

**HNI CORPORATION**  
**HUMAN RESOURCES AND COMPENSATION COMMITTEE CHARTER**

**I. Purposes of the Committee**

The purpose of the Human Resources and Compensation Committee (the "Committee") is to assist the HNI Corporation Board of Directors (the "Board") in fulfilling its oversight responsibilities relating to: (i) compensation of the Corporation's executives; (ii) overall member relations, culture, and morale; (iii) human resource practices designed to attract and retain qualified members at all levels; (iv) human resource policy and related regulatory compliance issues; (v) compensation and benefits practices; (vi) the selection, performance, compensation, development, and succession of key executives; and (vii) the evaluation of the Chief Executive Officer (the "CEO").

**II. Organization**

***A. Membership; Qualifications***

The Committee shall consist of only independent, outside Directors. Each member of the Committee shall: (i) meet the independence requirements under the listing standards of the New York Stock Exchange and the Corporation's Categorical Independence Standards; and (ii) qualify as (a) an "outside director" for purposes of Section 162(m) of the Internal Revenue Code; and (b) a "non-employee director" for purposes of Rule 16b-3 under the Securities Exchange Act of 1934 (the "Exchange Act").

The Board, on the recommendation of the Public Policy and Corporate Governance Committee, shall appoint the members and Chairperson of the Committee. The Board may replace Committee members and the Chairperson.

***B. Meetings***

The Committee shall meet in person or telephonically at least quarterly, or more frequently as necessary to comply with its responsibilities. Meetings of the Committee may be called by the Chief Executive Officer of the Corporation, the Chairperson of the Committee, or any other two or more members of the Committee. A majority of the Committee members shall constitute a quorum for the transaction of business. The action of a majority of those present at a meeting, at which a quorum is present, shall be the act of the Committee. The Committee may also take action by unanimous written consent.

***C. Agenda***

The Chairperson of the Committee is responsible for establishing agendas and conducting meetings. Committee members may submit items for the agenda and raise subjects not on the agenda at any meeting.

***D. Resources; Advisors; Reports from Management***

The Committee shall have the resources, including funding in amounts the Committee deems necessary, and authority appropriate to discharge its responsibilities. The Committee shall have sole authority to retain and terminate consultants, independent legal counsel and other advisers used to assist in evaluation of CEO or senior executive compensation and to approve the fees and other retention terms of such consultants, independent legal counsel and other advisers. The Committee shall consider any factors required by the Securities and Exchange Commission or the New York Stock Exchange prior to retaining any consultant, independent legal counsel or other adviser, including the independence from management of such consultant, independent legal counsel or other adviser. Performance of any consulting services for management by a consulting firm also retained by the Committee must be approved in advance by the Chairperson of the Committee. The Committee shall obtain regular reports from management related to the Committee's areas of responsibility.

### ***E. Delegation***

Except as otherwise prohibited by law or the Corporation's Articles of Incorporation or By-laws, the Committee may delegate its responsibilities, along with the authority to take action in relation to such responsibilities, to subcommittees or individuals.

## **III. Responsibilities**

The Committee will:

### ***A. Communication***

Provide an open avenue of communications between the CEO; Vice President, Member and Community Relations; the Committee; and the Board of Directors regarding human resources and compensation issues.

### ***B. Charter***

Review the Committee's Charter and Agenda Checklist annually, and recommend changes, if any, to the Board.

### ***C. Executive Compensation Plans***

1. Review and recommend to the Board executive compensation plans for the CEO and senior executives.
2. Review the outside record keepers and trustees for the administration of the Corporation's executive compensation plans.
3. Oversee the Corporation's executive compensation plans in which members may participate and which provide for compliance with Section 162(m) of the Internal Revenue Code.
4. Oversee the Corporation's stock-based compensation plans and other equity plans and undertake such actions and make such determinations and decisions as it deems necessary and appropriate to carry out the plans' intent.

### ***D. Internal Controls***

Review and report annually to the Board, based on the system of internal control, which management has established with Board oversight:

1. Results of audits of human resources policies and practices;
2. Financial performance of "qualified" benefit plans;
3. Investment fund selection and performance in Corporation retirement plans;
4. Member participation levels in "qualified" plans;
5. Member safety program results;
6. Compliance with applicable employment-related federal and state regulatory requirements; and
7. Other member-related issues.

### ***E. Executive Compensation and Benefits***

Review and recommend changes to the executive compensation philosophy and review management's recommendations and approve compensation for senior executives (other than the CEO) consistent with the executive compensation philosophy including:

1. Total compensation for senior executives.
2. Equity grants for review and approval by the Board.
3. Annual incentive, long-term incentive, and supplemental retirement plan participants, targets and aggregate award levels.
4. Limited perquisites for key executives as deemed necessary.
5. Other executive compensation awards.

#### ***F. CEO Compensation and Performance Evaluation***

Evaluate the performance and set compensation of the CEO at least annually, as follows:

1. Review and recommend to the Board corporate goals and objectives relevant to CEO compensation;
2. Evaluate the CEO's performance in light of those goals and objectives, and, together with other independent Directors, determine and approve the CEO's compensation level (including all elements of compensation listed in Section III.E.) based on this evaluation;
3. Review the CEO performance evaluation form;
4. Issue the CEO performance evaluation form to all independent Directors;
5. Compile the CEO performance evaluation results and review with Committee;
6. Review the CEO performance evaluation results with the Board for additional comments; and
7. Review by the Committee Chairperson with the CEO the Board's evaluation of the CEO's performance.

In determining the long-term incentive component of CEO compensation, the Committee will consider the Corporation's performance and relative shareholder return, the value of similar incentive awards to the CEOs at comparable companies and the awards given to the Corporation's CEO in past years.

#### ***G. Succession Planning***

Review and prepare plans for development and contingency planning for key management and senior executive positions, including, without limitation:

1. Confidential reports to the Committee on status of planning; and
2. Committee reports to the Board periodically on the status of the planning.

Outside expertise and consultation may be utilized, as appropriate, in addition to Corporation planning.

#### ***H. Review Employment Agreements and Severance Agreements***

Review and approve: (i) any proposed employment agreement and any proposed severance or retention plans or agreements applicable to the CEO; and (ii) any severance or other termination payments proposed to be made to the CEO or any senior executive officer reporting to the CEO.

#### ***I. Risk Management***

Review the Corporation's incentive compensation arrangements to determine whether they encourage excessive risk-taking, review and discuss at least annually the relationship between risk management policies and practices and compensation, and evaluate compensation policies and practices that could mitigate any such risk.

#### ***J. Section 16 Officers***

Review and recommend to the Board persons to be designated as: (i) "officers" for purposes of reporting under Section 16 of the Exchange Act, and (ii) "executive officers" for other Exchange Act purposes.

#### ***K. Vision Statement***

Consider and review with management, on an ongoing basis, adherence to the Corporation's Vision statement.

#### ***L. Compliance and Ethics Program Oversight***

Provide oversight of the elements of the Corporation's compliance and ethics program specifically delegated to the Committee by the Board. The Vice President, Member and Community Relations will be the Committee's main contact with management with respect to this responsibility. The Committee will also monitor compliance with human resources policies and procedures.

***M. Management***

Meet with management to discuss any matters the Committee or management believes should be discussed privately with the Committee.

***N. Board Reports***

Make regular reports of its activities and, as appropriate, recommendations to the Board not less than once per year. Reports shall review significant compliance matters relevant to the Committee's responsibilities.

***O. Committee Performance***

Evaluate the performance of the Committee annually and provide the results of the evaluation to the Board.

***P. Compensation Discussion and Analysis; and Committee Report***

The Committee shall review and discuss with management the draft of the Compensation Discussion and Analysis and recommend to management changes to the draft it deems necessary. The Committee also shall prepare, with the assistance of management and outside legal counsel, the Committee report required to be included in the Corporation's proxy statement, indicating it reviewed and discussed the Compensation Discussion and Analysis with management and recommends the final draft be included with the proxy statement.

***Q. Say on Pay***

Review the results of each shareholder advisory vote on named executive officer compensation ("Say on Pay" votes) and consider whether to make any changes, or recommend any changes to the Board, with respect to the Corporation's executive compensation policies and practices in light of such vote.

***R. Shareholder Proposals***

The Committee shall be responsible for reviewing and making recommendations to the Board regarding compensation matters contained in shareholder proposals for inclusion in the Corporation's annual proxy statement.

**IV. History**

Adopted by the Board of Directors on February 11, 2004. Last amended November 9, 2018.