



2022 Environmental, Social, and Governance Summary

A Message from Our CEO



From Jeffrey Lorenger CEO of HNI Corporation

Since HNI's founding, we have been committed to being a great place to work and always striving to do better in our manufacturing operations and with the products we build for our customers.

As we look to the future, we will continue to build on our successes and achievements helping improve the lives of our members, supporting our customers and trade partners, contributing to our communities, becoming ever more sustainable in our operations and products, and being a powerful, positive force for good.

We welcome Kimball International to the HNI family and celebrate the progress they have made as outlined in this report.

A Message from Our COO

From Kourtney Smith COO of Kimball International



Kimball International's manufacturing journey began over 70 years ago by hand-crafting furniture and pianos in rural Indiana. Since the beginning, it's been a priority to build communities, form connections, develop a sense of belonging, and be engaged in creating a sustainable future.

As we have grown, 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. We continue our dedication to advance our ESG goals and lead the way as a socially responsible company, and our latest results showcase those commitments and successes.

This year, in 2023, Kimball International is transitioning our ESG goals and commitments into the collective HNI family of brands. We are proud to contribute our dedication and passion as we work each day to make a difference in the communities we serve.

Corporate responsibility has always been embedded in Kimball International's purpose and how we do business and we are excited to provide our final report. As one of our long-standing Guiding Principles states, "The environment is our home. We will be leaders in not only protecting but enhancing our world." The Kimball International family will continue to dare to make a difference so that we not only lead by example, but we leave a legacy of lasting impact.

Our Approach to Sustainability

2022 Kimball International ESG Performance

In 2021, our ESG Leadership Council developed a suite of ESG goals to drive our performance and accountability in areas of significant impact for our business. Aligned with our ambition to “lead by example,” as well as our commitment to transparency, we are publishing this 2022 ESG Summary to showcase how we performed against these ESG goals and the promises we made to our stakeholders at the outset of this journey. The following table highlights our performance toward achieving each goal.

In 2023, Kimball International was acquired by HNI Corporation. As we integrate together, we are steadfast in upholding our responsibility to manage the impacts of our business upon people and the planet. We are grateful to partner with a company that shares our commitment to this mission.

For further detail on our ESG strategy and related initiatives, see our [ESG website](#).

ID	Topic	Goal	Performance
1	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.	<ul style="list-style-type: none">• 30.6% reduction in combined Scope 1 and location-based Scope 2 emissions compared with a 2018 baseline.• 46.4% reduction in combined Scope 1 and market-based Scope 2 emissions compared with a 2018 baseline.• Increased procurement of renewables.• Completion of first Scope 3 emissions inventory.
2	Waste Management	Obtain Zero Waste certification at three facilities by the end of fiscal year 2025.	<ul style="list-style-type: none">• Achieved Zero Waste certification for our Santa Claus, Indiana manufacturing facility.
3	Water Use	Use a context-based approach to identify operations in stressed water catchments by end of fiscal year 2023.	<ul style="list-style-type: none">• Completed water risk assessment for company owned facilities.• Company owned facilities are operating in low or low-medium water-related risk areas.
4	Supplier Management	Achieve 90% of strategic suppliers signing the Kimball International Business Partner Code of Conduct by the end of fiscal year 2023.	<ul style="list-style-type: none">• 98% of strategic suppliers signed Business Code of Conduct.
5	Employee Safety	Maintain our Total Recordable Incident Rate (TRIR) well below industry average, targeting 1.5 or lower.	<ul style="list-style-type: none">• Ended 2022 with a TRIR of 1.04, the lowest in our company’s history.
6	Workforce Diversity	We seek to hire diverse talent enabling us to meet or exceed racial/ethnic representation in the communities in which we serve.	<ul style="list-style-type: none">• Refined our talent acquisition strategy to attract more diverse candidates.• Increased minority representation of professional new hires.• Employee retention positively impacted by DEIB education and programs.
7	Ethics and Compliance Training Completion	Achieve a completion rate of 95% in Ethics and Compliance training for enrolled employees year-over-year.	<ul style="list-style-type: none">• 99% of employees completed Ethics & Compliance training.

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