



High Point Furniture Industries Building Community, Respecting Resources

The Environment

For more than 50 years, HPFI® (High Point Furniture Industries) has been building furniture in the United States with respect to our environment and our community. As a world-class manufacturing operation, we strive to reduce and to eliminate impact on our environment. We recycle and reuse wherever possible. When viable and acceptable to our customers, we incorporate recycled and recyclable materials into our finished products. HPFI is utilizing the Business and Institutional Furniture manufacturer's Association's (BIFMA) e3 standard to identify and certify the levels of environmental achievement as well as identify specific contributions of LEED points.

At HPFI, we understand the future does not belong to us, nor does the earth, nor its resources. The maintenance of our environment and a commitment to sustainability is an ongoing responsibility that we share with every person, organization and industry enjoying the abundance of this earth. We pledge to continually respect our resources and build community for those of us here today and for those who will follow.

Health and Safety

HPFI will strive to minimize health and safety risks to our associates and to our community in which we are located by establishing safe operating and facility policies and procedures and preparing for potential emergencies.

- We have identified state and federal health and safety laws applicable to our industry through information from OSHA and other local agencies.
- Our Human Resources Manager is responsible to ensure our associates' health and safety by developing policies and processes to meet these goals.
- We have developed and implemented policies and programs to help prevent injuries and illnesses to our associates.
- We have established and maintain metrics to measure the performance of our associates' health and safety.
- Training is provided to our associates that includes OSHA required safety training and also wellness and illness prevention programs.
- We evaluate our compliance to health and safety laws through regular visits from OSHA voluntary compliance officers and safety team meetings.

While the above components to our health and safety plan are important, the goal of HPFI® is to go beyond what is required and to excel in promoting health and safety. Some examples of our progress are:

- The overall incident rate at HPFI in 2010 was 1.2% versus the industry average of 5.6%.
- The companies' workers compensation mod rate in 2010 was .82 versus 1.0 for industry.



- HPFI has qualified for the gold level award in 2010 from the North Carolina Department of Labor for achieving a low safety incident rate.
- HPFI continues to use the OSHA Voluntary Compliance Program every eighteen (18) months and also continues to conduct safety inspections. The company utilizes our workers compensation carrier safety consultants to do regular safety inspections and to advise on safety issues.
- Safety consultant from workers compensation carrier conducts ergonomic reviews at workstations with potential repetitive motion issues.
- The company continues to train employees annually in hazardous communication, blood borne pathogens, forklift training. Also train first responder team in CPR and first aid.
- HPFI has offered many wellness initiatives including a walking challenge, blood pressure and body mass index screenings, “lunch and learn” meetings relating to wellness topics. A wellness newsletter is distributed by e-mail and posted on communication boards every month.
- HPFI offers free flu shots every year to each of its associates

Labor and Human Rights

HPFI respects and protects the rights of all of our human resources at each of our operating facilities. HPFI complies with all federal and state labor laws to ensure that all labor is voluntary. Child labor is governed by state and federal law and is thereby prohibited. A “child” as defined by the State of North Carolina labor law is a person younger than 15.

Social Accountability

HPFI strives to maintain a culture of integrity and social accountability. This culture depends upon treating our associates and business partners with respect and fairness, being open and honest, and following all laws and regulations. The following reflects our standards to ensure that we meet and uphold this policy of social accountability.

- Involuntary labor is prohibited. HPFI will not engage in or support the use of involuntary labor.
- Child labor is prohibited. “Child” is defined as a person younger than fifteen (15) years of age. State of North Carolina law only allows 15 year olds in certain occupations.
- HPFI will provide a safe and healthy workplace in compliance with OSHA and other applicable regulations. All associates will have access to potable water and sanitary facilities, adequate lighting and ventilation. HPFI will be proactive to prevent potential accidents and injury to employee’s health.
- HPFI will respect the rights of associates to form, join, organize and bargain collectively in a lawful and peaceful manner without penalty.
- HPFI will not discriminate or support discrimination in the hiring and employment practices including salary, benefits, promotion, discipline, termination or retirement based on race, national origin, religion, age, gender, disability or sexual orientation. HPFI is an equal employment opportunity employer.



- HPFI will treat all associates with dignity and respect and will not engage in or tolerate corporal punishment, mental or physical coercion, verbal abuse, sexual harassment or psychological abuse.
- HPFI will respect the right of associates to a living wage by complying with all state and federal wage and hour laws, including those relating to wages, overtime, hours worked and provide all legally mandated benefits and ensuring that we meet comparable industry minimums. Except in extraordinary business conditions, HPFI will not require employees to work more than 48 hours. In addition, except under extraordinary business conditions, associates will be entitled to at least one day off in every seven day period. HPFI will compensate associates for overtime hours as required by law.
- HPFI will have an open door policy and provide a confidential means for associates to report non-compliances and address concerns and take corrective action when needed. HPFI will also be open to regular outside communication, provide access for verification to auditors and maintain records to demonstrate compliance with requirements.
- HPFI will require its business partners to comply with all applicable laws and regulations. Business will be required to comply with all standards found within this document.
- HPFI will ensure that the provisions of these standards are communicated to associates by posting a copy of these standards in a prominent area and by posting on company website.
- Associates of the company are prohibited from receiving gifts from business partners in excess of \$25 in value. Gifts should never be offered or received during a bidding process.

Inclusiveness

HPFI values individual and group differences and our communications will be open and honest. This inclusiveness enriches our performance and products. All associates value and work to enhance diversity in our workforce because it is good for our business, our associates and our community. Diversity management is an important part of our business culture, strategic plans and systems.

- HPFI complies with all state and federal laws that apply to fair hiring practices and will not discriminate in hiring and employment practices on the basis of race, religion, age, national origin, gender, disability or sexual orientation.
- Human Resources is responsible for overseeing that fair hiring and employment practices are taking place throughout the company and that policies are applied equally to all employees. Human Resources will keep applicant, hiring and termination logs to document our compliance to the policy.
- HPFI has an open door policy for employees to utilize to give feedback or log complaints on any potential noncompliance of our policies. There are suggestion boxes located in the break room that are used for associates' feedback.
- Human Resources along with top management will determine the best course of action to pursue when there is an issue of noncompliance. Investigations and



research will be conducted by Human Resources and a mutual decision will be made on the best course of action to take.

- HPFI has established and maintained inclusiveness metrics which are similar to the EEO1 reports which are required by federal law. The company also utilizes an HRIS system to assist with tracking and reporting.
- Inclusiveness education is available to all employees. EEOC and inclusiveness policy posters that are posted in lobbies and break rooms and on our website.
- Human Resources will evaluate on an annual basis our compliance to applicable inclusiveness rules including those required by state and federal agencies. Human Resources audits internal procedures and policies to ensure the company is in compliance.

Community Outreach and Involvement

HPFI endeavors to be a good corporate citizen within the local communities in which we maintain operating facilities. HPFI currently makes financial contributions to the High Point United Way agency. Associates' time is also donated to allow for annual campaigns. HPFI schedules blood drives with the American Red Cross each year to assist with blood donations. Additionally, HPFI consistently donates our products to local non-profit organizations including various religious and educational institutions.