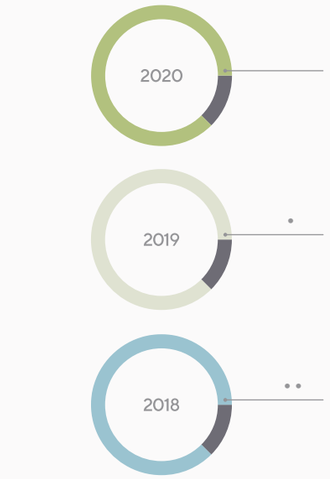
Objectives and targets are set within our Environmental Management System to reduce waste to the ODQG®OO DQG LQFUHDVH UHF\FOLQJ UHXVH

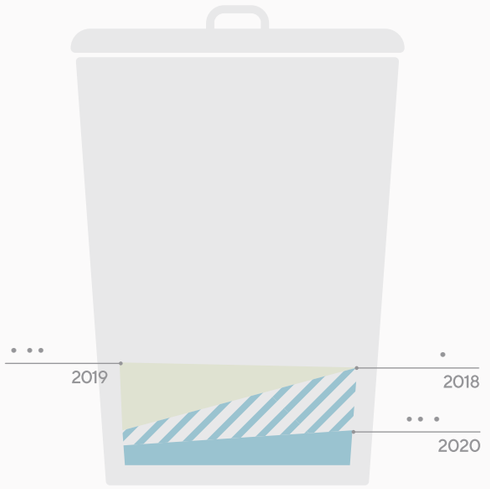
2021 Intensity Goal: Reduce solid waste to WKH ODQG®OO E\ the 2019 base year.

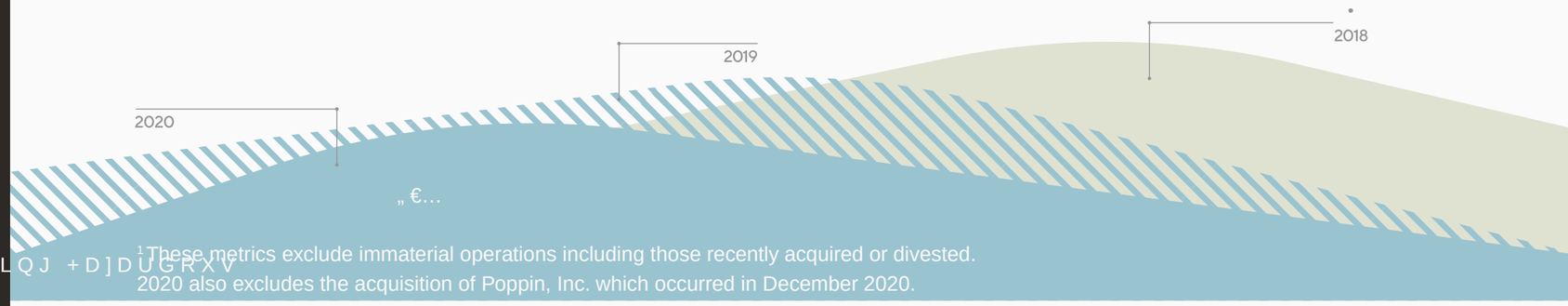
Hazardous Waste Management

Objectives and targets are set within our Environmental Management System to reduce Hazardous Waste. The objective is to improve our facility optimization IRU LQFUHDVHG H°FLHQFLHV ZKLOH UHGXFLQJ +D]DUGRXV :DVWH IURP RXU ®QLVKLQJ SURFHVVHV









[1]These metrics exclude immaterial operations including those recently acquired or divested. 2020 also excludes the acquisition of Poppin, Inc. which occurred in December 2020.

Social

Our culture of caring is at the foundation of our long held Guiding Principles and our purpose of “Dare to be Makers of Possibility.”

Human Capital Management

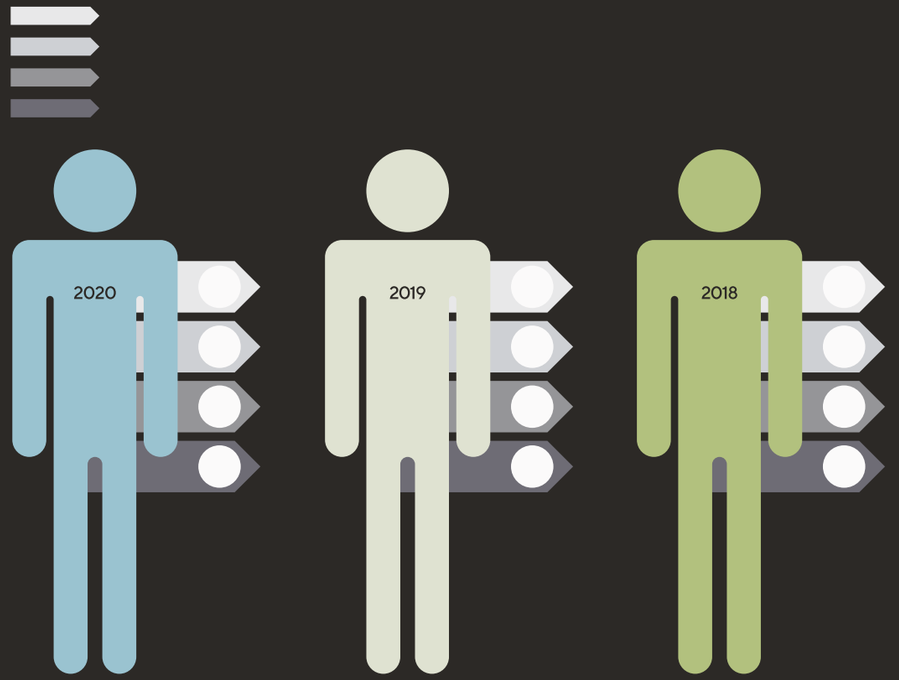
Employee engagement is a key component of that culture. We conduct employee engagement surveys periodically to take a pulse on the Company’s working environment. In 2019, we conducted a Great Place to Work® VXUYH\ DQG ZH ZHUH FHUWL®HG DV D 3ODFH :RUN
2020. As part of the assessment process, action plans were created to drive areas of improvement.

Recently, our outreach to employees has included a wide range of activities such as targeted pulse surveys across our various business units and functions. The surveys focus on organizational vitality, communication, and returning to work post-COVID. In response to employee feedback, we added new forums to engage our 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.
- Created a communication platform making it easier for key messages to be shared with our manufacturing employees.
- Developed a new hybrid work policy.

Employee Turnover

We monitor Voluntary and Involuntary Turnover independently on a month-to-month basis, taking actions where we see rates exceed our established targets. In 2018 we were slightly better than the Mercer US Turnover benchmark for the manufacturing industry of 26.7%. In 2019, we embarked on our transformation journey through the execution of our Connect business strategy which resulted in DQ LQFUHDVH LQ SHUPDQHQW OD\R-V DQG D VOLJKW LQFUHD
turnover. In 2020, because of the COVID-19 pandemic’s impact in RXU EXVLQHVV DGGLWLRQDO SHUPDQHQW OD\R-V EHFDPH Q



Kimball International is committed to employee and leadership development. Education and training are key components of our Connect 2.0 strategy as part of the “Inspire Our People” pillar. We believe in investing in our employees’ growth and development.

Over the last two years, we have implemented the following leadership development programs:

Elevate

Our flagship senior leadership program that provides leadership development through coaching, assessments, and experiential action learning projects. This program is a year-long, immersive, and intensive program with direct mentoring from our CEO.

Foundations

A frontline leadership development program for emerging or new supervisors and managers. This is a three-part module program delivered annually.

Leadership Roundtables

Monthly experiential learning sessions facilitated by HR providing our leaders the opportunity to share best practices, key learnings, and bring leadership challenges to an open forum for suggestions and guidance.

Virtual Self-Based Micro-Learning Sessions

Learning sessions are available to all employees featuring content from thought leaders such as FranklinCovey, Blanchard, and John Maxwell each forming the cornerstone of training we have provided our employees for many years.

We also sponsor employees to participate in other locally sponsored leadership programs such as SOAR for women in leadership and CFO\'s Edge for leaders in finance, we have a tuition reimbursement program and support continuing education for manufacturing operations.

All 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. Completion metrics are tracked through our online training portal and disclosed in the Business Ethics section below.

Our Commitment Continues

We're launching the following new programs in 2021:

Rise

A formalized mentoring program

Executive Team Coaching

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

Diversity, Equity, Inclusion and Belonging Educational Program

A company-wide emphasis on all aspects of diversity and unconscious bias

Performance Management

The Compensation and Governance Committee of the Board leads the process of setting the performance objectives for the CEO which focus on critical priorities for the year. The objectives are then cascaded to the Executive Leadership Team. The executive and CEO meet regularly throughout the year to discuss performance against those objectives. We are embarking on our journey to evolve our traditional performance management process into one that is based on cascading these performance objectives deeper in the organization to ensure alignment and clarity.

Within our manufacturing operations, shop floor employees have annual performance feedback conversations with their managers as part of the incentive base pay program where they review eight key metrics. In addition, they have an annual career development coaching session where they discuss growth and development opportunities.

We address performance issues by creating a performance improvement plan with the employee WKDW SURYLGHV VSHFL®F DFWLRQV QHHGHG WR LPSURYH performance, along with identifying training and GHYHORSPHQW QHHGHG WR DGGUHVV WKH VNLOO GH®FLHQFLHV

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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.

In 2019, we partnered with CareATC to create a convenient, on-site holistic health and wellbeing center located in Indiana for employees and dependents that was designed and furnished using our health specialty SURGXFW DQG H[SHUWLVH 7KLV FOLQLF R-HU HPSOR\HHV DQG WKHLU IDPLOLHV DQG DOVR employees outside the Indiana area. CareATC is a health management company that empowers and inspires patients to be healthier, happier employees all while reducing their healthcare spend. With a pharmacy mini-dispensary and labs on-site, our main goal is to simplify the healthcare experience for our employees and their families.

$GGLWLRQDOO\ ZH R-HU HPSOR\HH SDUWLFLSDWLRQ 401(k) through our Kimball International Retirement Plan. On an annual EDVLV ZH GHWHUPLQH EDVHG RQ SUR®WDELOLW\ D WKHLU RZQ 7KH 5HWLUHPHQW 3ODQ EHQH®W LV RIW employees as a true enabler of a successful retirement, with the company's care for them lasting beyond their employment.

American Heart Association.
2020 WORKPLACE HEALTH ACHIEVEMENT™
BRONZE

Employee Wellness Program

The Kimball International Wellness Council formalized the following goals while preserving the flexibility for each of the Company’s location to provide the wellness programs that best ®W WKHLU HQYLURQPHQW

- 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.
- “Do the right thing”

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 J\P PHPEHUVKLSV RQVLWH ®WQHVV DQG QXWULWLRQ programming and classes, access to stress management and therapeutic services, tobacco FHVVDWLRQ ®QDQFLDO ZHOOQHVV H[FHOOHQW FRQWHQW and opportunities for community involvement.

Kimball International has earned the WELL™ Health-Safety Rating for its Corporate Headquarters through the International WELL Building Institute (IWBI). The WELL Health-Safety Rating is an evidence-based, third-party YHUL®HG UDWLQJ IRU DOO QHZ DQG H[LVW[QJ and space types focusing on operational policies, maintenance protocols, stakeholder engagement and emergency plans to address a post-COVID-19 environment now and into the future.

In addition, we have registered for the International WELL Building Institute’s :(// %XLOGLQJ 6WDQGDUG FHUWL®FD for New and Existing Interiors v2. pilot. :H DUH DZDLWLQJ ®QDO FHUWL®FDWLRQ

WELL fosters a holistic formula for better health and wellness outcomes, including a focus on seven key areas: air, water, nourishment, OLJKW ®WQHVV FRPIRUW DQG PLQG DOO RI ZKLFK can lead to improvements in employee productivity, engagement and retention.

Diversity, Equity, Inclusion, and Belonging

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 applicants) 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 PHGLFDO KLVWRU\ SROLWLFDO D°OLDWLRQ PLOLWDU\ service, or other legally protected status or actions. We are committed to eliminating barriers to success. This includes, but is not OLPLWHG WR KLULQJ TXDOL®HG DSSOLFDQWV ZLWK disabilities and providing employees with disabilities reasonable accommodations that do not impose an undue hardship.

Our US-based manufacturing facilities are primarily located in smaller rural areas. Our racial and ethnic diversity metrics in these facilities largely align with the demographics of the communities in which those facilities operate.

*All diversity metrics reported in line with EEO-1.

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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.

Our focus over the last 3 years has enabled us to increase the diversity of our Board of Directors and our Executive Leadership Team. We have expanded our access to diverse talent pools through acquisitions like D'style and Poppin and by targeting expansion in locations like Atlanta and secondary markets.

As our local communities have become more diverse, especially with the LatinX culture, we have embraced bi-lingual communications and supporting charitable causes that promote cultural awareness.

Our Supplier Diversity Program has enabled us to partner with vendors that are forward thinking and aligned to our commitment on diversity and inclusion.

We have recently embarked on a journey for a revitalized and more formalized Diversity, Equity, Inclusion and Belonging Commitment. Our council is forming and a team of high potential leaders are working in partnership ZLWK RXU &(2 &+52 DQG H[WHUQDO FRQVXOWDQW W

Engaging all of our employees, from manufacturing shop floor, to showrooms, and to our headquarters in Jasper to create a company-wide sense of belonging

Championing progress in the communities in which we work, live and play through advocacy, leadership, volunteerism DQG ®QDQFLDO GRQDWLRQV

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

Celebrating and building partnerships by sharing best practices and learning from others

Employee Health, Safety, & Wellness

Occupational Health & Safety Management

Kimball International has a Comprehensive Safety Program built on an internal 40+ element management system. We have created strong cultural values around safety. Our vision is to create an injury free working environment for our people. Many of our locations are OSHA VPP 6WDU FHUWL®HG RU 6+$5 FHUWL®HG DQG ZH KDYH won several awards including "America's Safest Companies" and Governor's Awards for safety.

Occupational Health & Safety Management

Our 20-year continuous improvement journey has resulted in 90% reduction of injuries.

Metric	2020	2019	2018
Total Recordable Incident Rate[1]	1.28	1.56	1.51
Days Away, Restricted or Transferred Rate[2]	0.35	0.58	0.43

[1] Rate is number of injuries per 100 employees

[2] Rate is number per 100 employees

- 2020 Total Recordable Incident Rate (TRIR) of 1.28 is 74% below the national average of 5% for the NAICS rate for our industry
- 2020 Days Away, Restricted or Transferred (DART) rate of .35 is 89% below the national average of 3.1 for the NAICS rate for our industry