HNI Corporation - Climate Change 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

HNI Corporation is a global family of industry-leading brands for the workplace and home. With deeply held values, our employees, who we call members, are united by a dedication to integrity, quality, innovation, service, continuous improvement, and value creation for our customers.

Workplace Furnishings: HNI is a leading global office furniture company. Our brands are among the strongest, most widely known, and respected in our industry. The depth and breadth of our products, an increased focus on expanding our service offering, the scale and capability of our manufacturing, and the strength of our distribution enable us to provide the best office furniture solutions to meet the needs of every customer – from the largest multinational organization to the local entrepreneur. The Corporation designs, manufactures, and markets a broad range of workplace furnishings. The Corporation offers a complete line of panel-based and freestanding office furniture systems, seating, benching, tables, architectural products, storage, and social collaborative items in order to meet the needs of a wide spectrum of organizations. Through its broad product offerings the Corporation is able to service business furniture needs in virtually any setting, including private office, open plan, conference rooms, training areas, cafes, lounges, and collaborative spaces, among many others. The Corporation possesses significant expertise and vertical manufacturing capabilities allowing it the flexibility to design and manufacture new products in-house to meet changing market needs. To meet the demands of various markets, the Corporation's products are sold primarily under the Corporation's brands: HON, Allsteel, Beyond, Gunlocke, HBF, HBF Textiles, OFM, Respawn, and HNI India.

Residential Building Products: Wherever there is warmth and the welcome glow from a fireplace or heating stove, chances are it's an HNI brand. We are the world's leader in hearth products. Our hearth brands are the strongest, most respected in the industry and include a full array of gas, electric, wood, and biomass burning fireplaces, inserts, stoves, facings, and accessories. The Corporation is North America's largest manufacturer and marketer of prefabricated fireplaces, hearth stoves, and related products. These products are primarily for the home and are sold under the following widely recognized brands: Heatilator, Heat & Glo, Majestic, Monessen, Quadra-Fire, Vermont Castings, Harman, PelPro, Stellar, SimpliFire, and The Outdoor GreatRoom Company.

HNI Corporation's common stock is traded on the New York Stock Exchange under the symbol HNI. As of December 31, 2022, the Corporation employed approximately 7,300 persons, including approximately 200 of whom were temporary personnel.

The scope of this CDP disclosure includes all of HNI Corporation.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date
January 1 2022

End date
December 31 2022

Indicate if you are providing emissions data for past reporting years
Yes

Select the number of past reporting years you will be providing Scope 1 emissions data for
2 years

Select the number of past reporting years you will be providing Scope 2 emissions data for
2 years

Select the number of past reporting years you will be providing Scope 3 emissions data for
2 years

C0.3

(C0.3) Select the countries/areas in which you operate.
China
India
Mexico
Taiwan, China
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	HNI

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board-level committee	Corporate Social Responsibility including science-based climate target emission strategies and goals are reviewed by the Public Policy and Corporate Governance Committee. ESG strategies, targets and progress are also periodically reviewed by the full board.
Chief Executive Officer (CEO)	Corporate Social Responsibility including science-based climate target emission strategies and goals are reviewed by the CEO.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding annual budgets Overseeing major capital expenditures Overseeing acquisitions, mergers, and divestitures Overseeing and guiding employee incentives Reviewing and guiding strategy Monitoring the implementation of a transition plan Overseeing the setting of corporate targets Monitoring progress towards corporate targets Reviewing and guiding the risk management process	<Not Applicable>	The Board oversees the Corporation's corporate social responsibility ("CSR") strategy and program, which encompass the Corporation's publicly announced environmental, social, and governance goals to address climate change, reduce waste and energy use, evaluate and reduce use of chemicals impacting the ecosystem, source 100 percent renewable electricity, work with our supply chain to achieve ethical and sustainable material sourcing, and invest in the Corporation's communities. The CSR Director briefs the CEO and board quarterly on progress toward HNI's energy and science-based emission targets.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	Primary skills, core competencies, and other director attributes are identified by the Public Policy and Corporate Governance Committee. CSR/Sustainability/Climate is one of these attributes. Five directors are currently identified through a board member self-assessment as having CSR/Sustainability/Climate skills.	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee
Chief Executive Officer (CEO)

Climate-related responsibilities of this position
Integrating climate-related issues into the strategy
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
<Not Applicable>

Reporting line
CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
Quarterly

Please explain
The CEO's annual incentive compensation is tied to implementation and progress of CSR initiatives. The SVP, General Counsel & Secretary, who reports to the CEO, is responsible for managing the HNI Corporate Social Responsibility (CSR) team which consists of the HNI Director of CSR,; Manager, CSR; Manager, HNI Sustainability Manager, and HNI Sustainability Specialist. Climate change strategies and goals are the responsibility of the CSR team and the functional VPs. With board oversight, they are required to set reduction and mitigation goals, develop strategies, identify initiatives, and implement action plans. The team members are reviewed against their individual and corporate goals as part of their position's annual performance review.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive
Chief Executive Officer (CEO)

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary

Performance indicator(s)
Progress towards a climate-related target
Other (please specify) (Implementation of corporate social responsibility initiatives, energy intensity reduction)

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
In 2022, twenty percent of the CEO's annual incentive was tied to attainment of individual objectives. In 2022, the CEO's individual objectives were based on the progress of the Corporation's diversity, equity, and inclusion initiatives focused on building an inclusive workplace and on the implementation of corporation-wide corporate social responsibility initiatives, which included HNI's science-based emissions targets/climate transition plan.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
The CEO's annual incentive is tied to the implementation of CSR initiatives, which include HNI's science-based emissions targets/climate transition plan.

Entitled to incentive
Chief Financial Officer (CFO)

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary

Performance indicator(s)
Progress towards a climate-related target
Other (please specify) (Implementation of corporate social responsibility initiatives, energy intensity reduction)

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
In 2022, twenty percent of the CFO's annual incentive was tied to attainment of individual objectives. In 2022, the CFO's individual objectives were based on the progress of the Corporation's diversity, equity, and inclusion initiatives focused on building an inclusive workplace and on the implementation of corporation-wide corporate social responsibility initiatives, which included HNI's science-based emissions targets/climate transition plan.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
The CFO's annual incentive is tied to the implementation of CSR initiatives, which include progress on HNI's science-based emissions targets/climate transition plan.

Entitled to incentive
General Counsel

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary

Performance indicator(s)
Progress towards a climate-related target
Other (please specify) (Implementation of corporate social responsibility initiatives, energy intensity reduction)

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
In 2022, twenty percent of the SVP, General Counsel & Secretary's annual incentive was tied to attainment of individual objectives. In 2022, individual objectives were based on the progress of
the Corporation's diversity, equity, and inclusion initiatives focused on building an inclusive workplace and on the implementation of corporation-wide corporate social responsibility initiatives, which included HNI's science-based emissions targets/climate transition plan.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
The General Counsel's annual incentive is tied to the implementation of CSR initiatives, which include progress on HNI's science-based emissions targets/climate transition plan.

Entitled to incentive
President

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary

Performance indicator(s)
Progress towards a climate-related target
Other (please specify) (Implementation of corporate social responsibility initiatives, energy intensity reduction)

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
In 2022, twenty percent of the Named Executive Offers' annual incentive was tied to attainment of individual objectives. In 2022, individual objectives were based on the progress of
the Corporation's diversity, equity, and inclusion initiatives focused on building an inclusive workplace and on the implementation of corporation-wide corporate social responsibility initiatives, which included HNI's science-based emissions targets/climate transition plan.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
Named Executive Officers' annual incentive is tied to the implementation of CSR initiatives, which include progress on HNI's science-based emissions targets/climate transition plan.

Entitled to incentive
Environment/Sustainability manager

Type of incentive
Monetary reward

Incentive(s)
Salary increase

Performance indicator(s)
Progress towards a climate-related target

Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)
Implementation of employee awareness campaign or training program on climate-related issues

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
The management of climate change, emissions reduction, employee awareness, and sustainability index scores are part of the sustainability managers' responsibilities. Annual objectives around these topics are accompanied by individual performance reviews conducted by senior management. Achievement of objectives is tied to salary increases.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
The management of climate change and sustainability index scores are part of the sustainability manager's responsibilities. Annual objectives around emission reduction targets and index scores are accompanied by individual performance reviews conducted by senior management. Achievement of objectives is tied to salary increases.

Entitled to incentive
Facilities manager

Type of incentive
Monetary reward

Incentive(s)
Salary increase
Profit share

Performance indicator(s)
Progress towards a climate-related target
Reduction in absolute emissions
Energy efficiency improvement

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
The management of climate change is encompassed within each manufacturing facility. Annual objectives around reducing cost (including energy and materials) as well as improving efficiency are established and accompanied by individual performance reviews conducted by senior management. Business unit, facility managers, and sustainability managers have resource utilization, efficiency, and Scope 1 & 2 targets that link directly to business performance and profit-sharing.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
The management of climate change is encompassed within each manufacturing facility. Annual objectives around reducing cost (including energy and materials) as well as improving efficiency are established and accompanied by individual performance reviews conducted by senior management. Business unit, facility managers, and sustainability managers have resource utilization, efficiency, and Scope 1 & 2 targets that link directly to business performance and profit-sharing.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?
Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	
Medium-term	3	10	
Long-term	10	20	

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Substantive financial or strategic impact: An impact that has a considerable or relatively significant effect on our organization at the corporate level. This could include operational, financial, or strategic effects that undermine the entire business or part of the business.

When assessing climate-related risks, HNI does not use a single definition on a substantive financial or strategic impact to the business, but assesses and addresses thresholds and specifics of each event. We understand there could be a potential substantive financial and reputational risk from severe or extreme events of including but not limited too, one percent or greater impact on revenue; however, we also understand that much lower revenue impacts could be substantive (like a fine or compliance issue) if it has the potential to damage the reputation of HNI or one of its brands.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
More than once a year

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
Climate-related risks are integrated into our standard, company-wide ERM program. As part of ERM we do quarterly reviews to identify new and potential risks. This process covers production, suppliers, and markets. We also generally look at the end problems and not necessarily the various specific causes. An example would be our critical suppliers. Our risk would be business interruption from a critical supplier going out of business. Our developed response plan is the same regardless if the supplier is out of business due to natural catastrophe, fire, political risk, climate change, or another reason. We updated our Business Interruption program approximately 3 years ago to make sure our operations (in both the Hearth and Office Furniture segments) are properly evaluated and appropriate response plans are in place.

In addition to business interruption, other climate-related risks we monitor and respond to include:
• Weather emergencies such as tornados or floods. We actively monitor storms and floods and have plans in place for the safety of our members.
• Snow/hail/wind damage to our buildings. Roofs are inspected and we are currently gathering information on load capacity.
• Flood damage. This is a significant natural catastrophe risk for our Muscatine, Iowa campus, so we developed a flood plan that is updated annually.
• Environmental outputs. Corporate Safety and Sustainability Director monitors outputs at our facilities to ensure we are in compliance with current requirements and adapt to changes in legislation.
• Ventilation and insulation. Our locations monitor heat levels to make sure we are keeping our members safe.

In addition, the CSR team monitors and addresses emerging risks on an ongoing basis. Biennially, the CSR Team updates HNI's TCFD disclosure and conducts a specific climate-related risk evaluation.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current regulations are included in our compliance and risk program and also continuously monitored by the CSR team in order to respond rapidly to changing rules.
Emerging regulation	Relevant, always included	Emerging regulations are included in our compliance and risk program and also continuously monitored by the CSR team in order to respond rapidly to changing rules. For example, HNI monitors emerging regulations around PFAS and the risks / impacts on our supply chain.
Technology	Relevant, sometimes included	The CSR team assesses technology risks. For example, the team assesses the risks of continuing to use existing technologies as well as risks and opportunities for upgrading technologies for improved energy efficiency, reliability, and security in our facilities.
Legal	Relevant, always included	Included in our compliance and risk program.
Market	Relevant, sometimes included	Included in review by CSR team.
Reputation	Relevant, sometimes included	Included in review by CSR team.
Acute physical	Relevant, sometimes included	Included in review by CSR team and included in our compliance and risk program. For example, several of the Corporation's production facilities, members, and key management are located within a small geographic area in eastern Iowa located near the Mississippi River, and a natural disaster or catastrophe in the area, such as flooding or severe storms, could have a significant adverse effect on the results of operations and business conditions. We developed a flood plan that is updated annually.
Chronic physical	Relevant, sometimes included	Included in review by CSR team. For example, rising temperatures can impact worker health and safety, so capital must be used to add air conditioning to facilities. Unsafe working conditions may impact worker absenteeism.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

HNI manufactures office furniture products, which are sometimes required to meet specific sustainability goals set by customers. If regulation goes into effect, this would increase the compliance costs of HNI's products, which would impact the bottom line. Carbon pricing would also put inflationary pressures on materials and commodity costs.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

500000

Potential financial impact figure – maximum (currency)

10000000

Explanation of financial impact figure
HNI's compliance team would have to add members, resulting in a small impact to HNI's operating costs. In addition, R&D expenditures to meet regulatory requirements would be required. If carbon pricing goes into effect, the cost impact would be greater depending on the price added to carbon. Material and commodity inflation due to carbon pricing could add moderate cost.

Cost of response to risk
0

Description of response and explanation of cost calculation
We continuously monitor local, state, and federal regulations in order to respond rapidly to changing rules. Additionally, we monitor the market and incoming customer requests. We have a focus on lower energy and lower embodied carbon materials in order to continuously provide our customers with the best value and to meet our Science-Based Targets. Our efforts could offset the inflationary pressures caused by carbon pricing.

Comment
It is difficult to estimate the future cost based on what might happen as there are many variables.

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms

Primary potential financial impact
Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
It is possible that carbon emission pricing could go into effect in the future. To alleviate some of the future impacts of these pricing schemes, capital investments in more efficient equipment and alternative energy sources would be likely. Additionally, if regulations require companies to off-set their Scope 1 & 2 GHG emissions, it would add operational costs.

Time horizon
Medium-term

Likelihood
About as likely as not

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
5000000

Potential financial impact figure – maximum (currency)
20000000

Explanation of financial impact figure
There are many variables when it comes to manufacturing, future utility cost, equipment, and processes used; however, taking a conservative approach to the cost of carbon and estimating the cost at $10-$15 a ton for Scope 1 and 2 emissions can be used to come up with an order of magnitude of the potential impacts. Unbundled REC prices also fluctuate. The variability makes these estimates difficult to calculate, but using the REC prices as they stand today and the continued demand, any additional demand caused by regulation would be significant.

Cost of response to risk
0

Description of response and explanation of cost calculation
We continuously monitor local, state, and federal regulations in order to respond rapidly to changing rules including any potential carbon pricing or taxing schemes.

Comment
As demand for renewable energy and carbon offsets increases, the price will also increase if the supply is not expanded. This could affect cost calculations / estimates in future years.

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Technology	Transitioning to lower emissions technology

Primary potential financial impact
Increased capital expenditures

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Upgrading older equipment with newer, lower-energy models takes time and research to implement. Alternative technologies can sometimes take years of development. The time and resources to evaluate new and alternative technologies would have an impact on HNI's bottom line.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
1000000

Potential financial impact figure – maximum (currency)
10000000

Explanation of financial impact figure
Implementing new and emerging technologies that are more efficient and will reduce climate impacts could be costly; however, a push toward circularity as well as R&D related to lower-embodied carbon materials is an investment we will likely make. The estimated financial range provided here is based on materials and technologies currently being researched.

Cost of response to risk
0

Description of response and explanation of cost calculation
We continuously monitor our existing assets and equipment and maintain them for as long as possible before replacement. We have a focus on lower energy content materials and processes in order to continuously provide our customers with the best value.

Comment

Identifier
Risk 4

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Market	Increased cost of raw materials

Primary potential financial impact
Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
HNI is primarily a manufacturing company that transforms raw materials into office furniture and hearth products. As a result, we consume electricity, natural gas, and water in the locations where we operate. Price fluctuations for inputs and outputs can have a direct impact on the bottom line. HNI also uses raw materials and experiences increased raw material costs on nearly an annual basis, due to the cost of extraction, modification, and transportation of the materials. Because we operate with a global supply chain and purchase commodity materials (primarily metals, wood, and plastics) fluctuations in material prices can have an effect on the bottom line.

Time horizon
Medium-term

Likelihood
Virtually certain

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
500000

Potential financial impact figure – maximum (currency)
10000000

Explanation of financial impact figure
There are too many variables to consider regarding commodity pricing; however, we believe that increases in commodity prices would have a small to medium impact on HNI's operating costs if HNI were to not act. HNI monitors rising inputs and materials costs and evaluates projects to reduce impacts where possible.

Cost of response to risk
0

Description of response and explanation of cost calculation
HNI continuously monitors the energy, utility, and commodities markets and works with our suppliers to reduce costs and impacts where possible. HNI also evaluates opportunities to reduce supply chain complexity by producing new parts in-house, rather than outsourcing. The cost estimates here are based on the increase cost of typical commodity materials that end up more expensive to meet market demands around carbon.

Comment

Identifier
Risk 5

Where in the value chain does the risk driver occur?
Downstream

Risk type & Primary climate-related risk driver

Reputation	Increased stakeholder concern or negative stakeholder feedback

Primary potential financial impact
Increased credit risk

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Stakeholder feedback is important to HNI. With stakeholder interest in climate-related impacts growing, a negative company perception could potentially impact HNI investor interest and access to equity financing.

Time horizon
Short-term

Likelihood
Unlikely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
100000

Potential financial impact figure – maximum (currency)
1000000

Explanation of financial impact figure
A reduction in capital available to HNI would impact HNI's ability to improve its buildings and manufacturing processes. It would also impact the workforce, the ability to develop, launch, and manufacture new products, and HNI's entire business. Some of our Hearth brands use natural gas or propane fuels. The consumer push away from these types of fuel sources could impact sales.

Cost of response to risk
0

Description of response and explanation of cost calculation
HNI continuously monitors stakeholder questions and feedback. We pursue initiatives based on what's important to customers, shareholders, and stakeholders

Comment

Identifier
Risk 6

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Flood (coastal, fluvial, pluvial, groundwater)

Primary potential financial impact
Increased capital expenditures

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
HNI's main manufacturing facilities are located in the Midwest, Northeast, and Southeast. The chance of extreme weather is present during all seasons of the year, including severe snowstorms, heavy rainfall, severe rainstorms, tornadoes, and the potential for high winds. These events increase the risk of flooding in our buildings and operating towns, storm damage to buildings, and unsafe travel conditions for employees. In addition, rising temperatures can impact worker health and safety, so capital must be used to add air conditioning to facilities.

Time horizon
Short-term

Likelihood
More likely than not

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
100000

Potential financial impact figure – maximum (currency)
1000000

Explanation of financial impact figure
Capital expenses related to building damage or building upgrades could result in a medium to large impact on HNI's operating costs.

Cost of response to risk
0

Description of response and explanation of cost calculation
HNI monitors severe weather patterns and has been focused on upgrading our manufacturing facilities with new storm shelters to protect our members and keep them safe. Air conditioning and fans have been added to several manufacturing facilities to keep members cooler, and paint line ovens have either been removed or laid out differently so that excess heat is not present in the warmer months. HNI is also working to assess and reduce unnecessary heat loss from ovens. Additionally, we have backup and recovery business processes in place, should any of our facilities be impacted by severe weather.

Comment

Identifier
Risk 7

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Flood (coastal, fluvial, pluvial, groundwater)

Primary potential financial impact
Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
HNI's main manufacturing facilities are located in the Midwest, Northeast, and Southeast US.. The chance of extreme weather is present during all seasons of the year, including severe snowstorms, heavy rainfall, severe rainstorms, tornadoes, and the potential for high winds. These events increase the risk of flooding in our buildings and operating towns, storm damage to buildings, and unsafe travel conditions for employees, resulting in transportation difficulties and potential supply chain interruptions. In addition, rising temperatures can impact worker health and safety, so capital must be used to add air conditioning to facilities.

Time horizon
Long-term

Likelihood
More likely than not

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
100000

Potential financial impact figure – maximum (currency)
500000

Explanation of financial impact figure
Increases in insurance premiums are likely as more businesses make climate-related and severe weather claims.

Cost of response to risk

Description of response and explanation of cost calculation
HNI assists suppliers with creating their own backup and recovery business processes, should their facilities be impacted by severe weather. We have been working alongside our city governments to improve infrastructure (roads, areas perceptible to flooding) to reduce the risks of severe weather impacting our operations.

Comment

Identifier
Risk 8

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Changing temperature (air, freshwater, marine water)

Primary potential financial impact
Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Rising temperatures can impact worker health and safety, so capital must be used to add air conditioning to facilities. Unsafe working conditions may impact worker absenteeism.

Time horizon
Medium-term

Likelihood
About as likely as not

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
500000

Potential financial impact figure – maximum (currency)
2000000

Explanation of financial impact figure
Issues arising from unsafe working conditions due to extreme heat or unsafe environments can impact production needs. This could result in financial impacts relating to worker health and safety claims and healthcare costs, as well as the inability to fulfill orders and the potential to lose sales.

Cost of response to risk
0

Description of response and explanation of cost calculation
Member safety is top priority at HNI. We ensure our plants are safe for our members through our robust Environmental, Health, and Safety programs.
Air conditioning and fans have been added to several manufacturing facilities to keep members cooler, and paint line ovens have either been removed or laid out differently so that excess heat is not present in the warmer months. Additionally, educational materials are provided to production members to keep them aware of safety incidents that may occur in hot environments.

Comment

Identifier
Risk 9

Where in the value chain does the risk driver occur?
Upstream

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms

Primary potential financial impact
Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
HNI manufactures hearth products, which are sometimes required to meet specific sustainability goals set by customers. If regulation goes into effect, this may increase our suppliers' operating costs because they would also need to understand how to ensure compliance.

Time horizon
Long-term

Likelihood
More likely than not

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
1000000

Potential financial impact figure – maximum (currency)
10000000

Explanation of financial impact figure
Increases in suppliers' operating costs may be passed onto HNI through material and component costs.

Cost of response to risk
0

Description of response and explanation of cost calculation
We continuously monitor local, state, and federal regulations in order to respond rapidly to changing rules. Additionally, we monitor the market and incoming customer requests. We have a focus on lower energy content materials in order to continuously provide our customers with the best value.

Comment

Identifier
Risk 10

Where in the value chain does the risk driver occur?
Upstream

Risk type & Primary climate-related risk driver

Market	Increased cost of raw materials

Primary potential financial impact
Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Suppliers to HNI may charge more for their materials and components if new, lower-emitting options are adopted.

Time horizon
Medium-term

Likelihood
About as likely as not

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
1000000

Potential financial impact figure – maximum (currency)
10000000

Explanation of financial impact figure
Increases in suppliers' operating costs may be passed onto HNI through material and component costs.

Cost of response to risk
0

Description of response and explanation of cost calculation
We encourage suppliers to continuously monitor their equipment and maintain for as long as possible before replacement. We have a focus on lower energy content materials and processes in order to continuously provide our customers with the best value.

Comment

Identifier
Risk 12

Where in the value chain does the risk driver occur?
Upstream

Risk type & Primary climate-related risk driver

Market	Increased cost of raw materials

Primary potential financial impact
Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description
HNI's supply chain is global, with most suppliers located in North America or Asia. The chance of extreme weather is present during all parts of the year and these events could impact suppliers in their locations, goods being transported long distances, or the ability for HNI to receive supplier shipments. Severe weather can lead to transportation difficulties, supply chain interruptions, and raw material receiving and processing.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
500000

Potential financial impact figure – maximum (currency)
1100000

Explanation of financial impact figure
Increases in suppliers' operating costs may be passed onto HNI through material and component costs.

Supply chain disruptions and logistical issues may cause HNI to look for new suppliers in areas that aren't experiencing severe weather due to climate change. This may have an impact on HNI's supply chain costs.

Cost of response to risk
0

Description of response and explanation of cost calculation
HNI assists suppliers with creating their own backup and recovery business processes, should their facilities be impacted by severe weather.

Comment

Identifier
Risk 13

Where in the value chain does the risk driver occur?
Upstream

Risk type & Primary climate-related risk driver

Market	Increased cost of raw materials

Primary potential financial impact
Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Rising temperatures can impact worker health and safety for HNI's supply chain. Upgrades to supplier facilities to keep workers safe and healthy may increase the cost of goods sold to HNI, impacting HNI's revenue.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
1000000

Potential financial impact figure – maximum (currency)
10000000

Explanation of financial impact figure
Increases in suppliers' operating costs may be passed onto HNI through material and component costs.

Supply chain disruptions and logistical issues may cause HNI to look for new suppliers in areas that aren't experiencing severe weather due to climate change. This may have an impact on HNI's supply chain costs."

Cost of response to risk
0

Description of response and explanation of cost calculation
Member safety is top priority at HNI. We require that our Suppliers sign HNI's Code of Conduct which states that their members will have a safe working environment. How they implement their safe environment is up to them. For Asia-based suppliers, HNI has partnered with a third-party auditor to perform supplier audits and assessments to ensure suppliers are operating by the HNI Code of Conduct.

Comment

Identifier
Risk 14

Where in the value chain does the risk driver occur?
Downstream

Risk type & Primary climate-related risk driver

Market	Changing customer behavior

Primary potential financial impact
Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Because HNI ultimately manufactures products for consumers, any changes in consumer behavior will drive a change in HNI's product offering. If a large portion of HNI's consumers want products that HNI cannot or will not offer, revenue will be impacted.

Time horizon
Long-term

Likelihood
About as likely as not

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
1000000

Potential financial impact figure – maximum (currency)
10000000

Explanation of financial impact figure
There are many variables to consider regarding customer behaviors and requirements. We believe that HNI may have to spend more on customer outreach, R&D, and sustainability efforts, which would have an impact on HNI's operating costs.

Cost of response to risk

Description of response and explanation of cost calculation
We are constantly looking at the way people work and where they work, and responding to changing demand with products that have the lowest possible impact, bringing the highest value product to best serve customers wherever they are working.

Comment

Identifier
Risk 15

Where in the value chain does the risk driver occur?
Downstream

Risk type & Primary climate-related risk driver

Reputation	Shifts in consumer preferences

Primary potential financial impact
Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Because HNI ultimately manufactures products for consumers, any changes in our reputation will drive a change in HNI's business. If a large portion of HNI's consumers want products that HNI cannot or will not offer, revenue will be impacted.

Time horizon
Long-term

Likelihood

Unlikely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
1000000

Potential financial impact figure – maximum (currency)
10000000

Explanation of financial impact figure
There are many variables to consider regarding customer behaviors and requirements. We believe that HNI may have to spend more on customer outreach, R&D, and sustainability efforts, which would have an impact on HNI's operating costs.

Cost of response to risk
0

Description of response and explanation of cost calculation
HNI continuously monitors all factors that impact the reputations of our operating companies and brands. We invest in research that may impact our attraction/retention rates for our own employees, as well as invest in market research to ensure we are delivering the types of products our customers want to purchase. In addition, we follow all local, state, and federal laws to ensure we comply at all times.

Comment

Identifier
Risk 16

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Mandates on and regulation of existing products and services

Primary potential financial impact
Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
HNI manufactures hearth products, including product lines that use natural gas. Various cities have banned natural gas appliances. If further regulations go into effect, this may reduce demand and sales of our natural gas hearth products.

Time horizon
Long-term

Likelihood
More likely than not

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
1000000

Potential financial impact figure – maximum (currency)
10000000

Explanation of financial impact figure
There are many variables to consider regarding customer behaviors and requirements. Revenues from electric fireplace options may increase and offset reduced sales of natural gas products.

Cost of response to risk
0

Description of response and explanation of cost calculation
We continuously monitor local, state, and federal regulations in order to respond rapidly to changing rules. HNI currently offers electric fireplace options as an alternative to using fossil fuels and continues to develop new products through R&D and innovation.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Use of more efficient production and distribution processes

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
HNI's operating costs will continue to rise for the categories of raw materials, resource inputs, and resource outputs. More efficient equipment, processes, and transportation networks may help reduce the operating costs associated with manufacturing products.

Time horizon
Medium-term

Likelihood
Virtually certain

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
100000

Potential financial impact figure – maximum (currency)
2000000

Explanation of financial impact figure
Increases in input and output prices would have a small to medium impact on HNI's operating costs if HNI were to not act. HNI monitors rising input, output, and materials costs and evaluates projects to reduce increases where possible. Efficiency improvements could offset these costs or even provide a slight benefit.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
HNI continuously monitors the energy, utility, and commodities markets and works with our suppliers on reducing costs and impacts where possible. HNI also evaluates opportunities to reduce supply chain complexity by producing new parts in-house, rather than outsourcing.

Comment
There are too many variables in commodities and manufacturing to accurately estimate the costs/benefits related to this opportunity.

Identifier
Opp2

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Use of more efficient production and distribution processes

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
Costs and emissions associated with the transportation of materials, components, and finished goods are increasing. Improving fuel efficiency and transportation networks may help reduce the costs associated with transportation.

Time horizon
Medium-term

Likelihood
Virtually certain

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
100000

Potential financial impact figure – maximum (currency)
1000000

Explanation of financial impact figure
Increases in input and output prices would have a small to medium impact on HNI's operating costs if HNI were to not act. HNI monitors rising input, output, and materials costs and evaluates projects to reduce increases where possible.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
HNI continuously monitors the energy, utility, and commodities markets and we work with our suppliers to reduce costs and impacts where possible. HNI also evaluates opportunities to reduce supply chain complexity by producing new parts in-house, rather than outsourcing.

Comment
There are too many variables in commodities and manufacturing to accurately estimate the costs / benefits related to this opportunity.

Identifier
Opp3

Where in the value chain does the opportunity occur?
Upstream

Opportunity type
Energy source

Primary climate-related opportunity driver
Use of lower-emission sources of energy

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
Identifying ways to use renewable energy or lower-emitting energy sources may help reduce costs associated with traditional fossil fuel energy sources.

Time horizon
Medium-term

Likelihood
More likely than not

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
1000000

Potential financial impact figure – maximum (currency)
10000000

Explanation of financial impact figure
Financial implications may arise from higher fossil fuel prices. We monitor these prices, along with local, state, and federal incentives for renewable energy systems. Fleet efficiency through programs like the EPA Smartway program, carbon capture technology, electric trucks, and other advanced technologies are likely to offset costs and provide an economic benefit.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
HNI continuously monitors the energy, utility, and renewables markets to identify opportunities to reduce reliance on fossil fuels and where possible, take advantage of available incentives pertaining to renewables.

Comment
There are too many variables in commodities and manufacturing to accurately estimate the costs / benefits related to this opportunity.

Identifier
Opp4

Where in the value chain does the opportunity occur?
Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver
Shift in consumer preferences

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
Consumers interested in more sustainable products are looking for products with lower environmental impacts.

Time horizon
Medium-term

Likelihood
More likely than not

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
1000000

Potential financial impact figure – maximum (currency)
30000000

Explanation of financial impact figure
Demand for sustainable product options with lower embodied carbon will continue and provide an opportunity for increased sales revenue. Estimates are difficult as there is considerable variability among customers.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
We are constantly looking at the ways people work and 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.

Comment

Identifier
Opp5

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resilience

Primary climate-related opportunity driver
Participation in renewable energy programs and adoption of energy-efficiency measures

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
As energy and fuel costs rise, suppliers using renewable energy or adopting energy efficiency measures rise. This will help reduce or steady HNI's operating costs pertaining to its supply chain. This may also improve supply chain reliability in cases where suppliers may not have a reliable energy grid.

Time horizon
Long-term

Likelihood
More likely than not

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
100000

Potential financial impact figure – maximum (currency)
1000000

Explanation of financial impact figure
Improvements to suppliers' operating costs may be passed onto HNI through material and component savings..

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
HNI continuously monitors the energy, utility, and commodities markets and works with our suppliers on reducing costs and impacts where possible. HNI also evaluates opportunities to reduce supply chain complexity by producing new parts in-house, rather than outsourcing.

Comment
There are too many variables in commodities and manufacturing to accurately estimate the costs/benefits related to this opportunity.

Identifier
Opp6

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Use of more efficient production and distribution processes

Primary potential financial impact
Reduced direct costs

Company-specific description
Operating costs for manufacturers will continue to rise for the categories of raw materials, resource inputs and resource outputs. More efficient equipment, processes, and transportation networks may help reduce the operating costs associated with manufacturing products.

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
100000

Potential financial impact figure – maximum (currency)
1000000

Explanation of financial impact figure
Long term energy management and renewable energy purchase strategies are likely to be low ROI and can offset the cost associated with the financial impacts related to climate change.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
HNI continuously monitors the energy, utility, and commodities markets and works with our suppliers to reduce costs and impacts where possible. HNI also evaluates opportunities to reduce supply chain complexity by producing new parts in-house, rather than outsourcing.

Comment
There are too many variables in commodities and manufacturing to accurately estimate the costs / benefits related to this opportunity.

Identifier
Opp7

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Use of more efficient modes of transport

Primary potential financial impact
Reduced direct costs

Company-specific description
Costs and emissions associated with the transportation of materials, components, and finished goods are rising. Improving fuel efficiency and transportation networks may help reduce the costs associated with transportation.

Time horizon
Medium-term

Likelihood
Virtually certain

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
100000

Potential financial impact figure – maximum (currency)
1000000

Explanation of financial impact figure
Increases in suppliers' operating costs may be passed onto HNI through material and component costs. However, using transportation strategies to maximize loads and increase transportation efficiency is likely to have net benefits.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
HNI continuously monitors the energy, utility, and transportation costs that impact our cost of doing business. A majority of our carriers participate in EPA SmartWay programs to improve fuel efficiency and work to reduce the number of unnecessary miles travelled by our carriers.

Comment
There are too many variables in transportation and logistics related to manufacturing to accurately estimate the costs / benefits related to this opportunity.

Identifier
Opp8

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Products and services

Primary climate-related opportunity driver
Development of new products or services through R&D and innovation

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
Consumers interested in more sustainable products are looking for products with lower environmental impacts.

Time horizon
Long-term

Likelihood
More likely than not

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
10000000

Potential financial impact figure – maximum (currency)
30000000

Explanation of financial impact figure
HNI may have to spend more on customer outreach, R&D, and sustainability efforts, which would have an impact on HNI's operating costs; however, sustainable product offerings (electric fireplaces, lower embodied carbon office furniture products) are likely to result in more market share and increased sales.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
We are constantly looking at the way people work, and where they work, and responding to changing demand with products that have the lowest possible impact, bringing the highest value product to serve customers wherever they are working.

Comment
There are too many variables in new product development and manufacturing to accurately estimate the cost/benefits related to this opportunity.

Identifier
Opp9

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Products and services

Primary climate-related opportunity driver
Shift in consumer preferences

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
Consumers who are interested in more sustainable products are looking for products with lower environmental impacts including those that offset carbon impacts through lower embodied carbon, circularity options, and material transparency.

Time horizon
Long-term

Likelihood
More likely than not

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
10000000

Potential financial impact figure – maximum (currency)
30000000

Explanation of financial impact figure
HNI may have to spend more on customer outreach, R&D, and sustainability efforts, which would have an impact on HNI's operating costs; however, sustainable product offerings (electric fireplaces, lower embodied carbon office furniture products) are likely to result in more market share and increased sales.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
We are constantly looking at the way people work, and where they work, and responding to changing demand with products that have the lowest possible impact, bringing the highest value product to serve customers wherever they are working.

Comment
There are too many variables in new product development and manufacturing to accurately estimate the cost / benefits related to this opportunity.

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan
No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

Publicly available climate transition plan
<Not Applicable>

Mechanism by which feedback is collected from shareholders on your climate transition plan
<Not Applicable>

Description of feedback mechanism
<Not Applicable>

Frequency of feedback collection
<Not Applicable>

Attach any relevant documents which detail your climate transition plan (optional)
<Not Applicable>

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future
The organization has developed approved SBTI goals and is working towards a plan to achieve those goals. Additionally, HNI completed a materiality assessment with a 3rd party organization during 2022, which will help us to enhance our strategy and create a cohesive transition plan.

Explain why climate-related risks and opportunities have not influenced your strategy
<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	No, but we anticipate using qualitative and/or quantitative analysis in the next two years	Lack of internal resources	HNI is in the process of evaluating potential tools to assist in performing quantitative scenario analysis in the future.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	We have begun designing lower embodied carbon products and researching carbon negative materials.
Supply chain and/or value chain	Yes	We have begun designing lower embodied carbon products and researching carbon negative materials.
Investment in R&D	Yes	We have begun designing lower embodied carbon products and researching carbon negative materials.
Operations	Yes	We are exploring circularity in product development and operations.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs Indirect costs Capital expenditures	Investments in renewable energy, efficient LED lighting, and more efficient process equipment as well as costs to design and source materials for lower embodied carbon products.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, and we do not plan to in the next two years	<Not Applicable>

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

Intensity target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2020

Target coverage

Company-wide

Scope(s)
Scope 1
Scope 2

Scope 2 accounting method
Market-based

Scope 3 category(ies)
<Not Applicable>

Base year
2018

Base year Scope 1 emissions covered by target (metric tons CO2e)
55556

Base year Scope 2 emissions covered by target (metric tons CO2e)
75462

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)
<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
131018

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2025

Targeted reduction from base year (%)
35

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
47178

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
0

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
47178

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year
Achieved

Please explain target coverage and identify any exclusions
This target covers all HNI Operations.

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the emissions reduction initiatives which contributed most to achieving this target
The target was achieved through the purchase of 100% renewable energy credits covering 100% of our global electricity use.

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number
Int 1

Is this a science-based target?
Yes, and this target has been approved by the Science Based Targets initiative

Target ambition
Other, please specify (This target was approved by the SBTi in July 2020. Per the SBTi, this target meets the scope 3 ambition criterion for targets that do not lead to increases in absolute emissions and lead to a minimum of 2% reduction in physical emissions intensity.)

Year target was set
2020

Target coverage
Company-wide

Scope(s)
Scope 3

Scope 2 accounting method
<Not Applicable>

Scope 3 category(ies)
Category 1: Purchased goods and services
Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Category 4: Upstream transportation and distribution
Category 5: Waste generated in operations
Category 6: Business travel
Category 7: Employee commuting
Category 11: Use of sold products
Category 12: End-of-life treatment of sold products

Intensity metric
Metric tons CO2e per metric ton of product

Base year
2018

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)
1.78

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)
0.03

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)
0.27

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)
0.01

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)
0.02

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)
0.15

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)
7.08

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)
0.02

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)
9.36

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)
9.36

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure
<Not Applicable>

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure
100

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

100

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure
100

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure
100

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure
100

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure
100

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure
100

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure
100

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure
<Not Applicable>

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure
100

% of total base year emissions in all selected Scopes covered by this intensity figure
100

Target year
2035

Targeted reduction from base year (%)
40

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

% change anticipated in absolute Scope 1+2 emissions
0

% change anticipated in absolute Scope 3 emissions
0

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)
1.72

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)
0.15

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)
0.33

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)
0.08

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)
0.01

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)
0.09

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)
11.21

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)
0.03

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)
13.62

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)
13.62

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year
Underway

Please explain target coverage and identify any exclusions
Capital goods are excluded. Capital goods are a small percentage of our spending and are de minimis to CO2 emissions.

Plan for achieving target, and progress made to the end of the reporting year
Progress made to the end of the reporting year: Intensity increased due to higher hearth product sales volumes (use of sold products emissions).
We plan to achieve our target through leading in innovative electric fireplace development, conducting life cycle assessments of our products, and looking beyond our operations to our suppliers and partners' emissions practices.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?
Target(s) to increase low-carbon energy consumption or production

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number
Low 1

Year target was set
2020

Target coverage
Company-wide

Target type: energy carrier
Electricity

Target type: activity
Consumption

Target type: energy source
Renewable energy source(s) only

Base year
2020

Consumption or production of selected energy carrier in base year (MWh)
164538

% share of low-carbon or renewable energy in base year
100

Target year
2030

% share of low-carbon or renewable energy in target year
100

% share of low-carbon or renewable energy in reporting year
100

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Target status in reporting year
Achieved

Is this target part of an emissions target?
HNI Corporation has set a 100% renewable electricity target for its entire global operations by 2030. This target will help achieve HNI's emissions target to reduce absolute combined Scope 1 and 2 greenhouse gas emissions 35% by 2025 from a 2018 baseline (goal Abs 1 above).

Is this target part of an overarching initiative?
RE100

Please explain target coverage and identify any exclusions
HNI Corporation has set a 100% renewable electricity target for its entire global operations by 2030.

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the actions which contributed most to achieving this target
During 2022, HNI achieved this target through the purchase of renewable energy certificates. We have achieved this target annually since 2020.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	31	
To be implemented*	2	40
Implementation commenced*	10	2058
Implemented*	31	14650
Not to be implemented	1	

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
9180

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)
Scope 2 (market-based)
Scope 3 category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
488000

Investment required (unit currency – as specified in C0.4)
3000000

Payback period
4-10 years

Estimated lifetime of the initiative
11-15 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)
2800

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)
Scope 2 (market-based)
Scope 3 category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
175000

Investment required (unit currency – as specified in C0.4)
4250

Payback period
<1 year

Estimated lifetime of the initiative
Ongoing

Comment

Initiative category & Initiative type

Energy efficiency in production processes	Smart control system

Estimated annual CO2e savings (metric tonnes CO2e)
430

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)
Scope 2 (market-based)
Scope 3 category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
32000

Investment required (unit currency – as specified in C0.4)
8500

Payback period
<1 year

Estimated lifetime of the initiative

Ongoing

Comment
HNI implemented 12 energy shutdown projects (automatic and manual)

Initiative category & Initiative type

Energy efficiency in production processes	Compressed air

Estimated annual CO2e savings (metric tonnes CO2e)
2240

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)
Scope 2 (market-based)
Scope 3 category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
242000

Investment required (unit currency – as specified in C0.4)
860000

Payback period
4-10 years

Estimated lifetime of the initiative
Ongoing

Comment

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Financial optimization calculations	Projects have to business case justified with all factors considered or be required for regulatory compliance.
Compliance with regulatory requirements/standards	Projects have to business case justified with all factors considered or be required for regulatory compliance.
Dedicated budget for energy efficiency	We have a dedicated budget for meeting our sustainability goals including energy efficiency.
Dedicated budget for low-carbon product R&D	We have a dedicated budget for meeting our sustainability goals including researching lower embodied carbon materials and using them in our products.
Dedicated budget for other emissions reduction activities	We have a dedicated budget for Renewable Energy purchases, even if not cost justified.
Internal incentives/recognition programs	Through our LEAN manufacturing, MI Ideas program, and support of our Zero Waste to Landfill efforts we have internal incentives and member recognition programs for driving out waste.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?
Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation
Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon
No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Heating and cooling	Other, please specify (Electric fireplaces)

Description of product(s) or service(s)
We offer electric fireplace options as an alternative to using fossil fuels.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)
No

Methodology used to calculate avoided emissions
<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)
<Not Applicable>

Functional unit used
<Not Applicable>

Reference product/service or baseline scenario used
<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario
<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario
<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions
<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?
No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?
Yes, a divestment

Name of organization(s) acquired, divested from, or merged with
Lamex

Details of structural change(s), including completion dates
In third quarter 2022 the Corporation sold its China- and Hong Kong- based Lamex office furniture business.

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology No, but we have discovered significant errors in our previous response(s) No	HNI updated the methodology used for Scope 3 Category 11 (Use of Sold Products) to align with the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) and the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	Yes	Scope 1 Scope 2, location-based Scope 2, market-based Scope 3	HNI retroactively adjusts the base year for the following items: 1. Structural Changes: - Mergers & acquisitions: Actual data will be used, where possible, to add the acquired facility's emissions to the base year and subsequent years, and estimates will be used where historical data is unavailable. - Divestitures: recalculations occur in the year of divestment. 2. Changes in calculation methodology: Includes improvements in accuracy of emissions factors or activity data 3. Error correction Methodology and error correction recalculations are subject to a significance threshold of 5% of base year emissions to be calculated at the scope level.	Yes

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
55556

Comment
2018 was the first year we calculated Scope 1 for the entire HNI organization. Amount has been updated to remove Lamex data due to divestiture.

Scope 2 (location-based)

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
75462

Comment
2018 was the first year we calculated Scope 2 for the entire HNI organization. Amount has been updated to remove Lamex data due to divestiture.

Scope 2 (market-based)

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
75462

Comment
Location-based emissions have been used as a proxy since market-based emission factors were not available when calculating our base year.

Scope 3 category 1: Purchased goods and services

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
473694

Comment
Scope 3 category 1: Purchased goods and services is calculated using the spend-based method.

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
7781

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
71151

Comment

Scope 3 category 5: Waste generated in operations

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
3780

Comment

Scope 3 category 6: Business travel

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
4300

Comment

Scope 3 category 7: Employee commuting

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
40484

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
1882060

Comment
HNI updated the methodology used for Scope 3 Category 11 (Use of Sold Products) to align with the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) and the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

Scope 3 category 12: End of life treatment of sold products

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
5257

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Greenhouse Gas Protocol: Scope 2 Guidance
The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
47178

Start date
January 1 2022

End date
December 31 2022

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)
44973

Start date
January 1 2021

End date
December 31 2021

Comment
Updating for Lamex divestiture and data corrections.

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)
55556

Start date
January 1 2018

End date
December 31 2018

Comment
Updating for Lamex divestiture and data corrections.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
53578

Scope 2, market-based (if applicable)
0

Start date
January 1 2022

End date
December 31 2022

Comment
Market-based emissions are zero due to renewable electricity purchases.

Past year 1

Scope 2, location-based
47469

Scope 2, market-based (if applicable)
0

Start date
January 1 2021

End date
December 31 2021

Comment
Market-based emissions are zero due to renewable electricity purchases.

Past year 2

Scope 2, location-based
75462

Scope 2, market-based (if applicable)
75462

Start date
January 1 2018

End date
December 31 2018

Comment
Location-based emissions have been used as a proxy since market-based emission factors were not available when calculating our base year.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?
No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
351170

Emissions calculation methodology
Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Supply management spend data obtained by material type and multiplied by US EEIO emission factors (cradle-to-gate) adjusted for inflation.

Capital goods

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Capital goods was calculated for HNI's base year and determined to be de minimis to CO2 emissions. Capital goods are a small percentage of spend.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
30139

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
95

Please explain
95% of activity data from electricity or fuel invoices.

Upstream transportation and distribution

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
67478

Emissions calculation methodology
Supplier-specific method
Spend-based method
Fuel-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Both inbound and outbound logistics are considered upstream transport. The distance-based method is used for a majority of upstream transportation emissions. Emission factors are from US EPA and represent combustion only. Actual data on shipment type, mileage, and weight was obtained from logistics partners.

Waste generated in operations

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
15677

Emissions calculation methodology
Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Actual data on waste type, amounts, and disposal or recycling method was used.

Business travel

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
2448

Emissions calculation methodology
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
81

Please explain
Car passenger miles and flights were included. EPA Business Travel factors were used in calculations and represent combustion emissions only.

Employee commuting

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
18954

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Based on the number of employees and average commuting miles by commute method. EPA Business Travel/Employee Commuting factors were used in calculations and represent combustion emissions only.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
HNI's leased assets are facilities over which we have operational control. Emissions for these facilities are included in our Scope 1 & 2 inventory.

Downstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
HNI pays for the transportation of sold products and therefore reports transportation emissions in Category 4: Upstream Transportation and Distribution.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
HNI primarily produces finished goods. Sales of intermediate products is estimated to have de minimis potential CO2e emissions.

Use of sold products

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
2295015

Emissions calculation methodology
Methodology for direct use phase emissions, please specify (Emissions are calculated for Hearth products based on number of units sold in the reporting year by product and fuel type multiplied by lifetime expected energy consumption per unit and fuel-specific emission factor.)

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emissions are calculated for Hearth products based on number of units sold in the reporting year by product and fuel type multiplied by lifetime expected energy consumption per unit and EPA emission factor for the fuel used.

End of life treatment of sold products

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
6881

Emissions calculation methodology
Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emissions from waste were calculated using the EPA's Waste Reduction Model (WARM), version 15, November 2020. Weight of products sold are broken down using average percent material composition. All waste was assumed to be sent to landfill.

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
HNI properties and leases are reviewed annually. Emissions from downstream leased assets are estimated to be less than 1% of total Scope 1 & 2 emissions and therefore not relevant.

Franchises

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
HNI Corporation does not have franchises.

Investments

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
HNI does not have investments in joint ventures, subsidiaries, or associate companies that were not already captured in Scope 1 & 2 emissions. Emissions from other investments are estimated to be de minimis.

Other (upstream)

Evaluation status

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain

Other (downstream)

Evaluation status

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date
January 1 2021

End date
December 31 2021

Scope 3: Purchased goods and services (metric tons CO2e)
345933

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
30281

Scope 3: Upstream transportation and distribution (metric tons CO2e)
63059

Scope 3: Waste generated in operations (metric tons CO2e)
7610

Scope 3: Business travel (metric tons CO2e)
1026

Scope 3: Employee commuting (metric tons CO2e)
18398

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)
2612926

Scope 3: End of life treatment of sold products (metric tons CO2e)
7017

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment
Scope 3 amounts are restated to reflect the divestiture of Lamex, correction of prior year error in Category 4 (upstream transportation and distribution) calculation, and update to methodology for Category 11 (Use of Sold Products) to align with the World Resources Institute/World Business Council for Sustainable Development and the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

Past year 2

Start date
January 1 2018

End date
December 31 2018

Scope 3: Purchased goods and services (metric tons CO2e)
473694

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
7781

Scope 3: Upstream transportation and distribution (metric tons CO2e)
71151

Scope 3: Waste generated in operations (metric tons CO2e)
3780

Scope 3: Business travel (metric tons CO2e)
4300

Scope 3: Employee commuting (metric tons CO2e)
40484

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)
1882060

Scope 3: End of life treatment of sold products (metric tons CO2e)
5257

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment
Base year Scope 3 amounts are restated to reflect the divestiture of Lamex, inclusion of Category 11 (Use of Sold Products) and inclusion of Category 12 (End of life treatment of sold products).

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?
Yes

C6.7a

(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
Row 1	5396	

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.00002

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
47178

Metric denominator
unit total revenue

Metric denominator: Unit total
2361800000

Scope 2 figure used
Market-based

% change from previous year
3

Direction of change
Decreased

Reason(s) for change
Change in revenue

Please explain
Sales increased 8.1% compared to prior year, while emissions increased 5%. Prior year intensity figure was 0.000021 MTCO2e per unit revenue.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	46744	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	43	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	94	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	297	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
United States of America	46512
China	4
India	650
Mexico	7
Taiwan, China	5

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.
By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Wood Burning	67
Natural Gas Use	37888
Propane Use	4609
Heating Oil	24
Fugitive Emissions	297
Diesel	205
Gasoline	4087

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America	50654	0
China	34	0
India	2199	0
Mexico	651	0
Taiwan, China	40	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

By activity

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Workplace Furnishings	39337	0
Residential Building Products	12284	0
Corporate	1957	0

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Purchased Electricity	53578	0

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

No

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	Renewable energy certificates were purchased for all electricity consumption in the current and prior years, resulting in zero market-based scope 2 emissions in both years.
Other emissions reduction activities	112	Decreased	0.2	Scope 2 emissions were zero in both years. HNI completed emissions activities impacting scope 1 emissions, including compressed air projects. 112 MTCO2e estimated reduction / 44973 prior year combined Scope 1 & Scope 2 emissions = 0.2%
Divestment	0	No change	0	HNI divested Lamex during 2022 and removed emissions from current and prior years. This change is already reflected in C6.1 and C6.2 restated values for prior year (2021).
Acquisitions	0	No change	0	HNI did not complete any acquisitions during 2022.
Mergers	0	No change	0	HNI did not complete any mergers during 2022.
Change in output	1796	Increased	4	HNI attributes the majority of change is due to changes in output, including a new facility in Mexico and new equipment.
Change in methodology	297	Increased	1	Added fugitive emissions from refrigerant to inventory.
Change in boundary	0	No change	0	No change to boundary
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	13503	246121	259624
Consumption of purchased or acquired electricity	<Not Applicable>	166148	0	166148
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	0
Total energy consumption	<Not Applicable>	179651	246121	425772

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other biomass

Heating value
HHV

Total fuel MWh consumed by the organization
13503

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
13503

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Wood waste - 100% for steam that can be used in process equipment or steam heating units.

Other renewable fuels (e.g. renewable hydrogen)

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Coal

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Oil

Heating value
HHV

Total fuel MWh consumed by the organization
15515

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
15515

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Includes heating oil, diesel, and gasoline

Gas

Heating value
HHV

Total fuel MWh consumed by the organization
230606

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
207545

MWh fuel consumed for self-generation of steam
23061

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Estimated 50/40/10 Split of Natural Gas MWH. 50% heat, 40% process heat, 10% steam; Includes propane and natural gas.

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Total fuel

Heating value
HHV

Total fuel MWh consumed by the organization
259624

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
223060

MWh fuel consumed for self-generation of steam
36564

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	0	0	0	0
Heat	0	0	0	0
Steam	13834	13834	13834	13834
Cooling	0	0	0	0

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area
United States of America

Consumption of purchased electricity (MWh)
161466

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
No

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
13834

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
China

Consumption of purchased electricity (MWh)
62

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
No

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
Taiwan, China

Consumption of purchased electricity (MWh)
73

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
No

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
India

Consumption of purchased electricity (MWh)
3106

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
No

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area
Mexico

Consumption of purchased electricity (MWh)

1449

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
No

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

C8.2h

(C8.2h) Provide details of your organization's renewable electricity purchases in the reporting year by country/area.

Country/area of consumption of purchased renewable electricity
United States of America

Sourcing method
Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type
Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)
161466

Tracking instrument used
US-REC

Country/area of origin (generation) of purchased renewable electricity
United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Vintage of the renewable energy/attribute (i.e. year of generation)
2022

Supply arrangement start year
2022

Additional, voluntary label associated with purchased renewable electricity
Green-e

Comment

Country/area of consumption of purchased renewable electricity
China

Sourcing method
Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type
Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)
62

Tracking instrument used
I-REC

Country/area of origin (generation) of purchased renewable electricity
China

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Vintage of the renewable energy/attribute (i.e. year of generation)
2022

Supply arrangement start year
2022

Additional, voluntary label associated with purchased renewable electricity
No additional, voluntary label

Comment

Country/area of consumption of purchased renewable electricity
Taiwan, China

Sourcing method
Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type
Solar

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)
73

Tracking instrument used
TIGR

Country/area of origin (generation) of purchased renewable electricity
Taiwan, China

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Vintage of the renewable energy/attribute (i.e. year of generation)
2022

Supply arrangement start year
2022

Additional, voluntary label associated with purchased renewable electricity
No additional, voluntary label

Comment

Country/area of consumption of purchased renewable electricity
India

Sourcing method
Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type
Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)
3106

Tracking instrument used
I-REC

Country/area of origin (generation) of purchased renewable electricity
India

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Vintage of the renewable energy/attribute (i.e. year of generation)
2022

Supply arrangement start year
2022

Additional, voluntary label associated with purchased renewable electricity
No additional, voluntary label

Comment

Country/area of consumption of purchased renewable electricity
Mexico

Sourcing method
Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type
Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)
1449

Tracking instrument used
I-REC

Country/area of origin (generation) of purchased renewable electricity
Mexico

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Vintage of the renewable energy/attribute (i.e. year of generation)
2022

Supply arrangement start year
2022

Additional, voluntary label associated with purchased renewable electricity
No additional, voluntary label

Comment

C8.2j

(C8.2j) Provide details of your organization's renewable electricity generation by country/area in the reporting year.

C8.2k

(C8.2k) Describe how your organization's renewable electricity sourcing strategy directly or indirectly contributes to bringing new capacity into the grid in the countries/areas in which you operate.

In 2022, HNI committed to a partnership with Muscatine Power and Water (MPW) to join the Choose Green Business Program. The program will bring renewable energy options to Muscatine and help HNI and other local businesses meet sustainability goals by participating in long-term, high-volume renewable energy projects. We expect this project will supply renewable electricity to approximately 10% of HNI's operations in Muscatine. We believe strongly in this private and public partnership to support our community and help HNI meet our climate change goals.

C8.2l

(C8.2l) In the reporting year, has your organization faced any challenges to sourcing renewable electricity?

	Challenges to sourcing renewable electricity	Challenges faced by your organization which were not country/area-specific
Row 1	No	<Not Applicable>

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Energy usage

Metric value
7.49

Metric numerator
Total energy consumption (GJ)

Metric denominator (intensity metric only)
metric tons of products sold

% change from previous year
3.4

Direction of change
Increased

Please explain
Goal: Reduce energy intensity 50% by 2035 from 2018 baseline. Energy intensity per ton of goods sold increased due to a decrease in volume of goods sold.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Engagement & incentivization (changing supplier behavior)

Details of engagement
Other, please specify (Gain alignment with suppliers on HNI's Supplier and Service Provider Code of Conduct)

% of suppliers by number
100

% total procurement spend (direct and indirect)
100

% of supplier-related Scope 3 emissions as reported in C6.5
0

Rationale for the coverage of your engagement
In 2022, HNI reached our goal of 100% Tier 1 supplier compliance in signing the HNI Supplier and Service Provider Code of Conduct, which includes the requirement that suppliers use reasonable efforts to measure and reduce waste, water, and energy within their operations. Tier 1 suppliers were used to calculated the figure in column 3.

Impact of engagement, including measures of success
HNI measures success by achieving 100% Tier 1 supplier compliance in signing the HNI Supplier and Service Provider Code of Conduct. The impacts include ensuring that HNI suppliers are upholding the highest standards and providing a first step in our strategy to connect, assess, and collaborate with suppliers on ESG issues. For example, the Code of Conduct requires suppliers to use reasonable efforts to measure and reduce waste, water, and energy within their operations.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing	Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

% of customer - related Scope 3 emissions as reported in C6.5
0

Please explain the rationale for selecting this group of customers and scope of engagement
HNI is committed to supporting our customers in meeting their sustainability and green building goals. Within our portfolio, we have products that have achieved Cradle to Cradle, Bronze and Business and Institutional Furniture Manufacturers Association (BIFMA) Level 2 and 3 certifications. We are also incorporating life cycle analysis into our Design for Environment (DfE) process and sharing this information with customers through Environmental Product Declarations (EPDs). EPDs include the average greenhouse gas emissions by life cycle stage, energy usage by life cycle stage, global warming potential, and global climate change impact associated with a particular product.

Impact of engagement, including measures of success
Through the DfE process, we are able to minimize the ecosystem and human health impacts of our products. Sharing company and product impacts through product certifications and EPDs allows customers to make informed choices and meet their sustainability and green building goals. Success is measured through achievement of product certification and achievement of customer sustainability goals.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Through our distribution partners and regional distribution network, we are able to work together to increase load efficiency and cube utilization. In 2022, over 93% of ton-miles of distribution were through EPA Smartway Partners.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?
Yes, suppliers have to meet climate-related requirements, but they are not included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement
Complying with regulatory requirements

Description of this climate related requirement
The Company's Service Providers are required to comply with all applicable laws and regulations, foreign and domestic, including, without limitation, those regulating environmental compliance.

% suppliers by procurement spend that have to comply with this climate-related requirement
100

% suppliers by procurement spend in compliance with this climate-related requirement
100

Mechanisms for monitoring compliance with this climate-related requirement
Supplier self-assessment
Other, please specify (Suppliers must sign Supplier Code of Conduct to acknowledge compliance.)

Response to supplier non-compliance with this climate-related requirement
Exclude

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?
No, and we do not plan to have one in the next two years

Attach commitment or position statement(s)
<Not Applicable>

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan
To ensure consistency, HNI participates in meetings and activities within the organizations. For example, through participation in BIFMA meetings, we are able to express HNI's position related to climate change. We have also participated in development of updates to the Business and Institutional Furniture Manufactures Association (BIFMA) ANSI/BIFMA e3 Sustainable Furniture Standard.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association
Other, please specify (Business and Institutional Furniture Manufacturers Association (BIFMA))

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
BIFMA is the not-for-profit trade association for business and institutional furniture manufacturers. level® is the multi-attribute, sustainability standard, and third-party certification program for the furniture industry. It was created to deliver the most open and transparent means of evaluating and communicating the environmental and social impacts of furniture products in the built environment. Taking into account a company's social actions, energy usage, material selection and human and ecosystem health impacts, level® addresses how a product is sustainable from multiple perspectives. HNI participates in meetings/summits and group activities. Through participation in BIFMA meetings, we are able to express HNI's position related to climate change legislation. We have also provided support in the development of updates to the Business and Institutional Furniture Manufactures Association (BIFMA) ANSI/BIFMA e3 Sustainable Furniture Standard. We support BIFMA level certification and are working toward increasing the number of products that have BIFMA level certification.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
75000

Describe the aim of your organization's funding
Our funding supports participation in meetings/summits and group activities. Through participation in BIFMA meetings, we are able to express HNI's position related to climate change legislation.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
No, we have not evaluated

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In voluntary sustainability report

Status
Complete

Attach the document
HNI_2022_CSR_Report.pdf

Page/Section reference
Please see pages 3, 8, and 22-25

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment
HNI's 2022 Corporate Social Responsibility Report includes 2022 emissions data, targets, and performance.

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	RE100 UN Global Compact We Mean Business Other, please specify (US Department of Energy (DOE) Better Climate Challenge, US DOE Better Plants Partner, US EPA SmartWay Transport Partner)	RE100: Committed to a target of sourcing 100% renewable electricity annually for global operations by 2030 and report progress annually. UN Global Compact: We are a signatory and report an annual Communication on Progress (CoP) We Mean Business: We have committed to RE100 and SBTi approved targets US DOE Better Climate Challenge: Partner with DOE and committed to reduce GHG emissions 50% in 10 years US Doe Better Plants Partner: Partner with DOE and committed to reducing energy intensity by 25% over 10 years US EPA SmartWay: Transport Partner

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	Board and Executive level oversight to all sustainability and environmental compliance related issues.	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have endorsed initiatives only	<Not Applicable>	SDG

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment
No, but we plan to within the next two years

Value chain stage(s) covered
<Not Applicable>

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment
No, but we plan to within the next two years

Value chain stage(s) covered
<Not Applicable>

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?
No

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Other, please specify (Use of FSC wood in products)

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	Please select

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Other, please specify (Purchase and use of FSC wood in products)	Please see HNI's 2022 Corporate Social Responsibility report pages 8, 31, 49-50, 67 HNI_2022_CSR_Report.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Corporate Social Responsibility Manager	Environment/Sustainability manager

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

HNI Corporation is the parent company of the furniture brands sold to the customers who are requesting a specific CDP response.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	2361800000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member
Bank of America

Scope of emissions
Scope 1

Scope 2 accounting method
<Not Applicable>

Scope 3 category(ies)
<Not Applicable>

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
120

Uncertainty (±%)

Major sources of emissions
Natural gas process equipment, heaters, boilers

Verified
No

Allocation method
Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member
1165581

Unit for market value or quantity of goods/services supplied
Pounds (lb)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Emissions were allocated based on the ratio of mass of products purchased to total mass of products produced by HNI corporation. The ratio was applied to HNI Corporation's company-wide emissions.

Requesting member

Bank of America

Scope of emissions
Scope 2

Scope 2 accounting method
Market-based

Scope 3 category(ies)
<Not Applicable>

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Purchased renewable electricity

Verified
No

Allocation method
Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member
1165581

Unit for market value or quantity of goods/services supplied
Pounds (lb)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
HNI corporation purchases renewable energy certificates for all electricity consumption.

Requesting member
Bank of America

Scope of emissions
Scope 3

Scope 2 accounting method
<Not Applicable>

Scope 3 category(ies)
Category 1: Purchased goods and services
Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
Category 4: Upstream transportation and distribution
Category 5: Waste generated in operations
Category 6: Business travel
Category 7: Employee commuting
Category 12: End-of-life treatment of sold products

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
1248

Uncertainty (±%)

Major sources of emissions
Emissions from purchased goods and services and upstream transportation and distribution are the largest sources.

Verified
No

Allocation method
Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member
1165581

Unit for market value or quantity of goods/services supplied
Pounds (lb)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Emissions were allocated based on the ratio of mass of BOA's furniture products purchased to total mass of products produced by HNI corporation. The ratio was applied to HNI Corporation's company-wide scope 3 emissions. Category 11 Use of Sold Products was excluded, since it is calculated for our Residential Building Products segment (hearth products) only.

Requesting member
Prudential Financial, Inc.

Scope of emissions
Scope 1

Scope 2 accounting method
<Not Applicable>

Scope 3 category(ies)
<Not Applicable>

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)

Major sources of emissions
Natural gas process equipment, heaters, boilers

Verified
No

Allocation method
Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member
555

Unit for market value or quantity of goods/services supplied
Pounds (lb)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Emissions were allocated based on the ratio of mass of products purchased to total mass of products produced by HNI corporation. The ratio was applied to HNI Corporation's company-wide emissions.

Requesting member
Prudential Financial, Inc.

Scope of emissions
Scope 2

Scope 2 accounting method
Market-based

Scope 3 category(ies)
<Not Applicable>

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
Purchased renewable electricity

Verified
No

Allocation method
Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member
555

Unit for market value or quantity of goods/services supplied
Pounds (lb)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
HNI corporation purchases renewable energy certificates for all electricity consumption.

Requesting member
Prudential Financial, Inc.

Scope of emissions
Scope 3

Scope 2 accounting method
<Not Applicable>

Scope 3 category(ies)
Category 1: Purchased goods and services
Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
Category 4: Upstream transportation and distribution
Category 5: Waste generated in operations
Category 6: Business travel
Category 7: Employee commuting
Category 12: End-of-life treatment of sold products

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
1

Uncertainty (±%)

Major sources of emissions
Emissions from purchased goods and services and upstream transportation and distribution are the largest sources.

Verified
No

Allocation method
Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member
555

Unit for market value or quantity of goods/services supplied
Pounds (lb)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Emissions were allocated based on the ratio of mass of Prudential's furniture products purchased to total mass of products produced by HNI corporation. The ratio was applied to HNI Corporation's company-wide scope 3 emissions. Category 11 Use of Sold Products was excluded, since it is calculated for our Residential Building Products segment (hearth products) only.

Requesting member
American Express

Scope of emissions
Scope 1

Scope 2 accounting method
<Not Applicable>

Scope 3 category(ies)
<Not Applicable>

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)

Major sources of emissions
Natural gas process equipment, heaters, boilers

Verified
No

Allocation method
Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member
0

Unit for market value or quantity of goods/services supplied
Pounds (lb)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Emissions were allocated based on the ratio of mass of products purchased to total mass of products produced by HNI corporation. The ratio was applied to HNI Corporation's company-wide emissions.

Requesting member
American Express

Scope of emissions
Scope 2

Scope 2 accounting method
Market-based

Scope 3 category(ies)
<Not Applicable>

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)

Major sources of emissions
Purchased renewable electricity

Verified
No

Allocation method
Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member
0

Unit for market value or quantity of goods/services supplied
Pounds (lb)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
HNI corporation purchases renewable energy certificates for all electricity consumption.

Requesting member
American Express

Scope of emissions
Scope 3

Scope 2 accounting method
<Not Applicable>

Scope 3 category(ies)
Category 1: Purchased goods and services
Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
Category 4: Upstream transportation and distribution
Category 5: Waste generated in operations
Category 6: Business travel
Category 7: Employee commuting
Category 12: End-of-life treatment of sold products

Allocation level
Company wide

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e
0

Uncertainty (±%)

Major sources of emissions
Emissions from purchased goods and services and upstream transportation and distribution are the largest sources.

Verified
No

Allocation method
Allocation based on mass of products purchased

Market value or quantity of goods/services supplied to the requesting member
0

Unit for market value or quantity of goods/services supplied
Pounds (lb)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Emissions were allocated based on the ratio of mass of furniture products purchased to total mass of products produced by HNI corporation. The ratio was applied to HNI Corporation's company-wide scope 3 emissions. Category 11 Use of Sold Products was excluded, since it is calculated for our Residential Building Products segment (hearth products) only.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

HNI Corporation used our own primary mass data to allocate emissions.

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	Our current business systems make allocation a manual and difficult process. We can process company level information, but product level information would be time-consuming and is not currently available.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?
Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

We are working toward completing lifecycle assessments for our products.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?
No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?
No, I am not providing data

Submit your response

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below
I have read and accept the applicable Terms