2019

DRAFT - Corporate Governance, Responsibility and Sustainability Report

A ISS and GRI Compilation

ETHAN ALLEN GLOBAL, INC.: GRI AND ISS REPORTING (G4-3) (ISS 19, 241, 242, 245, 246 LASTEST REPORT)

A ENVIRONMENT, HEALTH, SAFETY, SOCIAL RESPONSIBILITY AND SUSTAINABILITY COMPILATION

ETHAN ALLEN | 25 LAKE AVE. EXT, Danbury CT (G4-5 Location)

Table of Contents:

A. Company Profile

(G4-DMA Economic, G4-4 Brand, G4-6 Countries, G4-7 Owners, G4-8 Markets, G4-9 Scale)

Founded in 1932 and incorporated in Delaware in 1989, Ethan Allen Interiors Inc., through its wholly-owned subsidiary, Ethan Allen Global, Inc., and its subsidiaries (collectively, "We," "Us," "Our," "Ethan Allen" or the "Company"), is a leading interior design company and manufacturer and retailer of quality home furnishings. Today We are a leading international home fashion brand doing business in North America, Asia, the Middle East and Europe. We are vertically integrated from design through delivery, affording Our clientele a value proposition of style, quality and price. We offer complimentary interior design service to Our clients and sell a full range of furniture products and decorative accents through ethanallen.com and a retail network of approximately 300 design centers in the United States and abroad. The design centers represent a mix of independent licensees and Our own Company operated retail segment. We own and operate nine manufacturing facilities including six manufacturing plants and one sawmill in the United States and one manufacturing plant in Mexico and one in Honduras. Approximately 75% of the products sold by the Company are manufactured in Our North American plants.

Retail net sales for each of the last three fiscal years, allocated by product line, were as follows:

	Fiscal Year Ended June 30,		
	2018	2017	2016
Case Goods	30%	30%	31%
Upholstered Products	48%	48%	47%
Home Accents and Other	22%	22%	22%
	100%	100%	100%

Our strategy has been to position Ethan Allen as a preferred brand offering complimentary design service together with products of superior style, quality and value to provide consumers with a comprehensive, one-stop shopping solutions for their home furnishing and interior design needs. In carrying out Our strategy, We continue to expand Our reach to a broader consumer base through a diverse selection of attractively priced products, designed to complement one another, reflecting current fashion trends in home decorating. We continuously monitor changes in home fashion trends through attendance at international industry events and fashion shows, internal market research, and regular communication with Our retailers and design center design consultants who provide valuable input on consumer trends. We believe that the observations and input gathered enable us to incorporate appropriate style details into Our products to react quickly to changing consumer tastes.

Seventy five percent of Our furniture is built by artisans, one piece at a time, in Our North American workshops. Most upholstery frames are hand-assembled, and stitching is guided by hand. We select international partners who are as committed to quality and social responsibility as We are. All case goods frames are made with premium lumber and veneers. We use best-in-class construction techniques, including mortise and tenon joinery and fOur-corner glued dovetail joinery on drawers. We combine technology with personal service and maintain an up-to-date broad range of styles and custom options in keeping with today's home decorating trends. These factors continue to define Ethan Allen, positioning us as a fashion leader in the home furnishing industry.

The interior of Our design centers, which Were substantially refreshed during the past three fiscal years, are organized to facilitate display of Our product offerings, both in room settings that project the category lifestyle and by product grouping to facilitate comparisons of the styles and tastes of Our clients. To further enhance the experience, technology is used to expand the range of products viewed by including content from Our Website in applications used on large touch-screen flat panel displays.

Our focus is on personal service and that is Our competitive advantage.

Management's Discussion and Analysis of Financial Condition and Results of Operations included under Item 7 of this Annual Report and our Consolidated Financial Statements (including the notes thereto) included under Item 8 of this Annual Report. Dollar amounts are in thousands except per share data.

	Fiscal Year Ended June 30,				
	2018	2017	2016	2015	2014
Consolidated Operations Data					
Net Sales	$ 766,784	$ 763,385	$ 794,202	$ 754,600	$ 746,659
Cost of Sales	350,820	343,662	351,966	343,437	340,163
Selling, general and administrative expenses	367,097	361,773	353,057	345,229	336,860
Operating income	48,867	57,950	89,179	65,934	69,636
Interest and other expense, net	(200)	955	1,223	9,251	7,234
Income before income tax expense	49,067	56,995	87,956	56,683	62,402
Income tax expense (benefit)	12,696	20,801	31,319	19,541	19,471
Net income	$ 36,371	$ 36,194	$ 56,637	$ 37,142	$ 42,931
Per Share Data					
Net income per basic share	$ 1.33	$ 1.31	$ 2.02	$ 1.29	$ 1.48
Basic weighted average shares outstanding	27,321	27,679	28,072	28,874	28,918
Net income per diluted share	$ 1.32	$ 1.29	$ 2.00	$ 1.27	$ 1.47
Diluted weighted average shares outstanding	27,625	27,958	28,324	29,182	29,276
Cash dividends per share	$ 1.07	$ 0.74	$ 0.62	$ 0.50	$ 0.40
Other Information					
Depreciation and amortization	$ 19,831	$ 20,115	$ 19,353	$ 19,142	$ 17,930
Capital expenditures and acquisitions	$ 18,773	$ 18,321	$ 23,132	$ 21,778	$ 19,305
Working capital	$ 93,165	$ 116,653	$ 124,857	$ 130,012	$ 169,582
Current ratio	1.77 to 1	1.92 to 1	2.01 to 1	1.92 to 1	2.25 to 1
Effective tax rate	25.9%	36.5%	35.6%	34.5%	31.2%
Balance Sheet Data (at end of period)					
Total assets	$ 530,433	$ 568,222	$ 577,409	$ 605,977	$ 654,434
Total debt, including capital lease obligations	$ 1,680	$ 14,339	$ 41,838	$ 76,237	$ 130,912
Shareholders' equity	$ 383,870	$ 400,896	$ 392,202	$ 370,535	$ 367,467
Debt as a percentage of equity	0.4%	3.6%	10.7%	20.6%	35.6%
Debt as a percentage of capital	0.4%	3.5%	9.6%	17.1%	26.3%

(Ref: 10K-2018, G4-ECI, G4-EC3 Economic)

Awards and Recognition (G4-EN27 Products and Services)

Ethan Allen continues to be a leader in corporate responsibility and sustainability. Ethan Allen has been recognized as a leader for over a decade as demonstrated by the accolades noted below:

- 2018 Ellis Island Medal of Honor (recipient Mr. Kathwari CEO Ethan Allen);
- 2018 American Furniture Hall of Fame (recipient Mr. Kathwari CEO Ethan Allen);
- Designated as a Vermont Business Partner in 2018 (and every year since 2013) by the Vermont Department of Environmental Conservation for Our commitment to preserving Vermont's environment;

- A Certificate of Environmental Stewardship 2018 (and every year since 2012) by the New Jersey Department of Environmental Protection's (NJDEP) Environmental Stewardship Initiative for voluntary measures taken to improve the environment and ensure a sustainable future in Our manufacturing facility in Passaic NJ;
- Environmental Leadership Award in 2012 by peer companies through the American Home Furnishing Alliance (AHFA) (recipient Paul Kaminski Ethan Allen's EH&S Director);
- Ethan Allen Environmental Excellence Award by the American Home Furnishings Alliance (AHFA) (initially awarded in 2012 and maintained status as a sustainability member of the consortium through 2018) for demonstrating exemplary environmental management and ongoing stewardship;
- Vermont Governor's Award for Environmental Excellence 2013, for reducing Our fossil fuel oil use to near zero through increased recycling of sawdust, chips, and wood scrap and increasing recycling in general to reduce land-fill waste;
- Congressional Certificate of Special Recognition 2012, for dedication to improving the environmental effects of Our business operations;
- Sage Awards Honorable Mention 2012, by AHFA for continually striving to achieve the highest levels of environmental stewardship;
- Outstanding Use of Wood Award 2011, by the Northeastern Loggers Association (NELA) for Our use of manufacturing byproducts to minimize oil consumption in Our Vermont facilities
- 2011 Environmental Merit Award by the New England office of the U.S. Environmental Protection Agency (EPA) for establishing practices that minimize hazardous air pollutant emissions; and
- 2009 Vermont Governor's Award for Environmental Excellence and Pollution Prevention for improvements in material formulation and electricity usage reduction.

B. **CEO Letter** (G4-1 CEO Letter) **and Introduction**

The American spirit. It was infused into Our DNA almost 90 years ago, when the company that would become Ethan Allen first put down roots in the Vermont soil. If anything defines Ethan Allen as a brand, it's that larger-than-life spirit. In all that We do, We the people of Ethan Allen honor these deep and abiding ideals, every day.

Ours is an industrious spirit: devoted to hard work and prosperity, yet willing to share the fruits of its labor. It's a bold spirit: aspiring to great achievements while facing challenges head on.
We are Welcoming, embracing people and ideas from all over the world. We are wise, anticipating new challenges as the future unfolds before us. We are fearless, never hesitating to lead when the moment requires a champion.

This report is Our way of introducing you to who We are and what We value. It's a stake in the ground, a beacon to Our future selves, an indicator of where We've been and where We're going. We take Our place in the economy seriously, and We run Our business responsibly. We take care of the Earth's resources, We value Our associates and We ask that Our suppliers treat those who work for them with respect.

Rooted in the values of Our birthplace and steadfast in Our commitment to excellence, We stand ready to meet the challenges of the coming decade – and beyond.

Ethan Allen has always been committed to manufacturing and running Our business in a fiscally, socially and environmentally responsible way. We believe that sustainable and ethical business practices aren't exceptional - they're just good business.

As We look ahead, the environmental sustainability goals established in 2010 were initially set at a 10% reduction goal for carbon footprint equivalents over ten years, (ISS ID 38), which Were realized long before 2020. From 2010 through 2018 in domestic manufacturing alone We have reduced Our carbon footprint by 30%, electrical usage by 7% water usage by 33%, landfill waste by 35% and greenhouse gases by 25% which in the aggregate amounts to 10 million pounds of CO2e. At the same time these locations have increased recycling 4% from the baseline year while decreasing landfill waste generation significantly. Now that Our goals have been substantially met by the lower rates of emission reductions from the baseline, it's now time to develop new goals for the next century.

Farooq Kathwari
Chairman, President and CEO
Ethan Allen Interiors Inc.

C. **Corporate Responsibility Governance** (https://www.ethanallen.com/en_US/corporate-guidelines.html) (G4 DMA Environmental Materials, ISS 19 Risk Mitigation)

Corporate responsibility, including the management of Ethan Allen's environmental and social impacts, is overseen by the Corporate Director of Environment, Health, Safety and Sustainability who works in a matrix structure in partnership with many teams and executives to help develop and drive strategies, policies and processes across the operations.

Ethan Allen is committed to diversity Our hiring policy and process considers diversity of backgrounds that includes differences in viewpoint, personal and professional experiences, skill, race and gender, veteran status and other individual characteristics. These methods are employed at the executive level as Well as local line and staff levels. Our system includes an outside service that tracks, and reports many of these diversity attributes. (Ref: Equal Employment Opportunity Policy Statement https://secure.icbdr.com/images/talentnetwork/tn7i0p76vj55lkqgrlj2-ethanallenseeopolicy.pdf, also please see gender and ethnic workforce representation on page 16-20 ISS ID 450, 451, 453)

Public Policy (G4-DMA Products Services, ISS ID 189, 190, 191,192)
Ethan Allen supports positions on matters relevant to Our business such as the banning of certain chemicals from Our manufacturing and distribution and service centers regarding chlorinated solvents and heavy metals in packaging or certified foams, which are made without mercury, lead, formaldehyde,

ozone depleters. We have supported legislation through Our membership in a trade association, the American Home Furnishing Alliance (AHFA), to protect the environment. The AHFA maintains a strong presence in Washington, D.C., where full-time staff members work in concert with member company executives and legislative counsel to protect the interests of the home furnishings industry. AHFA lobbies on Capitol Hill, confers with senior members of the Administration and Congressional staffs, testifies at Congressional hearings and maintains contact with regulatory agencies, including the:

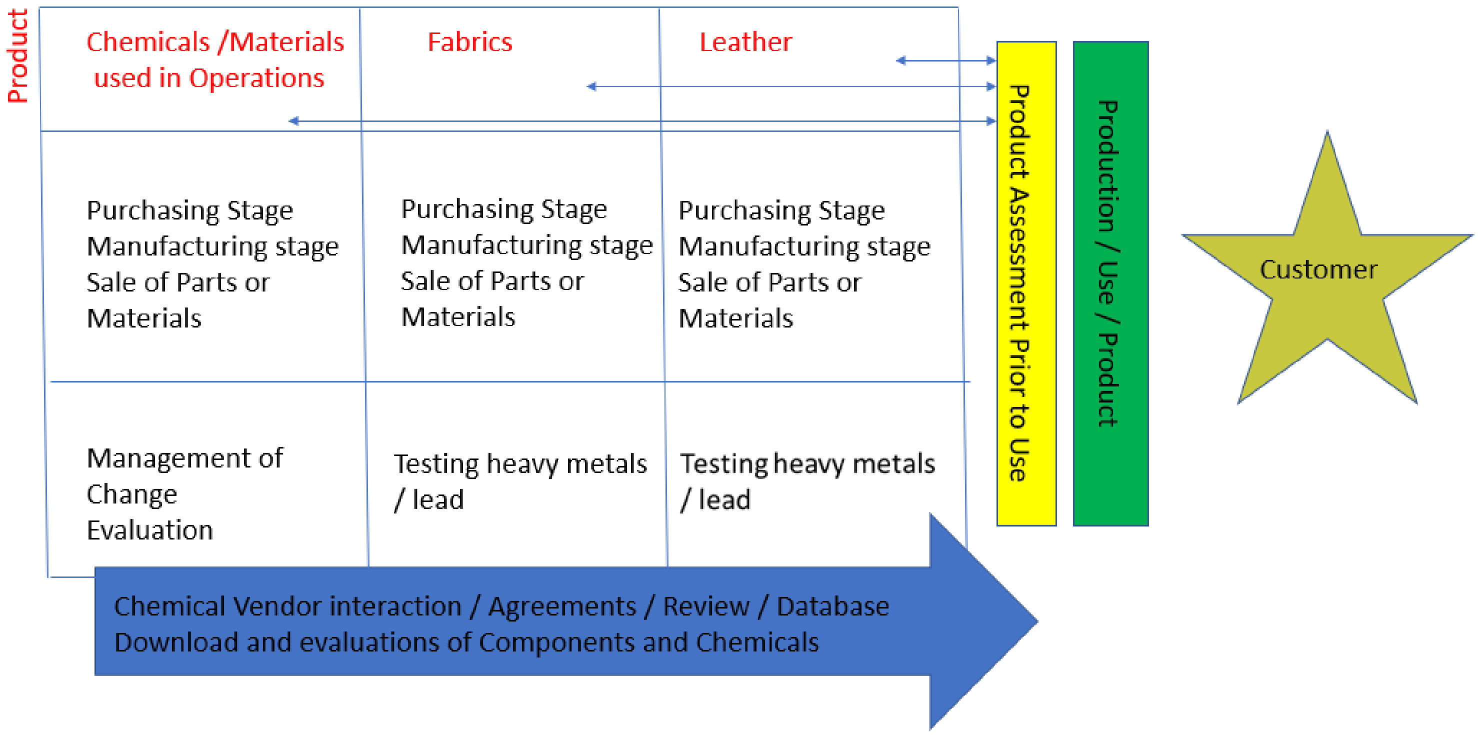
- Consumer Product Safety Commission
- Environmental Protection Agency
- Department of Commerce
- Federal Trade Commission
- International Trade Commission

Harmful chemicals are specifically regulated under the industry category for furniture and furniture manufacturing under the federal requirements, as Well as, through state authorities, which supervise application of state laws and regulations under each specific state implementation plan (SIP). For example, the regulations would include but are not limited to: the National Emissions Standards For Hazardous Air Pollutants (NESHAP) for Wood Furniture Manufacturing Operations, Volatile Organic Compound Emissions and the , "Maximum Achievable Control Technology" as described under 40 CFR Part 63, Subpart JJ "National Emission Standards for Wood Furniture Manufacturing Operations." To this end, in order to assess and manage the risks or hazards associated with harmful chemicals used and included in Ethan Allen products, a substantial review of chemicals and materials is used. The goal for this analysis is to be 100% compliant with the requirements of any applicable statues and regulations and specifically to comply with each environmental permit.

The furniture industry is heavily regulated, and all operations must comply with the laws of each country where Our products are sold. Such laws include, international standards including the EU RoHS and REACH regulations. To achieve compliance Ethan Allen has developed several systems to determine if a chemical is acceptable for use. For example, chemicals used in manufacturing undergo a system review used to screen chemicals components within finishes or stains used. Ethan Allen obtains from each chemical manufacturer the relevant chemical formulation, which EA downloads into its system designed to identify chemical components, including any hazardous or potentially hazardous chemicals, toxic chemicals, hazardous air contaminants, and hazardous air pollutants, as well as identifying volatile organic compounds (VOC) content and concentration for all materials used in the EA manufacturing process. There are over 80,000 chemicals registered for manufacturing and industrial use in the United States. In order to closely manage specific chemical components, the Ethan Allen database analysis is critical as is a review by the Ethan Allen’s Environment, Health and Safety manager to ensure proper labeling, exposure, chemical bans and exposure assessments are being performed. This process also ensures that Ethan Allen employees are not exposed to inappropriate levels of chemical components. To this end, EA is ensuring workplaces are safer by performing ongoing exposure assessments at locations where chemicals are used and continually monitoring and evaluating any new chemicals or new chemical formulations to reduce hazards and risks prior to their use.

The following process describes the Management System for Chemical Substances:

Management System for Chemical Substances in Products



Political Contributions and Expenditures

Ethan Allen's Code of Conduct prohibits political contributions by or on behalf of the company without prior approval. As a member of trade associations that provide information services of importance to the company, Ethan Allen pays dues or other membership payments to these trade organizations; however, none of these contributions or dues are considered 'material' from a financial perspective.

Philanthropy

Ethan Allen has been a corporate sponsor of both the international Rescue Committee and Refugees International in as to contribute to efforts to assist the over 70 million refugees worldwide. (ref: Living Our Values pg. 41- 43.) Ethan Allen locations have been involved in various refugees philanthropic, civil, and community organizations activities including Habitat for Humanity, local charities, as Well as for the City of Hope and its international Home Furnishings Industry (IHFI) chapter to raise funds for the treatment and research centers that focus on caring for people with serious illnesses. Ethan Allen matched donations of up to $50,000 made to the City of Hope, dollar for dollar. In addition, Mr. Kathwari, Ethan Allen CEO also donated $250,00 for City of Hope from his own foundation.

Global Privacy Program

Ethan Allen directs Our associates to take appropriate actions to ensure adherence to all applicable privacy laws and regulations. Our privacy and data protection methods include general requirements regarding the collection and use of personal information and, procedures regarding specific guidance about the appropriate use and prohibited abuse of associates, representative and consumer personal information. Ethan Allen policies also provide that all associate take part in training programs (e.g., phishing, anti-harassment, etc. please see ILMS training schedule table p. 8)

The terms and conditions of Our consumer credit program, which is financed and administered by a third-party financial institution on a non-recourse basis to Ethan Allen, are set forth in an agreement between the Company and that financial service provider (Ref: 2018 10K pg. 26 https://materials.proxyvote.com/Approved/297602/20180917/AR_371889/#/1/).

Ethics and Compliance (ISS ID 250, 251, 252, 256, 257, 258)

Ethan Allen's has adopted a code of ethics that applies to Our principal executive officer, principal financial officer, principal accounting officer or controller and persons performing similar functions. Our code of ethics can be accessed via Our Website at https://www.ethanallen.com/en_US/code-of-conduct.html. All associates are trained on ethic and Compliance within Our Inspired Learning Management System (ILMS) managed by corporate Human Resources Department.

Ethan Allen's intent is to disclose any amendment to Our Code of Ethics, or any waiver of any provision thereof, applicable to Our principal executive officer and/or principal financial officer, or persons performing similar functions, directors and other executive officers and to make such disclosure on Our Website within 4 days of the date of such amendment or waiver. In the case of a waiver, the nature of the waiver, the name of the person to whom the waiver was granted, and the date of the waiver will also be disclosed. (Ref: 10K, please see link p.8)

The Code of Conduct is monitored and reviewed by corporate legal department and if needed by the board of directors and CEO. The policy and training required by all associates includes prohibition of any payment of any employee from receiving and or giving gifts, bribes or facilitation payments. https://www.ethanallen.com/en_US/anti-bribery-policy.html

Through Our ILMS (Learning Management System) training portal, We monitor compliance with various mandatory policies for all associates in all levels of Our organization as reflected by the schedule below:

Course/Curriculum Name	Recertification Cadence	
Anti-Harassment in the Workplace Associates (H143)	4 years	All Associates
Anti-Harassment in the Workplace for Managers (includes Supervisors & Leads - H149)	2 years	All Managers, Supervisors & Leads
PhishProof (AP-101)	1 year	All Associates with Computer/Internet access
EA Code of Ethical Conduct for Associates with Financial Responsibilities - Policy Acceptance	None	All Associates and Managers with Financial Responsibilities
Code of Conduct Training for Employees 2016 (EC-131)	2 years	All Associates
Code of Business Conduct Training for Supervisors and Managers 2016 (EC-137)	2 years	All Managers
Global Anti-Bribery & Corruption: FCPA	2 years	All Associates and Managers with International business interactions
Active Shooter (HR-138-AC)	None	All Associates
Basic Security Awareness Training (S-131)	None	All Associates with Computer/Internet access
PCI-Training : PCI Essentials for Account Data Handlers and Supervisors (PCI 101)	1 year	Designated Credit Card Handlers

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- All newly hired associates are enrolled for training via an email within approximately 30 days of hire.
- Some courses require “re-certification” as noted in the chart above to ensure compliance with applicable regulations as Well as efficient monitoring of following required policies and procedures;

Global Anti-Corruption Program

Ethan Allen prohibits all forms of bribery and corruption by its third-party partners, representatives and all associates. We are committed to complying with all anti-bribery and anti-corruption laws in every place We do business. We recognize that bribery and corruption may include the use of gifts thus the company prohibits the use of gifts by associates and extends this prohibition to our suppliers as well. Our operating procedures ensure that high risk activities are legal, transparent and made without an expectation of remuneration. Ethan Allen’s anticorruption policies and procedures are based in law and best practices to reflect the company’s intent to comply with all applicable laws, to plan ahead to remain in compliance when such laws are updated, and to include all those who work with Ethan Allen also to be expected to comply. Ethan Allen policies also require compliance with a contractor safety program and to ensure proper guidelines are followed, fair wages are paid and no child labor is used or otherwise contracted third - party audits at manufacturing facilities through the product compliance group are performed. The code of conduct extends to all company suppliers and vendors.

Training and Engagement

Ethan Allen has a strong ethics and compliance training program where all associates are to complete online training and code of conduct certification. The company further strengthened its program in 2018 through a company – wide effort to ensure associates are trained about EA code of conduct, anti – bribery policies, and other ethical conduct guidelines (including those regarding insider trading, data privacy, and other consumer – protection matters).

On a site-specific basis each year Ethan Allen conducts various environmental, health and safety training programs. The chart below shows one specific schedule for a case good manufacturing operation. As an example of such site-specific training programs; while each location may have different departments the training frequency and requirements for training outlined below are the same.

Program	ID #	Lumber Yard	Maintenance	Rough Mill	Machine Room	Sanding / Cabinet Room	RTA / SMP	Finishing	Rub & Pack	Supervisors & Staff	Office / Admin	Transportation	** Specific Individuals	**Training Frequency**
Policies														
EHS Orientation / Policy	EHS POLICY	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Initially / AsNeeded
EHS Business Standard	EHS POLICY	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Change in Chemical, Equip or Procedure Policy	EHS POLICY	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
EHS Management														

EHS & Safety Committee	EHS-M001	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
EHS Quarterly Reporting	EHS-M002	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Quarterly
Agencies Inspections	EHS-M003									✓	✓	✓		Annually
Risk Assessment Methods (JSA or OSO)	EHS-M004	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Ongoing
Workplace Inspection Procedures	EHS-M005	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Accident Investigation Procedures	EHS-M006	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Injury Management / Workers Compensation	EHS-M007	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Safety														
Compressed Gas	EHS-S001	✓	✓				✓			✓		✓		Every 3 Years LPG
Confined Spaces	EHS-S002	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Electrical Safety	EHS-S003	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Personal Small Appliances in Workplace	EHS-S004	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Fire Prevention Plans	EHS-S005	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Emergency Action Plan	EHS-S006	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Flammable and Combustible Liquids	EHS-S007	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Hot Work Permit Program	EHS-S008		✓							✓		✓		Annually
Hoists Slings and Lifts	EHS-S009		✓							✓				Annually
Lockout Tagout	EHS-S010	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Machine Guarding / Safety	EHS-S011	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			Annually
PPE	EHS-S012	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
PoWered Industrial Trucks	EHS-S013	✓	✓	✓	✓		✓		✓	✓		✓		Every 3 Years
Contractor Safety	EHS-S014									✓		✓		Annually
Hand and PoWer Tool Safety (Included with JSA / OSO)	EHS-S015	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Ongoing
Wood Dust and Best Practices	EHS-S016	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			Annually
Fall Protection	EHS-S017	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Health														

BBP / First Aid Response	EHS-H001	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Chemical Safety (HazComm)	EHS-H002	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Ergonomics (Covered with JSA / OSO)	EHS-H003	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Hearing Conservation	EHS-H004	✓	✓	✓	✓	✓				✓	✓			Annually
Industrial Hygiene (IH) Monitoring	EHS-H005	**Pending Formal Policy -**												
Respirator Protection	EHS-H006									✓			✓	Annually
Environmental														
EFEC Manual	EHS-E001	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Wood Finishing MACT (NESHAP)	EHS-E002							✓		✓			✓	Annually
Boiler Operations	EHS-E003									✓	✓		✓	As Needed
Storm Water Plan	EHS-E004									✓	✓		✓	Annually
Universal Waste Plan	EHS-S005									✓	✓		✓	Annually
Waste Analysis Plan	EHS-S006									✓	✓		✓	Annually
Hazardous Material Security Plan	EHS-E007	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Annually
Waste Minimization Plan	EHS-E008	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Hazardous Waste Contingency Plan	EHS-E009									✓			✓	Annually
Treatment, Storage, Disposal & Recycling Program	EHS-E010									✓			✓	Annually
Baseline Compliance Program	EHS-E011													Done
Environmental Guidelines	EHS-E012	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Carbon Foot Print & Global Climate Change	EHS-E013	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Annually
Spill Prevention (SPCC Plan)	EHS-E014									✓			✓	Annually

Confidential Reporting

Ethan Allen's code of conduct requires that every associate is responsible for reporting concerns or possible violations of the law or of the code of conduct. The policy recognizes that associates are entitled to report misconduct and raise ethical concerns without fear of retaliation. The channels for reporting and responsibility for reporting underscore Ethan Allen's position that it will not tolerate any retaliation and anyone who experiences retaliation should promptly report such behavior. Retaliation is subject to disciplinary action including the possibility of termination of employment.

Associates can report concerns to their supervisor, through the Human Resources Department, Legal or Corporate EH&S Department or through the Corporate Governance Hotline available 24/7 at 1-877-873-4968. (ISS ID 259).

We take all Our complaints seriously and investigate and monitor them accordingly using a various tools and procedures including but not limited to: Corporate HR hotline and Federal Hotline for Whistleblower Protection Act for "no retaliation policy" This information is included with all required compliance training as Well as posted throughout all EA locations and readily accessible to all employees;

Risk Mitigation and Hazardous Waste Minimization (ISS ID 19)

We remain committed to implementing waste minimization programs and/or enhancing existing programs with the objective of (i) reducing the total volume of waste, (ii) limiting the liability associated with waste disposal, and (iii) continuously improving environmental and job safety programs on the factory floor which serve to minimize emissions and safety risks for employees. To reduce the use of hazardous materials in the manufacturing process, We will continue to evaluate the most appropriate, cost-effective control technologies for finishing operations and production methods. We believe that Our facilities are in material compliance with all such applicable laws and regulations. The risk mitigation methods include chemical substitution to lower toxic materials, chemical re-formulation of finishing materials to lower toxicity and technology applications to use less material overall that will generate less waste. (ISS ID 192) Ethan Allen is clearly aware of contingent liabilities associated with disposal and cradle to grave liability. To this end, Ethan Allen has over the years closed out its obligations for hazardous waste Superfund sites through various methods including: acting as the project coordinator for the EPA, obtaining subsequent certificate – of – closure notification from the EPA Region I, and negotiated settlements as a de-minimus party and or otherwise performing remedial corrective actions on properties through various programs such as state and federally approved brownfield cleanups. These efforts have given Ethan Allen the ability to eliminate financial reserves or contingencies by eliminating all historic risks from past practices. The management system audits performed at Ethan Allen locations monitor risks and contingent liabilities at each location and audits are designed to identify any necessary corrective action.

Our People

We are committed to providing Our employees with safe and healthy working conditions, competitive benefits and great opportunities simply by embracing Our leadership principles.

Leadership Principles

Good governance is good for profitability – and good for Our talented and committed team. As a group We embrace ten key Leadership Principles, which define Our commitment to excellence. Living by these principles is paramount. They are the compass that guides us to achieve Our full potential, both as individuals within the company and as a major player in the industry.

Leadership

Provide leadership by example.

Change

Understand that change means opportunity and do not be afraid of it.

Accessibility

Be accessible and supportive and recognize the contributions of others.

Speed

Maintain a competitive advantage by reacting quickly to new opportunities.

Client Focus

Our first responsibility is to Our clients. Client service is Our highest priority.

Hard Work

Establish a standard of hard work and practice it consistently.

Excellence + Innovation

Have a passion for excellence and innovation.

Priorities

Establish priorities by clearly differentiating between the big issues and the small ones.

Confidence

Have the confidence to empower others to do their best.

Justice

Always make decisions fairly. Justice builds confidence and trust, which in turn encourages motivation and teamwork.

Sincerely,
Farooq Kathwari

Environment, Health and Safety (EH&S) Policy

It is Ethan Allen's policy to ensure that every facility has as its highest priority the provision of a safe workplace and protection of the natural environment for the benefit of our employees, the community and the company.

Fulfilling this policy is a commitment shared by all of Ethan Allen's managers and employees, at all levels of the company. We are committed not only to complying with applicable regulatory requirements, but also to taking pro-active steps that will mitigate workplace injuries and harm to the environment. Through sound practices, Ethan Allen seeks to be a leader in the EH&S field by proactively identifying and eliminating potential hazards, liabilities and risks that may be associated with our operations. We have expanded our EH&S Management system to include industry recognized attributes from the American Home Furnishing Alliance by embracing the Enhancing Furniture's Environmental Culture (EFEC), Sustainable by Design and ECO3 Home efforts. Our success in these efforts will be based upon the commitment and cooperation of our managers and employees.

Ethan Allen recognizes that the responsibility for environment, health and safety issues is a shared responsibility that touches all aspects of the company's operations. To successfully address these risks, Ethan Allen implements it's EH&S Policy through an integrated, company-wide program. As part of this EH&S Program, the following expectations apply to all Ethan Allen managers and employees:

- Ethan Allen's senior management is committed to providing a safe and healthy workplace, and to the protection of the natural environment.
- Managers and supervisors are responsible for developing the proper attitude and culture toward environmental, health and safety concerns and for ensuring that all operations are performed with proper regard for the safety and health of all personnel, and for the protection of the environment.
- Employees are responsible for continuously practicing safe work habits while performing their duties, complying with company and governmental requirements, and for a genuine commitment to this program. Employees are expected to participate, as applicable, in safety committees, job safety and risk analysis and activities that will enhance workplace safety.

With your commitment to this Policy, together we can ensure that all Ethan Allen facilities offer a safe workplace and that we are an environmentally responsible organization.

Farooq Kathwari, Chairman and CEO:

XXX, Plant ~~Manager:~~

XXX, EFEC Team ~~Leader:~~ ________________________________

D. **Environment, Health, Safety and Sustainability (EH&S)** (ref: July 1, 2010 policy cover letter, G4-DMA Occupational, Health & Safety, G4 DMA Training and Education) (ISS ID 7, 1, 5)

It is Ethan Allen's policy to ensure that every facility has as its highest priority the provision of a safe workplace and protection of the natural environment for the benefit of Our employees, the community and the company. This applies to all vendors, suppliers and even visitors of every Ethan Allen location.

Fulfilling this policy is a commitment shared by all of Ethan Allen's managers and employees, at all levels of the company. We are committed not only to complying with applicable regulatory requirements, but also to taking pro-active steps that will mitigate workplace injuries and harm to the environment. Through sound practices, Ethan Allen seeks to be a leader in the EH&S field by proactively identifying and eliminating potential hazards, liabilities and risks that may be associated with Our operations. We have expanded Our EH&S Management system to include industry recognized attributes from the American Home Furnishing Alliance (AHFA) by embracing the Enhancing Furniture's Environmental Culture (EFEC), Sustainable by Design and ECO3 Home efforts. Our success in these efforts is based upon the commitment and cooperation of Our managers and employees.

Ethan Allen recognizes that the responsibility for environment, health and safety issues is a shared responsibility that touches all aspects of the company's operations. To successfully address these risks, Ethan Allen implements it's EH&S Policy through an integrated, company-wide program. See EA SharePoint Manufacturing (ISS ID 5, 459, 460)

The corporate office has established a formal EH&S audit program that has been implemented over the past 10 years and certified through the AHFA. The audits are performed by four certified auditors and the protocols include specific environmental program(s) that evaluate how EH&S risks are being managed and mitigated throughout the company. The results of these audits will be reported to senior management. The requirements include but are not limited to the following:

1. Each facility shall have an assigned EH&S Person (s) who will coordinate EH&S efforts.
2. Each facility shall establish and maintain an EH&S committee for the purpose of coordinating and addressing the required activities. The EH&S Committee is responsible for ensuring that day-to-day operations comply with Ethan Allen's EH&S Policy and EH&S Management Standard.
3. A Corporate EH&S Council will oversee EH&S compliance and training efforts throughout the company. The corporate office will conduct initial training on the EH&S Management Standard and the audit programs. The required employee training will be the responsibility of each facility.
4. Managers are responsible for ensuring that the EH&S compliance program(s) outlined in the EH&S Management Standard is implemented in a manner that satisfies the Standard. This includes submitting the required quarterly reports and performing the monthly EH&S inspections. Each EHS facility will establish goals against which progress can be measured. Progress will be reported to senior management.

These strategic initiatives improve Ethan Allen's ongoing, company-wide program to provide every worker with a safe and healthy workplace, while ensuring that Our operations are conducted in a manner that protects the natural environment.

Supporting Our People (G4-LA12 Diversity and Equal Opportunity)

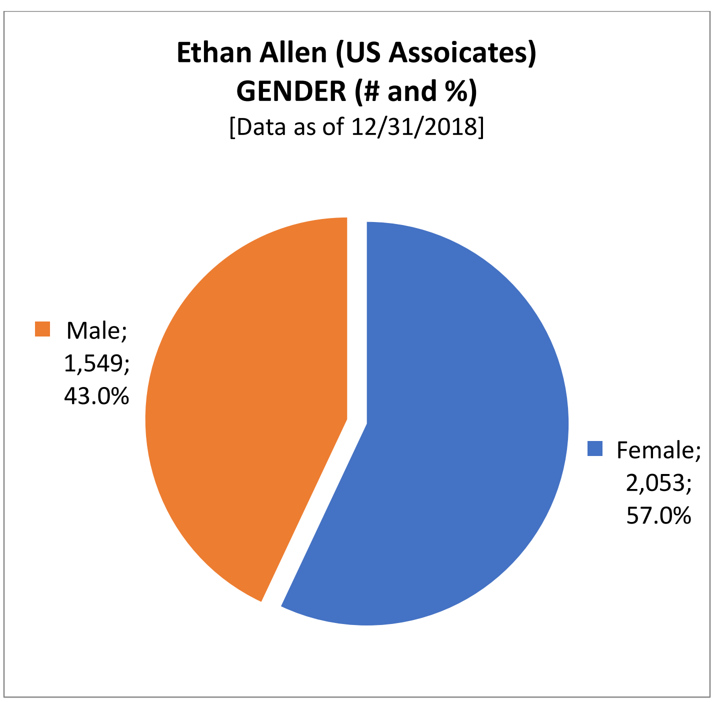
Employee Engagement

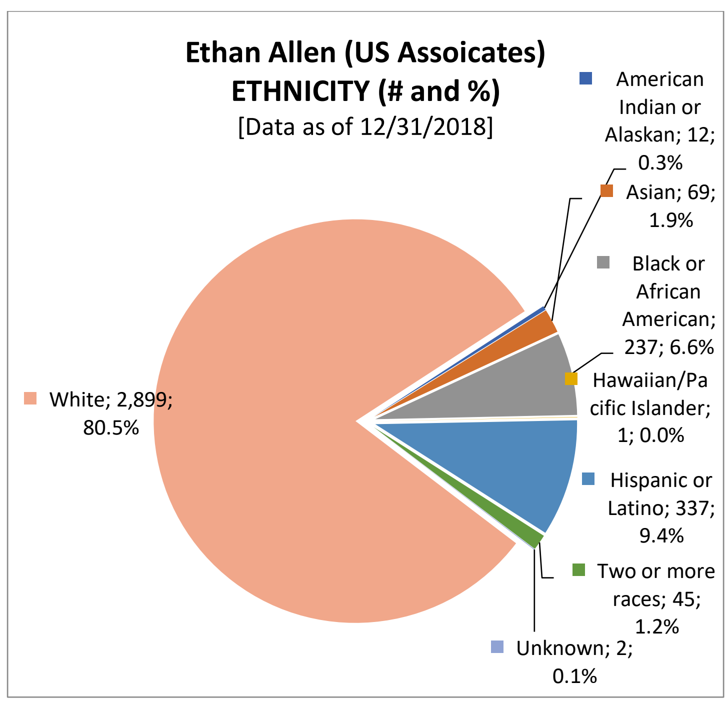
Employee engagement is critical in building a strong company culture and Ethan Allen engages its associates in various ways. Our CEO, Farooq Kathwari has stated "Continuous communication is critical, both internally and externally. I speak to Our associates every two months, and We have frequent communication meetings. As a result, most everybody is award of what We are doing." (ref: Leadership Principles, Interview with MFK). Further Ethan Allen manufacturing facilities hold weekly production meetings that address and, integrate EH&S issues, as well as, monthly EH&S conference calls that review accident investigations and close calls (if any),and training and provide a forum for discussion of best practices. Through such efforts, Ethan Allen continuously reviews what works, and what does not work within its operations.

Diversity and Inclusion (G4-DMA Social, G4-DMA Diversity and Equality (ISS ID 422, 426, 428, 429 430, 431, 432, 433, 434, 435, 436, 437, 438)

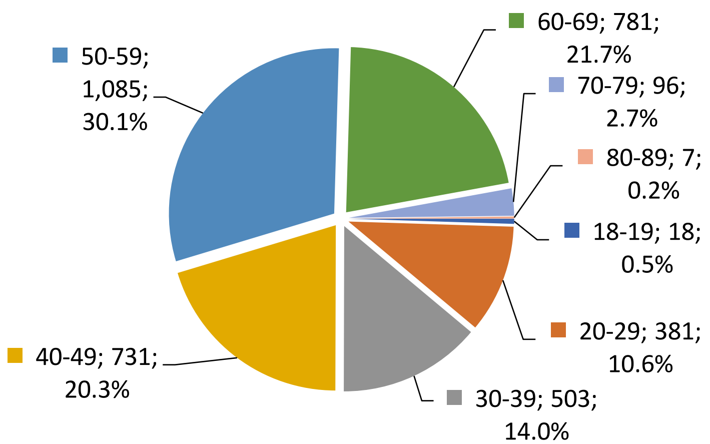
The policy of Ethan Allen is to provide equal opportunity to all persons. Ethan Allen has a companywide commitment to equal employment opportunity which it seeks to take through a positive and continuing affirmative action program. No employee or applicant will be discriminated against because of race, color, religion, sex, sexual orientation, gender identity, national origin, age disability, military and or veteran status or any other Federal or State legally protected class. The following data shows the breakdown of job groups for executives, managers and professionals, etc.

EEO Job Group	Female		Male		Total Count of Clock #	Total GENDER (%)
	Count of Clock #	GENDER (%)	Count of Clock #	GENDER (%)		
1A Executives	15	0.4%	22	0.6%	37	1.0%
1B Mid-Level Managers	55	1.5%	29	0.8%	84	2.3%
1C First-Level Managers	45	1.2%	80	2.2%	125	3.5%
1D Design Center Managers	122	3.4%	39	1.1%	161	4.5%
2A Professionals	129	3.6%	74	2.1%	203	5.6%
2B IT/Web Dev Professionals	10	0.3%	24	0.7%	34	0.9%
3A Technicians	4	0.1%	11	0.3%	15	0.4%
4A Design Consultants	690	19.2%	132	3.7%	822	22.8%
4B Sales Workers	7	0.2%		0.0%	7	0.2%
5A Administrative Svc Workers	175	4.9%	51	1.4%	226	6.3%
5B Customer/Client Svc Workers	233	6.5%	23	0.6%	256	7.1%
5C Operations Administrators	123	3.4%	9	0.2%	132	3.7%
6A Craft Workers	57	1.6%	252	7.0%	309	8.6%
6B Upholsterers	32	0.9%	139	3.9%	171	4.7%
7A Highly Skilled Operators	228	6.3%	380	10.5%	608	16.9%
7B Semi Skilled Operators	40	1.1%	84	2.3%	124	3.4%
8A Laborers	37	1.0%	149	4.1%	186	5.2%
9A Service Workers	25	0.7%	37	1.0%	62	1.7%
9B Bartenders and Waitstaff	26	0.7%	14	0.4%	40	1.1%
Grand Total	**2,053**	**57.0%**	**1,549**	**43.0%**	**3,602**	**100.0%**

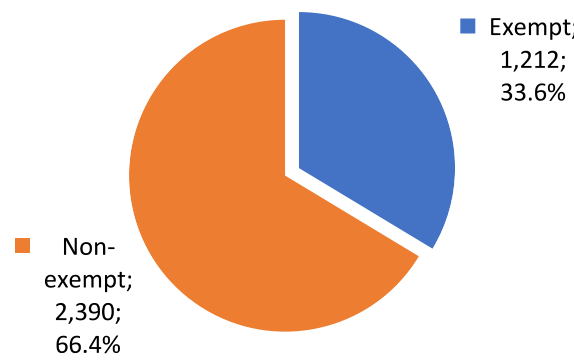




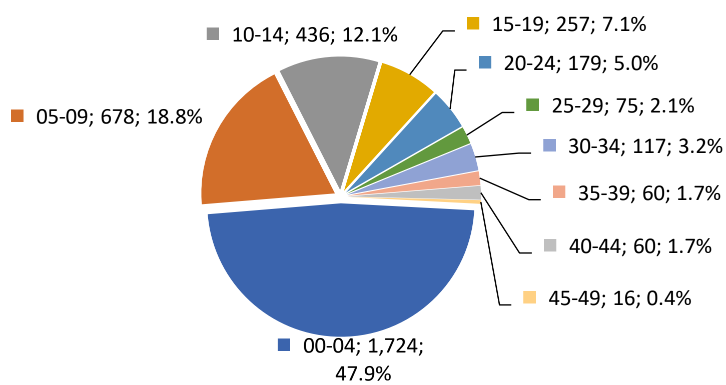
Ethan Allen (US Assoicates)
AGE (# and %)
[Data as of 12/31/2018]



Ethan Allen (US Assoicates)
FLSA STATUS (# and %)
[Data as of 12/31/2018]



Ethan Allen (US Assoicates)
TENURE (Svc Years; # and %)
[Data as of 12/31/2018]



EEO Job Group	American Indian or Alaskan Count of Clock #	ETHNICITY (%)	Asian Count of Clock #	ETHNICITY (%)	Black or African American Count of Clock #	ETHNICITY (%)	Hawaiian /Pacific Islander Count of Clock #	ETHNICITY (%)	Hispanic or Latino Count of Clock #	ETHNICITY (%)	Two or more races Count of Clock #	ETHNICITY (%)	Unknown Count of Clock #	ETHNICITY (%)	White Count of Clock #	ETHNICITY (%)	Total Count of Clock #	Total ETHNICITY (%)
1A Executives		0.0%	2	0.1%		0.0%		0.0%		0.0%		0.0%		0.0%	35	1.0%	37	1.0%
1B Mid-Level Managers		0.0%	1	0.0%		0.0%		0.0%	1	0.0%	2	0.1%		0.0%	80	2.2%	84	2.3%
1C First-Level Managers		0.0%	1	0.0%	3	0.1%		0.0%	7	0.2%	1	0.0%		0.0%	113	3.1%	125	3.5%
1D Design Center Managers		0.0%	1	0.0%	6	0.2%		0.0%	4	0.1%	1	0.0%		0.0%	149	4.1%	161	4.5%
2A Professionals		0.0%	3	0.1%	6	0.2%		0.0%	16	0.4%	5	0.1%		0.0%	173	4.8%	203	5.6%
2B IT/Web Dev Professionals		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	34	0.9%	34	0.9%
3A Technicians		0.0%	1	0.0%	1	0.0%		0.0%		0.0%		0.0%		0.0%	13	0.4%	15	0.4%
4A Design Consultants	4	0.1%	31	0.9%	29	0.8%	1	0.0%	38	1.1%	8	0.2%		0.0%	711	19.7%	822	22.8%
4B Sales Workers		0.0%	1	0.0%	2	0.1%		0.0%		0.0%		0.0%		0.0%	4	0.1%	7	0.2%
5A Administrative Svc Workers	1	0.0%	7	0.2%	20	0.6%		0.0%	24	0.7%	5	0.1%		0.0%	169	4.7%	226	6.3%
5B Customer/Client Svc Workers	2	0.1%	4	0.1%	32	0.9%		0.0%	30	0.8%	5	0.1%		0.0%	183	5.1%	256	7.1%
5C Operations Administrators		0.0%	2	0.1%	13	0.4%		0.0%	7	0.2%	3	0.1%		0.0%	107	3.0%	132	3.7%
6A Craft Workers	1	0.0%		0.0%	10	0.3%		0.0%	23	0.6%	2	0.1%		0.0%	273	7.6%	309	8.6%
6B Upholsterers		0.0%	5	0.1%	18	0.5%		0.0%	39	1.1%	2	0.1%		0.0%	107	3.0%	171	4.7%
7A Highly Skilled Operators	1	0.0%	4	0.1%	41	1.1%		0.0%	59	1.6%	6	0.2%	2	0.1%	495	13.7%	608	16.9%
7B Semi Skilled Operators	2	0.1%	3	0.1%	12	0.3%		0.0%	10	0.3%	2	0.1%		0.0%	95	2.6%	124	3.4%
8A Laborers		0.0%		0.0%	38	1.1%		0.0%	32	0.9%	1	0.0%		0.0%	115	3.2%	186	5.2%
9A Service Workers		0.0%		0.0%	4	0.1%		0.0%	41	1.1%	2	0.1%		0.0%	15	0.4%	62	1.7%
9B Bartenders and Waitstaff	1	0.0%	3	0.1%	2	0.1%		0.0%	6	0.2%		0.0%		0.0%	28	0.8%	40	1.1%
Grand Total	**12**	**0.3%**	**69**	**1.9%**	**237**	**6.6%**	**1**	**0.0%**	**337**	**9.4%**	**45**	**1.2%**	**2**	**0.1%**	**2,899**	**80.5%**	**3,602**	**100.0%**

EEO as referenced in the Code of Business Conduct and Ethics

The Company promotes a cooperative and productive work environment by supporting the cultural and ethnic diversity of its workforce and is committed to providing equal employment opportunity to all qualified employees and applicants. The Company does not unlawfully discriminate on the basis of race, color, sex, sexual orientation, gender identity or expression, religion, national original, marital status, age, disability, veteran's status or genetic information in any personnel practice including recruitment, hiring, training, promotion, and discipline.

Anti-Harassment- as stated in Our current policy

State and Federal Laws protect individuals from discrimination on the basis of age, race, color, religion, sex (including pregnancy), national origin, physical or mental disabilities, serving in the 3 armed services, sexual orientation and genetic information. Some examples of discrimination are:

- Refusing to hire or promote a female worker because they are pregnant or there is the possibility of pregnancy.
- Not providing training to an older worker (age 40 or older) when training is available to younger workers in the same job assignment; and
- Refusing to hire someone who is in a wheelchair when physical activity or walking is not an essential responsibility of the job.

HR Works (ISS ID 441, 444)

HR Works is the Nation's leading HR Consulting firm, providing human resource management and benefits administration services for over 26 years. Ethan Allen uses HR Works to develop and implement annual Affirmative Action Plans (AAP). HR Works representative conducts annual training sessions.

AFFIRMATIVE ACTION HIRING MANAGER TRAINING 2019	
DATE	**LOCATION**
2/26/2019	Passaic NJ (Coordinates Division)
2/27/2019	Pine Valley, NC (Manufacturing Division)
3/12/2019	Maiden, NC (Manufacturing Division)
3/13/2019	Beecher Falls & Orleans, VT (Manufacturing Div)
3/14/2019	Retail Division
3/19/2019	Retail Division
3/20/2019	Retail Division
3/27/2019	US Distribution Locations
3/28/2019	EA Hotel, CT

CareerBuilder, Applicant Tracking System (ATS)

The ATS is a tool to manage the workflow and data associated with candidates once they have applied for specific jobs and are therefore now considered to be active. As a government contractor, Ethan Allen is required to have an ATS. This system allows us to collect and confidentially store EEO, Disability and VETS data to conform with the OFCCP's specification. An applicant flow log is generated annually for OFCCP reporting and analyzed. Training guides on CB ATS are provided to retail managers. Ethan Allen uses the ATS and reviews dispositioning of candidates (applicant flow) during affirmative action training.

Inspired eLearning, Learning Management System (LMS)

The LMS is a security awareness and compliance training solutions for an organization. Ethan Allen uses the LMS for e-learning courses for associates in all division of Ethan Allen. Courses include Anti-Harassment, Workplace Violence and Code of Conduct – (see ILMS training schedule table p8).

First Advantage (ISS ID 450, 451, 452, 453)

Provides comprehensive background screening solutions that provide employers and housing providers straightforward, actionable reports so they can make confident choices, reduce risk, and stay compliant. Ethan Allen uses First Advantage for drug and background screening; primarily compliance.

Professional Training & Development (ISS ID 459, 460)

Ethan Allen has a training department which conducts training and professional development; primarily for the retail division. EH&S training which is also performed on various monthly and quarterly conference calls. EH&S training videos are accessible to all Ethan Allen locations and associates through Our SharePoint system. Our training videos provide a consistent and specific message for EH&S compliance and identify specific risks associated with Our operations by addressing in each subject-specific EH&S training.

E. The Climate Challenge (ISS ID 21, 22, 23, 24, 28, 105, 106, 107)

Climate change is undeniable and Well underway. As We discovered during events like Hurricane Harvey and the 2018 California wildfires, the process of choosing new furnishings can play an important role in helping people move forward after loss.

Our design centers, along with their associated social media channels, become places where clients come together and share their grief, their challenges and their victories. Putting new interior design plans together, with the help of Our designers, becomes an empowering metaphor for moving on after tragedy.

It's Our privilege to help clients through tough circumstances, and Ethan Allen sees it as Our duty to do as much as We can to avoid practices that to further contribute to climate change. Our commitment to lowering greenhouse gas emissions and reducing Our carbon footprint is unwavering. We also know these efforts won't be enough to stop the climate changes to come, and so our effort will continue in the future.

Much of Our efforts are based upon the Paris agreement adopted within the United Nations Framework Convention on Climate Change (UNFCCC), dealing with greenhouse-gas-emissions mitigation, adaptation, and finance signed in 2016. The Ethan Allen carbon footprint calculator and reduction goals, as well as the climate risk analysis, align with the Paris Agreements long-term goals of keeping the increased in global average temperature to well below 2 degree C above pre-industrial levels and to limiting the increase to 1.5 degrees C, so as to substantially reduce the risks and impact of climate change.

Physical Risks (ISS ID 204, 205)

MORE INTENSE STORMS
Damage from wind, flooding and storm surge pose risks to Our properties, to Our suppliers' facilities and to Our clients' homes and businesses. Potential consequences include property loss, disruption to Our supplier networks (particularly in South Asia and China) and transportation disruptions over land, over water and at ports of entry.

DROUGHT & WILDFIRE
Water shortages and increased risk of wildfire pose a risk to forests, to Our facilities and to Our associates who live in affected communities. Potential consequences include property loss from wildfire, pressures on Our associates due to drought-induced migration (particularly in Honduras and Mexico) and changes to Our supplier network in world migration hotspots like Southeast Asia.

RISING SEA LEVELS
Permanent flooding of coastal population centers pose a risk to ports of entry, to Our properties and to Our client base. Rising sea levels also pose a risk to suppliers in China, India and Southeast Asia.

Financial Impact Risks (ISS ID 35, 36)

DELIVERY DELAYS

RISKS IMPACT	OPPORTUNITIES
Property damage and transportation network disruptions could result in production and delivery delays. These delays could result in canceled orders in the short term, and client dissatisfaction could affect long-term customer relationships.	As We plan for disruption, We can also examine Our current transportation routes, looking for opportunities to minimize greenhouse gases emissions and CO_2e as Well as delivery disruption.

PROPERTY DAMAGE

RISKS IMPACT	OPPORTUNITIES
Damage to Our plants, distribution and service centers, and design centers could require significant capital expenditures and could result in income disruption for Our associates.	We can seize opportunities during new construction to create more energy-efficient buildings and to use sustainable materials.

INSUFFICIENT INVENTORY

RISKS IMPACT	OPPORTUNITIES
An increase in adverse Weather events and natural disasters can create significant pockets of demand from clients. Because most of Our furnishings are made to order, it could be challenging to mobilize Our manufacturing and delivery resources to meet that demand.	As We ask more of Our supplier network, We can use Our influence to help suppliers implement more sustainable manufacturing methods and to improve labor conditions.

POPULATION SHIFTS

RISKS IMPACT	OPPORTUNITIES
Climate-related changes that impact Our clients, like disruptions to agriculture in the central U.S., could significantly affect local communities.	Where client relocation means insufficient demand to support current Design Center locations, We have to anticipate closures and relocations, and plan for new openings.

We see global climate change as a challenge We need to address both by increasing efficiencies in operations and by reducing emissions, so We can do Our part to impact the 2°C scenario goals for the global climate pact established in the Paris Climate Accords at the UN Framework Convention on Climate Change's (UNFCCC) Conference of Parties (COP21).

Global Climate Impact.

(G4-EC2 Economic, G4 EN15 Emissions, ISS 21 Climate Policy, ISS 22 Risk, ISS 23 Strategy, ISS 28 Opportunities, ISS 35 Climate disclosure, ISS ID 40 2degree Scenario).

We address global climate impact through the use of Our carbon footprint calculator and understand that the impact for Our emissions has a direct effect on global climate change. We have taken baseline inventories of greenhouse gas emissions (GHGs) and Our carbon footprint and set goals for improvement. We are guided by a simple philosophy: Everything We do matters. Ethan Allen has traditionally worked with Our chemical suppliers to reduce, control, and/or eliminate the types of chemicals used in the finish materials (sprayed onto Our products) that cause air emissions. Through strong partnerships with Our chemical suppliers, We have reduced the toxicity and hazards of their chemicals, thus protecting Our employees and further reducing emissions from Our processes. We apply water-based coatings to Our products where appropriate. We have established practices to reduce toxic chemicals in Our packaging materials. We have eliminated the use of chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs) in Our packaging materials and have substituted water-based material for the solvent-based foam. From 2010 to 2018, We have reduced Our GHG emissions by nearly 10 million pounds. Our reduction approach for emission reductions include continuous improvement efforts for chemical substitution, increased efficiencies, and elimination of hazardous chemicals in Our finishes.

We see global climate change as a challenge We need to address by increasing efficiencies in operations and by reducing emissions, so We can do Our part to impact the 2-degree scenario goals for the global climate pack established in Paris at the U.N. Framework Convention on Climate Change's (UNFCCC) Conference of Parties (COP21) (ISS ID 37). As a concerned company We substantially support these global climate change initiatives as a method to mitigate future risks as they are associated with Weather impacts and can disrupt products in commerce. To further this strategy, We have invested in new controls for Our manufacturing combustion systems to increase combustion efficiencies and reduce air emissions from the combustion of wood used in Our manufacturing boiler operations.

Fleet Fuel Consumption (ISS ID 112, 113, 115)

Ethan Allen's contracted cargo transporters have been registered under EPAs SmartWays Transport Partner and have received EPA excellence awards for their efforts. The fleet fuel consumption reduction efforts have been significant. Optimization of Our ground fleet drives both financial performance and environmental impact. Reducing the number of miles driven and time spent delivering a shipment can translate into lower costs as Well as energy savings and lower emissions. Our transporter services have a long track record of successfully applying cutting edge technologies and analytics to improve Our fleet efficiency. For more than a decade, they have been leveraging data through telematics, package routing technology, service offerings, and other strategies to optimize network efficiencies and minimize the miles they drive. Some of these tactics include, but not limited to:

i. Allocating pickups and deliveries to the most efficient number of vehicles each day at each facility, thus keeping vehicles off the road wherever possible;
ii. Developing and implementing innovative routing and fleet performance technologies to meet customers service commitments and reduce miles driven; and
iii. Offering innovative solutions, such as UPS My Choice® service, the UPS Access Point™ network, and UPS Smart Pickup® requests to reduce wasted miles and associated emissions due to unsuccessful delivery and pickup attempts.

In addition to reducing the number of miles driven, We combine numerous techniques and advancing technologies to reduce fuel use per mile and apply them across more than 60,000 daily routes. The techniques and technologies include:

iv. Selecting route options that minimize idling time, thus reducing fuel use and emissions;
v. Matching vehicle types with routes where they will deliver the best fuel efficiency;
vi. Conducting proactive, just-in-time maintenance on Our vehicles to keep their miles-per-gallon performance as high as possible, and;
vii. Our transporters continually evaluate new fuel-saving equipment and technologies in their feeder (tractor-trailer) network, (such as aerodynamic side fairings, low rolling resistant tires, engine downspeeding, and aerodynamic skirts on trailers).

2. In terms of targets, one of Our major contracted transporters defined its 2025 target as a plan to source 40 percent of all ground fuel from sources other than conventional gasoline and diesel.

   a. That transporters business is dependent upon fuel to power the fleet. This dependence presents two business challenges. First, transporters must ensure they have access to reliable, readily available, cost-effective, petroleum-based fuel. Second, they must manage the environmental impacts inherent in Our business, as well as the growing regulations to mitigate emissions around the world. Alternative fuels and advanced technologies offer ways to help address these challenges. Our journey toward a less carbon-intensive future is largely enabled through one of the industry's largest private alternative fuel and advanced technology fleets, a "rolling laboratory" from which We're always learning and adapting.

b. Our contractors take a broad approach to alternative fuel and advanced technology vehicles, evaluating all technologies on a global basis and attempting to deploy solutions in regions where they are economically viable. For example, compressed natural gas (CNG) and propane are lower-emission, petroleum-based alternatives that are readily available and work Well in North America, whereas the emphasis in much of Europe is on zero tailpipe solutions, such as electric vehicles. The diversity of their rolling laboratory helps us address these regional disparities. By 2025, they plan to source 40 percent of all ground fuel from sources other than conventional gasoline and diesel.

F. Waste and Toxicity (data for Calendar year 2018)

Generated Non-Hazardous Waste

2018 NON-HAZAROUS WASTE MANAGEMENT		
TOTAL GENERATED NON HAZARDOUS WASTE IN 1000 POUNDS	87,917	
	1000 POUNDS	PERCENTAGE
REUSED OR RECYCLED NON - HAZARDOUS WASTE including:	86,188	98,03%
Shipments to off-site waste-converted-to-energy facilities/ Resource Recovery Facilities	91	0.11%
Other reused or recycled methods	1,590	1.84%
Wood materials utilized in on-site wood fired boilers	84,507	98.05%
LANDFILLED WASTE	1,820	1.97%
This equates to 0.002 pound of landfilled waste per dollar of sale		
HAZARDOUS WASTE MANAGEMENT IN 1000 POUNDS	86.2	

Landfilled Waste Data for Generated Non-Hazardous Waste

Ethan Allen recognizes that municipalities have long used "waste to energy" facilities nationwide for resource recovery. A percentage of most municipalities perform this with the total amount of generated trash after segregation. Municipal waste authorities in New Jersey, for example may burn up to 10% of their accumulated trash in waste to energy facilities. Other municipalities follow similar methods. According to February 27, 2018 article in "The Conversation" there are approximately 86 incinerators across 25 states burning about 29 million tons of garbage annually, which is about 12 percent of the total U.S. waste stream. These facilities produced about 0.4 percent of total U.S. electricity generation in 2015. In a 2011 study, the New York Department of Environmental Conservation found that facilities burning waste in New York complied with existing law, but also released up to 14 times more mercury, twice as much lead and four times as much cadmium per unit of energy than coal plants. In Our calculations We estimated approximately 5% of Our trash is destroyed using these methods. This percentage is base upon these studies and waste hauler agreements with Our vendors and associated municipalities. Although municipal solid waste combustion is regulated under the Clean Air Act, communities typically remain concerned about potential health impacts of such waste-to-energy practices. Emissions associated with incineration include particulate matter, lead, mercury and dioxins.

To this end, Ethan Allen's focus is not on waste-to-energy facilities for trash management but rather on eliminating the generation of waste that is landfilled at the source.

Health and Safety (ISS ID 461, 467, 468, 467, 476, 477)

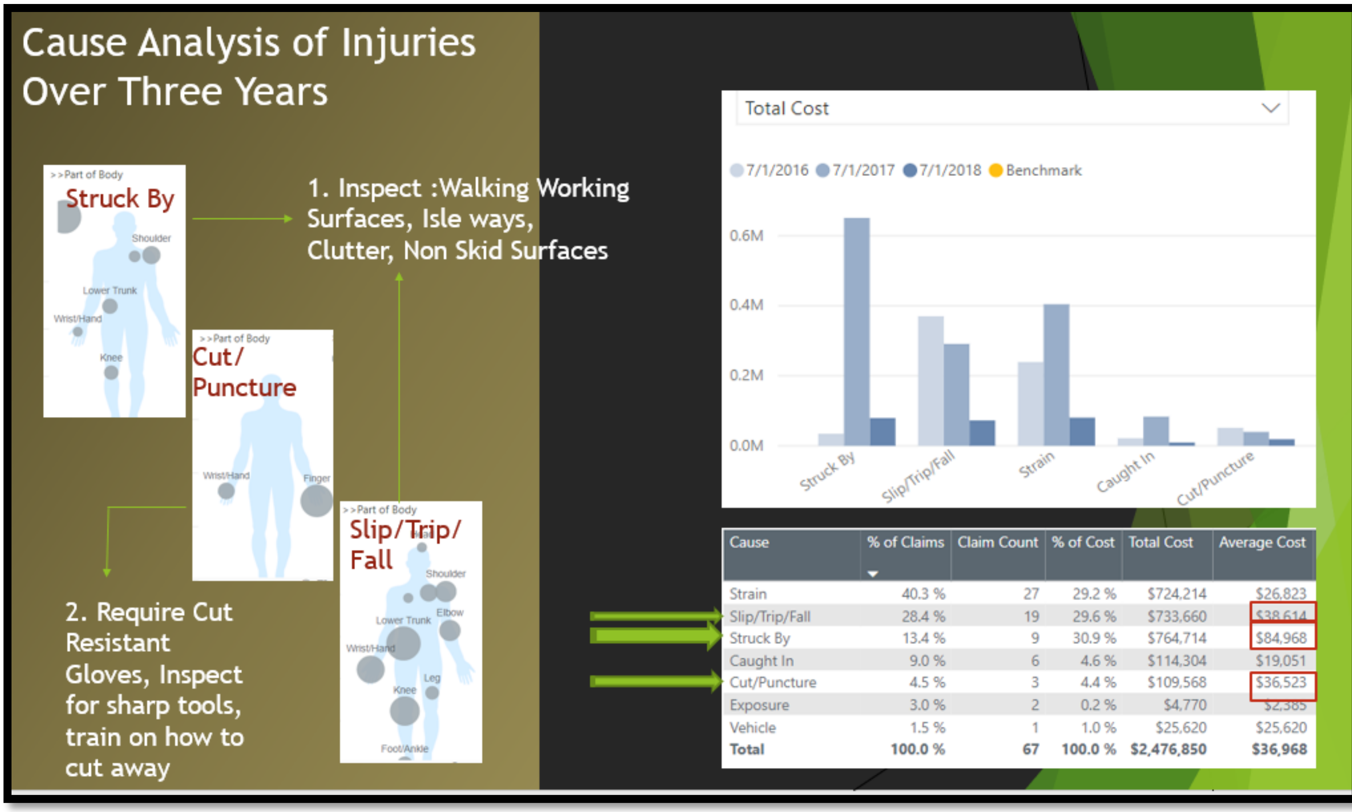
Ethan Allen captures workplace accident information across all company owned locations. Accident reviews as Well as close calls are discussed on monthly and quarterly conference calls. Ethan Allen track's information about the number of incidents considered to be serious enough to be recorded, including those resulting in lost time and medical treatment beyond first aid.

There have been no fatalities at Ethan Allen in 2018. Ethan Allen has established programs, guidelines and policies on various EH&S topics that each location must follow as they apply to each location.

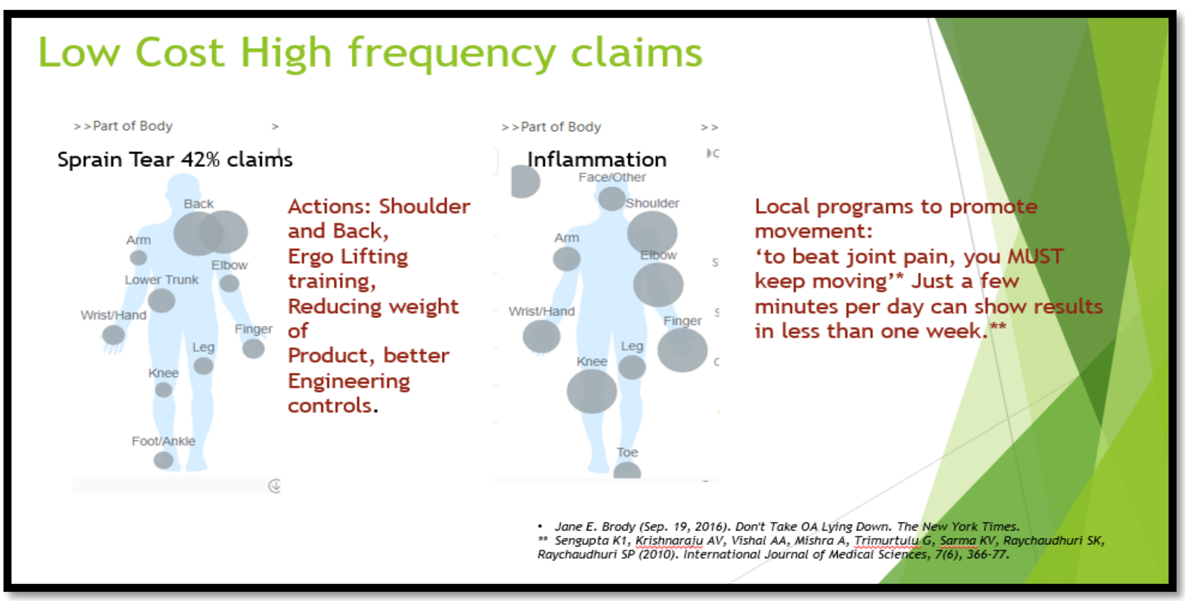
Efforts for reducing injuries, occupational diseases and work-related risks are included in the EH&S training provided online annually as well as on a monthly training basis. These are evident at each location that posts number of 'days without loss time accident'. Some locations have been awarded recognition for having nearly 1 million manhours without lost time accident. The following is the total accumulated OSHA recordable injuries and Illnesses for Ethan Allen enterprise wide.

OSHA Recordable Injuries & Illnesses	2017	2018
Manufacturing	57	73
Distribution	3	2
Retail &Service Centers	39	36
Total OSHA Recordables	**99**	**111**

In addition to these metrics, We analyze the root cause of any accident or close call. We also obtain information, statistics analysis from our enterprise-wide insurance and broker data-based systems. The following show examples of these analysis. Note that the size of the highlighted circle on the silhouette depicts the magnitude of occurrence. (ISS ID 459, 460)

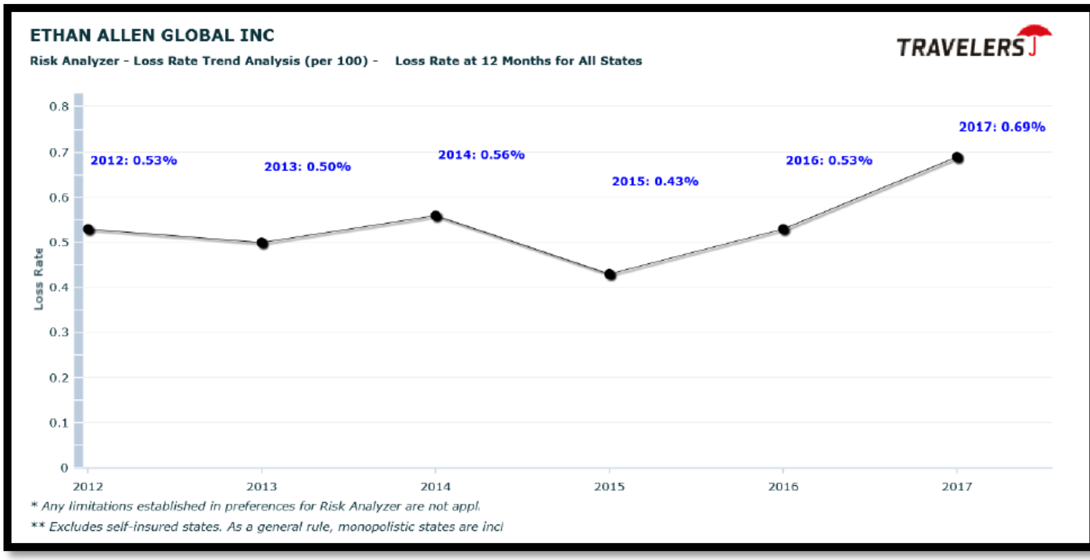


Cause	% of Claims	Claim Count	% of Cost	Total Cost	Average Cost
Strain	40.3 %	27	29.2 %	$724,214	$26,823
Slip/Trip/Fall	28.4 %	19	29.6 %	$733,660	$38,614
Struck By	13.4 %	9	30.9 %	$764,714	$84,968
Caught In	9.0 %	6	4.6 %	$114,304	$19,051
Cut/Puncture	4.5 %	3	4.4 %	$109,568	$36,523
Exposure	3.0 %	2	0.2 %	$4,770	$2,385
Vehicle	1.5 %	1	1.0 %	$25,620	$25,620
Total	**100.0 %**	**67**	**100.0 %**	**$2,476,850**	**$36,968**



Occupational Health and Safety Performance

The following information shows the performance of occupation health and safety information. This data is based upon loss rate trend analysis for 12 months and per 100 associates. Ethan Allen's monthly and periodic EH&S calls have a standing agenda to cover all accidents within the timeframe since the last call as Well as an open discussion regarding near miss and all discussions surround the root cause analysis of the accident, incident or near miss. (ISS ID 467, 468, 471, 475)



Environmental Footprint (G4-DMA Energy, ISS ID 61, 62)

Ethan Allen is committed to environmental stewardship. Whether it's by fueling the boilers in Our manufacturing plants with scrap wood and sawdust to make steam and true cogeneration energy, recycling and repurposing Our industrial process waste, or filling Our mattresses with only CertiPUR-US® certified foams, We are continually striving to reduce Our impact on the planet. Green isn't a buzzword here; it's Our business model, and something We take very seriously both locally and globally.

We are passionately committed to the idea that good business and environmental responsibility go hand in hand. All of Our facilities are dedicated to making best use of Our resources and protecting the safety and health of Our employees and their communities.

We use a carbon footprint calculator, which contains the environmental data associated with each facility's specific operation(s) and identifies the goals, targets, and responsibilities for each area (landfill, electricity, solid waste, etc.). Each location has its own goals and numeric targets to reduce the overall carbon footprint. The actions required to meet the goals are identified in the calculator and are documented in the corrective action section of the EH&S management system. All of the data for Our manufacturing, distribution, service, and retail facilities are compiled quarterly at the location level and then submitted and compiled annually at corporate headquarters. The compilation of data shows Our annual overall progress since baseline calculation year; the individual location goals support Ethan Allen's overall corporate goals. The manufacturing division's baseline year is 2010, while baseline year for Our distribution and service centers is 2011. Our retail division baseline year was established in 2017 and since then has been primarily focused on establishing recycling programs and maintaining electrical use levels at a minimum.

Overall corporate goals are more general in terms of reductions and less prescriptive so that each location can develop site-specific numeric targets that make sense to its operation. It is required that each location review its target reduction goals yearly during which representatives from each facility can discuss any issues pertaining to deviations from established goals or targets.

The following data shows reductions the accumulated efforts for carbon footprint reductions from 2010 to 2018. A more detailed breakdown of the environmental footprint and performance metrics are included in the following metric sections of this document.

Ethan Allen Actual Metrics 2018

Category	Domestic Mfg. Changes from 2010-2018	Units	Result of Changes
Carbon Footprint	-30%	Pounds of CO2e	Reduced 10,538,375 pounds
Electrical Usage	-7%	kW Hours	Reduced 2,626,109 kWh
Water Usage	-33%	Gallons	Reduced 11,982,575 gallons
Landfill	-35%	Pounds	Reduced 1,001,000 pounds
Green House Gases	-25%	Pounds of CO2e	Reduced 10,038,728 pounds
Recycling	4%	Pounds	Increased 59,742 pounds

Energy Conservation and Emissions Reduction Initiatives

We continue to focus on energy efficiency and use of on-site renewable energy to reduce Our carbon footprint throughout Our manufacturing operations. In addition to manufacturing Our overall operations have joined state and local programs to change Our lighting to more energy efficient lighting systems. Ethan Allen's teams work with Our architects to help drive energy reductions in Our retail locations. We use Our carbon footprint calculator to guide Our identification and tracking of energy reductions at all Our facilities. Projects include retrofitting buildings with new LED lighting, evaluating air compressor systems and repairing any associated steam trap or air compressor leaks to optimize efficiency.

The focus of these efforts can be seen in the reduction of carbon emissions as described in Our metrics noted under the Performance section of this report the following outlines many of the actions performed to impact the metrics.

Water Conservation (G4-DMA Water) (ISS ID 19, 206, 210, 335)

Water is a natural resource that is critical and in many parts of the world experiencing drought a critical resource. All Our manufacturing locations are in low to medium water related risk areas based upon aggregated risks of “Physical Quality, Quality and Regulatory & Reputational Risk Categories” as defined by the World Resource Institute (WRI) Water Risk Atlas. Our water conservation programs include but not limited to using low flow toilets and placing volume restrictors on Our lumber yard watering processes. Ethan Allen perceives water as a basic human right and has the expectation that Our business partners and vendors also value this common resource.

There have been no substantial incidents of non-compliance with water standards or regulations at any Ethan Allen location in 2018. Most permitted outfalls for water are associated with storm water management and where these apply there are storm water permits and required monitoring.

Recycling and restrictions of water use are performed on a limited basis. The biggest impacts are from low flow toilets that have been implemented throughout the organization and from adopting practices specifically designed to limit the amount of water used in the ‘wetting process’ of log pile management (where the logs need to be continually Wetted to prevent cracks, splits or checking of lumber prior to sawmilling).

Waste Reduction (G4-DMA Effluents and Waste)

Our locations have continuously worked on reducing waste. For manufacturing division, this includes upgrading Our finishing processes to more efficient methods and reformulating chemical components to less toxic formulations in Our finishes and coatings. These changes have significantly changed the regulatory status of Our manufacturing locations as waste generators. By decreasing the volume of waste generated and decreasing the type of waste from hazardous to nonhazardous classifications, the regulatory classification of several manufacturing locations changed from large quantity generators to very small quantity generators.

Our corporate water reduction goal is to conserve water consumption and recycle water as much as practicable.

Nitrous Oxides (NOx), Sulfur Oxides (SOx) and other regulated emissions (ISS ID 118, 119, 120, 121)

Boiler operations are regulated under the provisions of Reasonably Available Control Technology ("RACT"), where the State or Federal agency may establish and include within any permit to operate emission control requirements based on these technologies. Since Ethan Allen has previously proposed to limit Nitrous Oxide ($NO_{X)}$ emissions to less than what is considered major source emissions, the agencies have not imposed any RACT requirements on Ethan Allen manufacturing facilities. In this regard, the State and Federal agencies consider Ethan Allen operations less than major sources of these pollutants and otherwise less than significant. Targets for Ethan Allen operations in terms of NOx, Sulfur Oxide (SOx) and other regulated air emissions such as hazardous air pollutants are to keep these emissions, currently and in the future, 100% below regulated levels for implementing RACT and well below levels for maximum achievable control technologies.

Recycling

Ethan Allen's management and employees embrace recycling and comprehensively implement recycling programs through corporate initiatives and grassroots efforts. Our recycling goal is to reuse and recycle glass, paper, metal, plastics, foams, textiles, and other materials as much as operationally practicable. Our intent is to also maximize resource efficiency. Our efforts have expanded to include the repurposing of "in-house" electronics.

According to the U.S. EPA (Recycling, April 2011), recycling "conserves natural resources, reduces emissions from manufacturing items out of new materials, generates revenue, saves energy, and benefits U.S. manufacturing jobs."

The amount of recycling for Ethan Allen has fluctuated over the reporting period since 2010 starting out as a dramatic increase and over time, then reducing the rate of recycling and the associated mass of recycled materials. Initially this may seem as a negative however, the lowering of recycled materials along with the reduction of landfilled materials shows that the amount of material used in Our processes and products are being reduced overall. The fact that We are not recycling or generating more materials to recycle while also reducing the amount of mass going into landfills means We are becoming more efficient in Our packaging and operations.

Landfills (ISS ID 162)

Our goal is to manage and minimize the volume of material sent to landfills. Keeping materials out of landfills increases their useful life, decreases the possibility of ground contamination, and supports “reuse and recycle” efforts.

At Ethan Allen, We continue to emphasize the need to reduce Our landfill waste, maximize Our recycling efforts and find environmentally preferable avenues for reuse and disposal. Environmental commitments to reduce nonhazardous and hazardous waste generation are demonstrated by Ethan Allen’s commitment to complying with environmental laws, reducing the generation of waste, seeking out more effective means of recycling and methods to prevent pollution.

Electrical Use (G4-EN3 Energy, ISS ID 62)

According to the World Business Council for Sustainable Development (WBCSD), buildings account for almost 40% of the world’s energy use and GHG emissions. Ethan Allen’s efficiency management strategy is aligned with ISO 50001 by its continuous improvement efforts and is shown by Our performance metrics.

Ethan Allen plans to institute modifications to its operations that will decrease Our demand for electricity. These plans are still in development, but the goal is to significantly reduce electrical usage. These reduction efforts are being implemented, and as they continue to be rolled out, and they will be critical to reducing Our operational expenses over time.

Biomass

Unlike some of those that depend on wind and solar energy, renewable biomass energy facilities can provide clean reliable heat and energy. Biomass facilities provide fuel diversity by burning wood left over from operations, which eliminates the need for fossil fuels. Since biomass energy uses domestically produced fuels, biomass power greatly reduces Our dependence on foreign energy sources.

Besides the cost savings and reduction of dependency on fossil fuels, biomass facilities help ensure a sustainable market for forest product materials in Our local communities. The energy produced from burning this material reduces the overall demand at the facility and eliminates that volume of material that would otherwise be sent to the local landfill.

As an example of Our continuous improvement efforts for reducing Our carbon footprint by using biomass as an energy source our Orleans Vermont plant runs without the use of fuel oil by burning recycled wood chips and sawdust generated by Our Beecher Falls Vermont sawmill. The Orleans facility managers wanted to be even more fuel efficient and so by installing a covered outdoor storage building Orleans is keeping wood dry before burning rather than storing it out in the open and thus is able to generate nearly twice as many BTUs of energy from an already green fuel source.

Ethan Allen’s manufacturing locations are the only locations that combust biomass. Distribution and service centers generally use natural gas or oil for primary heating purposes. However, the use of Biomass represents a substantial investment in low carbon opportunities. (ISS ID 43).

Brownfields Cleanup

Ethan Allen has proactively cleaned up historically impacted sites. For example, Ethan Allen has worked through a State and Federally approved Brownsfield cleanup program to rehabilitate of an old railroad site near the Vermont-Canada border. By remediating asbestos, disposing of lead paint contaminated materials and cleanup of a 15,000-gallon above-ground diesel tank Ethan Allen not only cleaned up residual contamination for the community but also reduced contamination risk for Our plant, for associates' homes, and for the Connecticut River. We even donated a preserved locomotive turntable to a local railroad museum.

Electronic Waste (ISS ID 158)

Ethan Allen ensures that electronic waste is managed to comply with all State, Federal and international rules and regulations. Our electronic waste is appropriately recycled, all mother boards erased or destroyed, and all metals are recycled via smelters within the United States. Ethan Allen also ensures that metals used in Our manufacturing processes and associated vendors do not come from The Congo and are otherwise not associated with conflict minerals.

Chemical Emissions and Spill Prevention and Control.

Ethan Allen's manufacturing facilities are all permitted and comply with the national emission standards for hazardous air pollutants (HAP) as regulated under the wood manufacturing regulations. Further, prior to the promulgation of the boiler maximum achievable control technologies (MACT) which regulates these toxic emissions, Ethan Allen proactively re-formulated its finishing materials and imposed a self-imposed permit condition on its own emissions for HAP below major source categories. This restriction allowed more flexibility in production and eliminated 90% of HAP emissions prior to the promulgation of these Federal regulations. The materials used by Ethan Allen manufacturing locations have very low volatile organic emissions and also use water-based finishes and adhesives as applied. The wood used is regulated under the toxic substance chemical control act (TSCA) and the Title VI / California Air Resource Board Composite-wood and must be compliant material and labeled as required under California law. (ISS ID 309) Ethan Allen has not experienced any major on-site or off-site spills within the last 10 years.

Packaging Material

Ethan Allen re-purposes or recycles as much packaging material as possible from Our manufacturing, distribution and service centers as Well as during deliveries to Our customers. All packaging at Our distribution and service centers is removed before delivery and separated, reused and or recycled. Reusable furniture blankets are used during deliveries. In addition, many parts used to protect the furniture - such as the poly propylene foot protectors from furniture legs are also re-used. Such efforts have proven to be cost-effective means of re-purposing and helped eliminate the need to purchase new protectors. Another example of these cost-effective pollution reduction strategies can be found in Ethan Allen's shrink smart program. The Shrink Smart program involves use of a machine that cuts custom lengths of shrink wrap for upholstery packaging. Ethan Allen purchasing manager Barry Willis of the EFEC team at our Maiden, North Carolina, manufacturing facility – led the effort to adopt and implement the Shrink Smart program. Ethan Allen has determined that the Shrink Smart program has cut plastic wrap usage by 132,238 yards – enough to stretch more than 75 miles – and saved the company $101,891 in just one year.

Carbon Footprint

Ethan Allen is committed to achieving Our carbon footprint reduction goals by continually reviewing and investigating ways to reduce Our carbon dioxide equivalent (CO2e) footprint in Our operations.

Overall corporate goals are supported by each factory's numeric goals, all of which contribute to the overall reduction of waste, water usage, air emissions, and energy consumption.

Greenhouse Gases (GHGs)

Ethan Allen is committed to reducing GHGs. Our carbon footprint reduction efforts are multifaceted and include: various conservation efforts including, lowering energy use, modifying shift times and staggering startups of processes and equipment, increasing cogeneration efforts, and the deployment of GHG reduction technologies where appropriate. Ethan Allen has reduced GHG emissions through the implementation technologies where applicable. All these efforts combined aid in the preservation of Our natural resources while reducing Our emissions as Well as reducing operational costs.

Forestry

Ethan Allen is a consumer member of the Appalachian Hardwood Manufacturers. We are also Certified Appalachian Legal and Sustainable member. This certification is excepted by EFEC and Sustainable By Design. We are active members of the National Hardwood Lumber Association.

G. **Company Methods for EH&S Systems and Goal Evolution** (G4-DMA Materials, Energy Water, ISS 38 Reducing GHGs, ISS 39 Group Level Reduction)

History of Successfully and Continuously Improving

Reducing environmental emissions is not a new effort for Ethan Allen. As a company, Ethan Allen has been reducing its environmental footprint for some time. In 1999, Ethan Allen formalized its Environmental Management System (EMS), which required the establishment of energy and waste generation reduction goals and increased water conservation and recycling goals. As a result, Ethan Allen has achieved an approximately 70% reduction in hazardous air pollutant (HAP) emissions and a 30% reduction in volatile organic compound (VOC) emissions by the implementation of chemical substitutions, reformulations, and process changes at Our domestic manufacturing facilities. These reductions Were calculated as normalized emission per net sales and total emissions over a 10-year period ending in 2010. The reduction techniques that proved successful over the entire time Were the products of effective supplier relationships, sound technological investments, chemical reformulations, and other innovations. A corresponding reduction in the amount of hazardous waste generated is the result of the reduction of chemical mass used and less toxic characteristics of the waste generated. The graph below is an example of the dramatic effects of these continuous improvement efforts for one of Our Vermont locations but is also a reflection of the entire companies' efforts in the past, what are continuous improvement approach is presently and what Our customers can expect in the future

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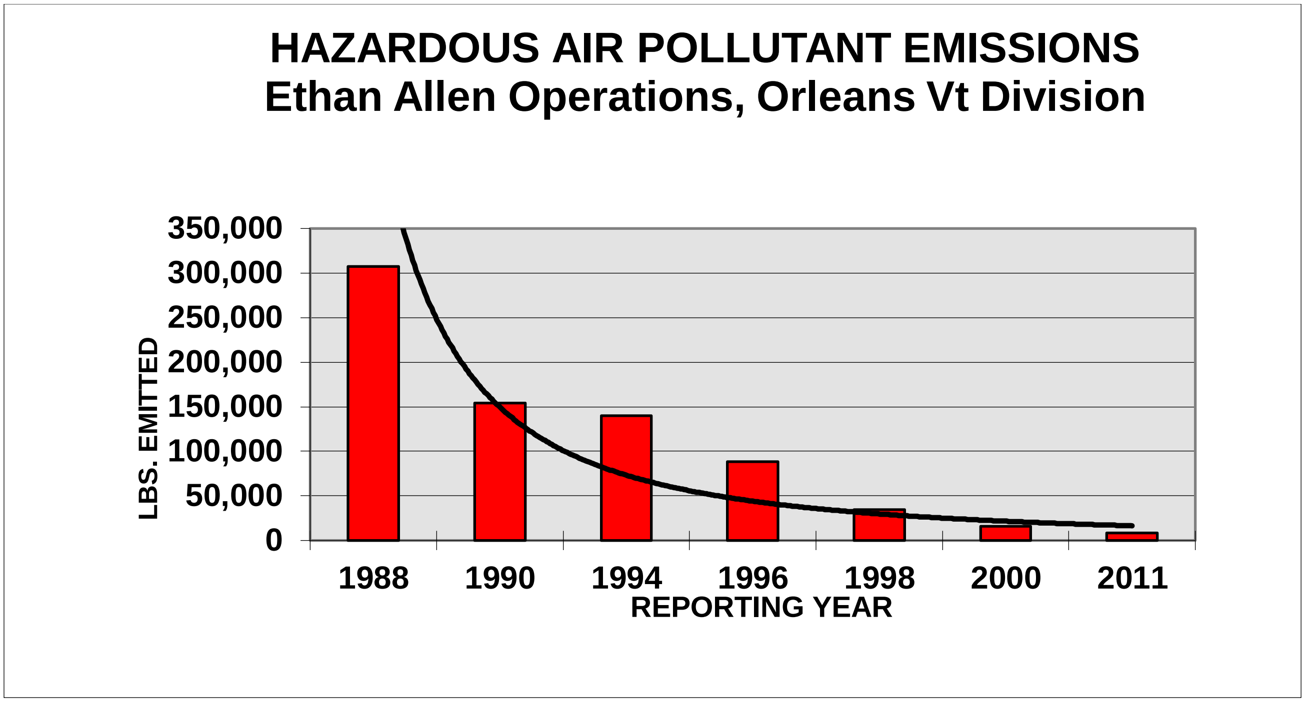
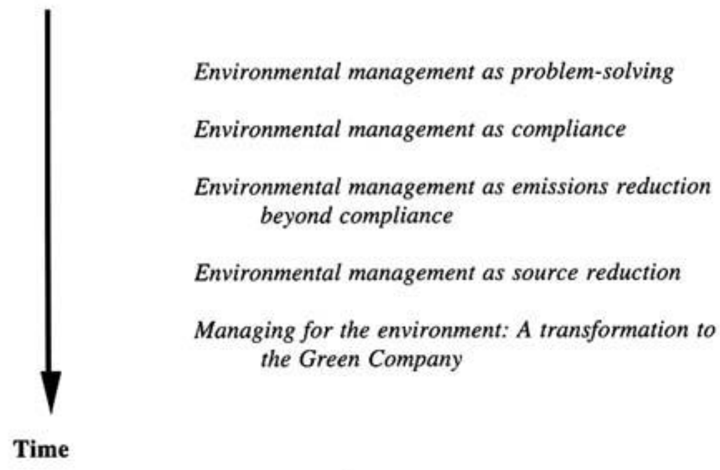


Ethan Allen did not stop at these reductions for air emissions and since that time, Ethan Allen had reset its baseline in 2010 to provide renewed incentive to continue to reduce emissions even though Ethan Allen's environmental management system (EMS) is already aligned to meet the requirements of the AHFA's Effect Furniture's Environmental Culture (EFEC) and SBD requirements. Our efforts from the 2010 baseline Were focused on Our Carbon Footprint calculator for greenhouse gases, landfilling waste, energy and water reductions as Well as recycling efforts.

The company's sustainable business practices and EMS are fulfilled by the implementation of the companies EH&S policy, programs, guidelines, training, commitments, and auditing processes. Ethan Allen's EH&S policy, chemical and process change management policy and EH&S management business standard policy give the framework for these efforts. The EH&S business standard policy describes EH&S responsibilities and titles from the CEO to shop floor associates. These documents, which are tailored to each of the manufacturing, service, and distribution centers as Well as retail entities, can currently be found on the internal SharePoint web site. The business standard describes the dedicated environmental, corporate social responsibility health and safety committee and further describes that the CEO has the senior responsibility for the programs. (ISS ID 275, 276,277, 278, 281)

EMS Evolution

Researchers have identified five stages of EMS evolution that reflect company behavior. These stages, which should be recognized as goals, are developed because, although there may be overall corporate goals, each business entity may be at a different stage of evolution due to differences in culture and management leadership at the local level. In their research, Christopher B. Hunt and Ellen R. Auster called their stages "beginner," "fire fighter," "concerned citizen," "pragmatist," and "proactivist," but researchers at MIT used the following stages to "classify observed and anticipated changes" when evaluating a corporate EMS:



Ethan Allen is in the process of transforming itself into the "Green Company" stage. Ethan Allen strives to maintain the highest environmental standards everywhere We do business. Environmental sustainability is an important part of both Our operations and Our products themselves.

Ethan Allen has set meaningful environmental goals and We have uniquely pursued them by having each location work with independent targets continuously improving Our processes at every level of the company. In addition to Our own work, We partner with Our suppliers, other companies within Our industry, and nongovernmental organizations like AHFA to find and implement solutions as We need them.

Corporate Performance and Continuous Improvement (G4-EN5 Energy)

Ethan Allen's communication mechanism for EMS includes:

- Monthly inspection and meeting with the following site committees: recycling, carbon footprint, awareness, accounting, and supply chain teams.
- Corrective action management at the local level to provide documentation of system improvements.
- Periodic report to corporate.
- Semiannual carbon footprint and numeric compilation, review, and report.
- Monthly corporate conference call with a standing agenda that includes: accident/ near-miss review, training, and risk assessments. The corporate monthly calls for each business entity are generally one hour; however, ad hoc meetings are frequently conducted.
- Review of systems issues are often fleshed out with the entire organization prior to modification.

Common management programs for EH&S risks and mitigation are available to all entities on Our SharePoint Website and each location is required to use these programs as a basis for their own local program giving them the flexibility to modify the parameters given different physical, operational, geographical or geological characteristics of their specific location.

Corporate Sustainability EH&S Goal Summary (ISS 23 Strategy, ISS 25 Targets)

Ethan Allen is dedicated to the responsible management of Our world's natural resources, so they may be enjoyed by future generations. Ethan Allen contributes to the management of Our world's natural resources for future generations, We make a difference by;

- Preserving Our natural resources though Our Environmental Management System
- Minimizing Our environmental footprint (2010 baseline ten year 10% reduction targets).
- Providing a safe and healthy workplace.
- Reducing Our impact on global climate change by meeting environmental protection goals with the intent of reducing CO_2 emission by 2% while providing customers with efficiently crafted products.
- Demonstrating responsible social performance.

Our operations have made substantial reductions in greenhouse gases and overall environmental footprint. Their local targets for reduction are based upon the specific circumstances of each location but have proven to bee an effective methodology for Our operations. The following graphics shown in Our performance section demonstrates Our progress and success of Our methods as described.

Engineering/Design Mission Statement

Ethan Allen demonstrates its dedication to the preservation of the world's natural resources for future generations by the way it designs and engineers its products. We do not make "disposable furniture." We use only the most energy-efficient methods practicable to manufacture Our products and only materials that are sustainably managed in them. Quality and durability are—and always will be—the cornerstones of Our brand. When developing Our products, Our design and engineering teams balance economic and social considerations with environmental impacts by asking themselves two questions: "Is this an efficient, effective design?" and "How can it be built better?" Ethan Allen creates timeless designs that are built to be not only enjoyed by Our current clients but to be handed down to future generations. Simply stated, We design and engineer Our products so they—and Our world's natural resources—will last for years to come.

Brownfields Economic Redevelopment Initiative

In addition to Our efforts to reduce Our environmental footprint We have also partnered with Our local and federal agencies including the U.S. Environmental Protection Agency's and the Brownfields Economic Redevelopment program that revitalizes and strengthens towns and communities across the country. The cleanup and redevelopment of contaminated sites spurs economic growth and protects public health and the environment. Ethan Allen has proudly partnered with state and federal agencies to help clean up contaminated areas and make them usable again. We Were one of the first companies in Vermont and Virginia to participate in this program. The former New Hampshire turnstile land next to Our Beecher Falls, Vermont, manufacturing plant, and the land on which Our Dublin, Virginia, facility sits Were both sites that We cleaned up in accordance with state and federal regulations under Brownfields provisions.

Structure for EH&S Management System Support

The following roles and responsibilities are described in the Companies EH&S Business policy and program.

- **Chairman, President and CEO**
  The Chairman, President and CEO has adopted and endorsed Ethan Allen's EH&S policy and program(s) and is committed to providing a safe and healthy workplace and the protection of the natural environment.

- **Senior Management**
  The Executive Vice President of Operations and all division Vice Presidents are committed to the implementation and success of this program and shall provide support and leadership.

- **Plant or Facility Managers**
  Plant and Facility Managers provide leadership and bear ultimate responsibility for EH&S compliance. They are responsible for ensuring that adequate personnel, policies, and programs are in place at their Ethan Allen facility to ensure compliance with the standards outlined in this manual.

- **EH&S Personnel**
  Each facility must have at least one EH&S employee who will devote sufficient time to coordinate all EH&S efforts with the goal of continuous improvement and mitigation of risk. He or she shall be responsible for staying current on all EH&S compliance, risk, and mitigation issues.

- **EH&S Committees**
  Each location shall establish an EH&S Committee responsible for day-to-day compliance. It will support the overall program and communicate hazards and risk issues, EH&S inspection results, root causes of accidents, near-miss investigations, and coordinate/track corrective actions as Well as other activities as required.

- **EH&S Council**
  The EH&S Council will coordinate company-wide efforts and communications that will allow and support Ethan Allen facilities to share EH&S-related information and resources. It shall identify emerging issues and risks and provide strategic direction, review EH&S performance data, and develop corrective action initiatives.

- **Risk Manager**
  A member of the EH&S Council, the Risk Manager coordinates all insurance coverage. He or she performs case management reviews and compiles monthly status reports and coordinates the root cause evaluations with the local site management. He/she also provides support for training, inspections, and auditing on an as-needed basis.

- **Corporate Product Compliance Manager**
  The Corporate Product Compliance Manager coordinates product compliance efforts, including those that pertain to EH&S. His or her scope of responsibilities include: supplier notifications, certifications, testing, and third-party certifications.

- ***General Counsel***

A member of the EH&S Council, the General Counsel provides direction, corporate support, and leadership to the EH&S program, and reports directly to the Chairman, President and CEO on matters related to EH&S and compliance with the standards outlined in this manual.

- ***Director of Environment, Health and Safety***
  A member of the EH&S Council, the Director of EH&S is responsible for the development of policies, standards, and guidelines to address EH&S issues and advises General Council, Senior Management, Plant and Facility Managers and EH&S personnel. He/she also identifies common EH&S issues and required actions, supports the EH&S auditing program, and provides reports and advice to the EH&S Council. He/she is responsible for organizing and coordinating the Council's activities.

- ***Manager of Environment, Health and Safety***
  A member of the EH&S Council, the Manager of EH&S assists in the implementation of company-wide EH&S strategies, policies, and standards and serves as a resource for each facility's compliance efforts.

- ***Occupational Health Nurse***
  Where applicable, the Occupational Health Nurse provides and delivers healthcare services to workers, focusing on the promotion, protection, and restoration of worker health within the workplace environment. His or her role is to assess the facility and operations with a focus to optimize health, prevent illness and injury, and reduce health hazards within the work environment.

- ***Supervisors and Associates***
  Supervisors and associates are responsible for being aware of, implementing, and actively participating in the EH&S program.

Management Systems Integration with the American Home Furnishing Associations (AHFA) Program (ISS 7 EMS, ISS 8 Certified EMS, ISS 12 Companywide EMS, ISS 366 Vendor Code)
Enhancing Furniture's Environmental Culture (EFEC) is the first tier of AHFA's program; it is an environmental management system that requires companies to analyze and better understand the environmental impact of their processes, raw materials, and finished products. All Our domestic facilities are EFEC registered. Our registration is contingent upon a policy of continuous improvement in the areas of water and energy conservation, increased recycling, and waste reduction. For every Ethan Allen manufacturing, distribution, and service facility in the U.S., We have documented baseline greenhouse gas (GHG) emissions, baseline water and electricity usage, and baseline waste production, and We have used that information to set annual goals for improvement.

Of all the progress We've made, We are most proud of the successes We have seen in Our domestic manufacturing plants. All the scrap wood and sawdust We produce there is now used to fuel the boilers that heat those facilities, thus reducing the carbon footprints of both. At Our sawmill facility in Beecher Falls, steam from those boilers also heats the kilns We use to dry wood before it is turned into furniture, and the excess steam is used to create electricity using methods of true cogeneration. At Our Orleans, Passaic, and Pine Valley plants, We recycle nearly everything; over the past seven years, We have already reduced the amount of landfill waste produced by all domestic manufacturing by 15 percent. This also reflects the fact that Our recyclable percentage is also being reduced which means that We are using materials more efficiently, not landfilling as much and not recycling as much because not as much material is being wasted.

The comparison of ISO 14000 standards and AHFA's EMS has consistent similarities however AHFA is focused on the furniture industry where there are more artisan and physical contact with products in production vs. paperwork tracking. Although many requirements are similar between the programs the major differences are in the formal documentation, monitoring and recordkeeping requirements that are typically managed elsewhere such as in document retention policies with less required third-party checks and balances. We believe that the AHFA system meets the intention and implementation of the ISO system without the additional expenses of formalities that put additional costs and burden on the industry.

Sustainable by Design (SBD) (G4 DMA-Supplier Environmental Assessment, ISS 336 Vendor Code)
SBD is the second tier of the AHFA's program; it is a program that not only requires us to establish internal standards, practices, and management systems that govern Our environmental performance but also requires us to evaluate, monitor, and set standards for Our suppliers. All of Our domestic manufacturing facilities are SBD certified.

Sustainable Operations (G4 DMA Energy, ISS 20DfE, ISS 40 2degree Scenario ISS ID 7, 479)
Ethan Allen first established its own formal Environmental Health & Safety (EH&S) management system in 1999, and based upon the concept of continuous improvement have developed standards and practices in Our operations that support continuation of environmental stewardship. We are continually working to reduce how much energy We consume and waste We produce and to increase how much water We save and material We recycle. In 2010, We decided to partner with the American Home Furnishings Alliance (AHFA) to become registered as a Enhancing Furniture's Environmental Culture (EFEC) company. The AHFA's environmental management system includes a three-tier program designed to help its member companies to systematically implement sustainable business practices in their day-to-day operations. The three-tiered program includes EFEC, Sustainable by Design, and Eco3Home. Currently Our operations are at registered at the first and second tier and We are planning to pursue the Eco3Home labels for specific product lines (ISS ID 20). This program is the equivalent management system for the furniture industry (ISS ID 8) and Ethan Allen is registered under this program. Our vendors have received various inquiries from Ethan Allen regarding their operations covered by a certified ISO environmental management system or equivalent however, approximately less than 20% of those asked responded and much fewer have entered into a systematic program. (ISS ID 18).

Our operations continually work on the reduction of Our environmental footprint and methods to responsibly manage Our emissions, energy and waste reduction programs. Our associates are committed to implement Our policies and processes to reach individual reduction goals that support the overall direction to reduce Our impacts as much as practicable. Individual location targets vary by location from 5 to 10 percent reductions since Our baseline was established. It is the intent of the targets to support overall reductions in emissions as much as practicable and the data supports these efforts under the premise of continuous improvement.

The company has not suffered a major environmental controversy for the last 10 years. (ISS ID 295)

In addition to meeting all EFEC requirements, facilities that are SBD certified must also evaluate Our additional areas:

- **Environmental impact of supply chain.** Ethan Allen has established a supply chain team that consists of representatives from all Our North American manufacturing facilities who share responsibility for implementing EFEC and SBD supply chain requirements. This group works with the EH&S staff and the product compliance manager to facilitate an integrated approach for addressing various aspects of Our products that affect the health and safety of Our clients.

  Through the efforts of the supply chain team, Ethan Allen has:

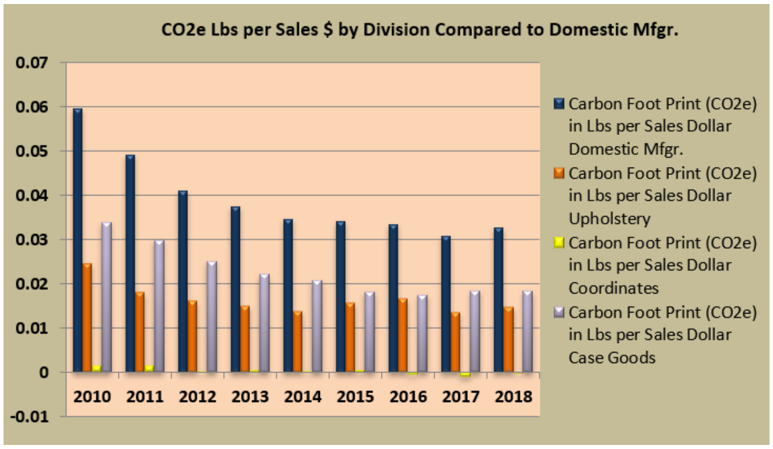
  - Established a communication protocol to assist Ethan Allen suppliers with the development and implementation of their own sustainability programs. Our suppliers are sent information or surveys semiannually to report their progress or to ask what their environmental programs or polices are.
  - Informed Our suppliers of Our progress in continuously improving Our environmental management system by (a) letters/questionnaires and (b) face-to-face communication. Their efforts are disclosed in the EFEC manuals at Ethan Allen facilities.
  - Established a chain of custody program, which includes a compliance clearinghouse that contains the certifications, testing, and documentation for specifically regulated attributes that pertain to Our products and product parts. This includes California's Airborne Toxic Control Measures (ATCM) and formaldehyde limits as Well as the associated documentation of compliance. The compliance database requires compliance managers to keep current records of all chain of custody and testing requirements that may otherwise impact the safety of Ethan Allen's products.
  - Established a Supplier Code of Conduct that explicitly states Our expectations of domestic and international vendors. (ISS ID 366, 359) (Attachment 1: Supplier Code of Conduct)
  - Ethan Allen Product Compliance team engages third party auditor to assess supply chain vendors for environmental management as Well as fair wage practices and child labor. (ISS ID 370,373, 484)
  - Embedded within the Ethan Allen third party audit framework require suppliers to adhere to rigorous codes of conduct inclusive of those set out under Our Code of Ethics' Policy. These requirements ensure compliance with prevailing legislation and goes beyond to set more comprehensive requirements for Ethan Allen suppliers with the aim of driving the furniture industry toward higher environmental, ethical and social standards. In terms of scope, all of Ethan Allen suppliers are required to comply with these policies and attest that their respective supply chains do likewise. This expectation encompasses our suppliers and all their sub-suppliers, including suppliers of materials, production materials, packaging and services used in the production or performance of activities on behalf of Ethan Allen. The supplier must understand and comply with the Ethan Allen expectations for policies and all applicable laws, regulations, directives, collective agreements and supplementary agreements with respect to human rights, worker's rights, environmental protection standards as well as applicable international conventions and declarations.

Established a preferred purchasing program that requires managers to consider the environmental impact of products and components as Well as lifecycle when sourcing materials.

H. **Environmental Footprint and Performance Metrics** (G4-DMA, G4-EN15, G4-EN16, G4EN16, G4-EN18, G4-EN19 Emissions; G4-EN6 Energy, ISS 24, ISS 26, ISS 50 Greenhouse Gas Emissions, ISS 51 Direct E, ISS 53 Disclosure, ISS 55 Regulatory Emissions)

Carbon Footprint Metrics

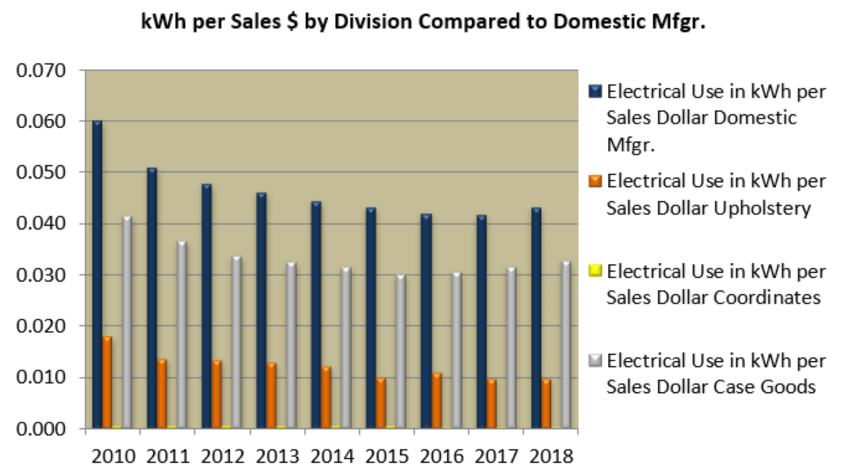
To meet Our carbon footprint reduction goals, We continually review and investigate ways to reduce Our CO2e emissions in Our operations. We set annual carbon footprint reduction goals for Our domestic manufacturing division as a whole based on data compiled from each Upholstery, Accessories, and Case Goods manufacturing facility.



We eliminated 10 million pounds of CO2e emissions since 2010.

Electricity (ISS ID 78, 79, 80)

To reduce the amount of electricity We use to heat Our work spaces and dry out Our lumber, We burn scrap wood to make steam. At some locations, We also use that same steam to produce electricity to run production equipment. That's true cogeneration.

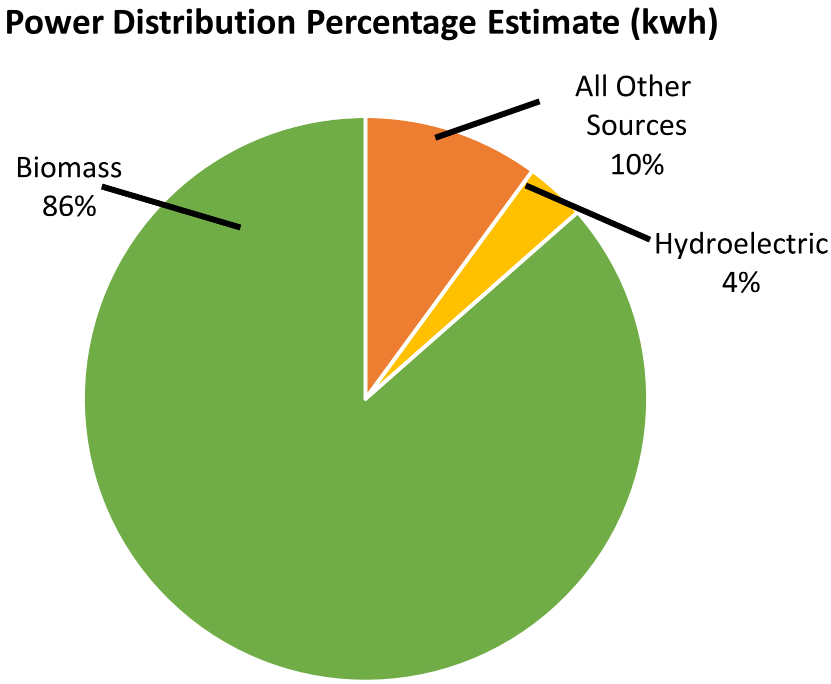


We also use energy-efficient lighting and have implemented coordinated startups of Our heavy equipment to reduce peak electrical demand.

Grid Consumption and Renewable and Non-Renewable energy (ISS ID 82, 83, 84, 85, 86,87 and 96)

Most of Ethan Allen's electricity comes from the grid. Our Carbon footprint calculator used by all locations depicts they type of energy used at the specific location and calculates that factor to determine the carbon footprint of the facility based upon the type of electricity generated at the source (e.g., via coal, Nuclear, hydroelectric, etc.). Since Our operations span the entire US the calculation factor will vary depending upon the location for example the electricity derived from Nuclear power may have a factor of 0.0 while a location with power derived from coal may have a factor of 1.96 lbs carbon per kWhr (see: http://www.duke-energynewsline.com/calcCarbonFootprint.aspx?userid=12730860. However, the greatest use in electrical demand and 2/3rds of production (based upon location) at Ethan Allen comes from manufacturing and specifically from Our case good operations in Vermont where 100% of the electricity used is derived from hydo-electrical generation from Hydro Quebec. Further the use of the wood fired boilers using co-generation of steam to heat the facility and run the kiln operations likely take suppliers ¾ of the total energy demand.

The graph below shows the distribution of total energy used in manufacturing enterprise which includes wood fuel used for fuel and process heat. Wood is not used in the electrical description of the enterprise use because it is energy no purchased through the grid nor is it used in calculating carbon emissions since wood is considered carbon neutral. In Our Vermont locations electricity is provided by Vermont Electric Cooperative (VEC) and of the total energy purchased off the grid, about 66.2% percent of the power purchased by VEC is from renewable sources. Renewable sources used are primarily Hydro through Hydro–Quebec, Niagara and NY Hydro (~42.9%), VEPPI- Hydro (~2.3%) and Wind – First Wind, Sheffield, VT and Kingdom Community Wind, Lowell, VT (~16.7%). VEC also purchases Wood power from Ryegate Woodchip (~3.1%) and Farm Methane and Solar power from Vermont Standard Offer Program (~1.2%) . The variability of these percentages do change yearly and rang from 60% to 70% therefore 65% was used to estimate the renewable resources from purchase power from the grid as a conservative estimate. The biomass numbers were converted from total mass to kWhr to determine total energy used by the enterprise and used to describe the allocated distribution of power used by the enterprise and to show energy from renewable sources. 90% of the energy used is from renewable sources and only 10% of the energy used is from other sources that are not renewable. This energy consumption equates to 243,428,713 kWhrs in 2018 and about 90 percent of that energy is generated using biomass or other renewable fuels as described. 210,515,733 kWhr of energy was calculated as derived from wood in 2018 as wood burned for energy. If this energy was purchased from the grid at 0.10 per kWhr the cost of that energy would be at a cost over $21 million dollars in 2018 alone.



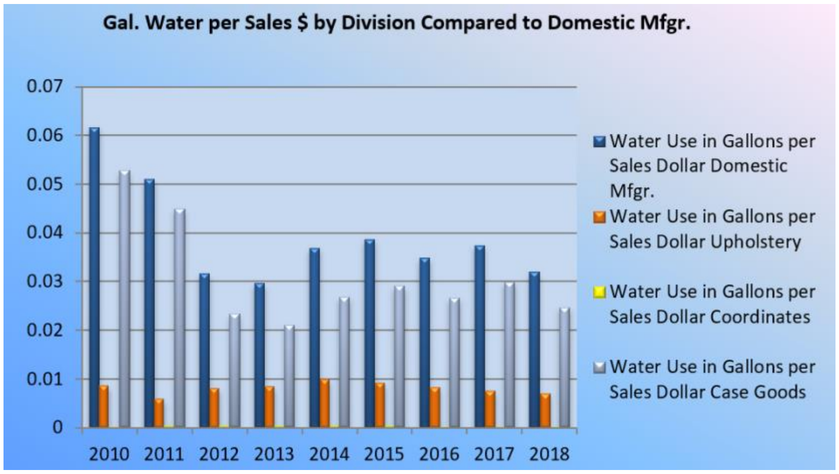
Energy Reduction approach at Ethan Allen is addressed via several simultaneous strategies. On a local level Our facilities are replacing lighting, introducing automated lights that turn off when room is not in use and in Our production and warehouse locations staggering time for equipment startups to reduce peak demand or modifying work hours to avoid the heat of the day an also to reduce cooling or heating demands for electrical use.

As one example, to cut energy usage at Our Beecher Falls efforts Were made for re-lamping with LED bulbs throughout manufacturing and even in the sawmill. Due to these efforts there Were big electricity savings, thanks to bulbs that use 60% to 80% less energy, and with the added benefit of the elimination of hazardous waste from disposal of fluorescent bulb ballasts and better visibility for assessment of wood quality.

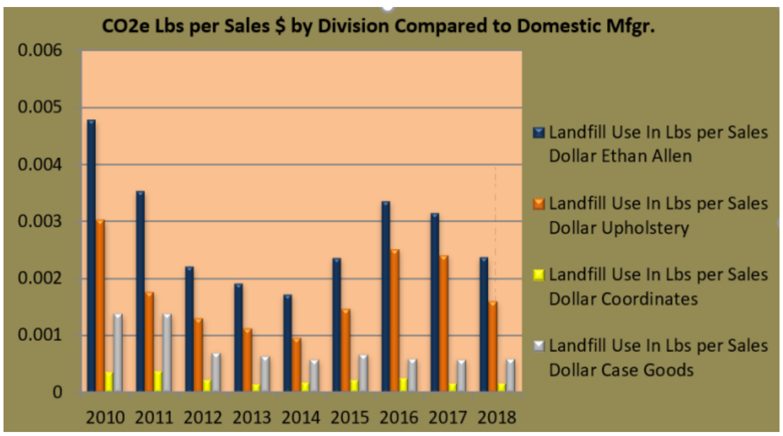
Targets for continuing with energy reductions are to continue to reduce consumption where practicable. For most locations that have already seen substantial reductions the current target is to maintain energy levels at the current or past year levels. Some minor reductions will continue as LEDs replace the majority if not all lighting needs at all locations.

Water Metrics (ISS ID 199, 200, 201, 204 and 205)

As part of Ethan Allen’s Corporate Strategy for the control and reduced water use, we have over the years installed low-flow toilets in our restrooms and restrictors on some water systems. Our steam leak surveys, and leak eliminations have also significantly reduced our water use. The following data shows the yearly aggregation of water use per sales dollars for the entire enterprise.



Since Our baseline year We have reduced Our water usage by over 11 million gallons.



Greenhouse Gas (GHG) Metrics

We have implemented a GHS reduction strategy and as the following graph shows.We are committed to reducing Our GHG emissions. This effort is supported by our carbon footprint reduction efforts aggregated on page 27 of this report and below showing yearly progress of GHS reductions. We focus on lowering Our energy use, using cogeneration to produce heat and power, process improvements, and the deployment of GHG reduction technologies wherever possible. These emissions include the regulated GHG emission from Our industrial processes that are measurements of direct GHS emissions.

We reduced Our GHG emissions by 25% an over 10 million lbs of CO2e. (ISS ID 50, 51)

Recycling Metrics

Recycling at Ethan Allen is embraced by management and employees alike and implemented through corporate initiatives and grassroots efforts. All locations work to minimize waste to landfill and Our operations focus on recycling paper, glass, carboard, plastics and metals.

Our goal is to reuse and recycle glass, paper, metal, plastic, foams, textiles, and everything else as much as We can.

Hazardous Waste Metrics (ISS ID 159, 160, 161)

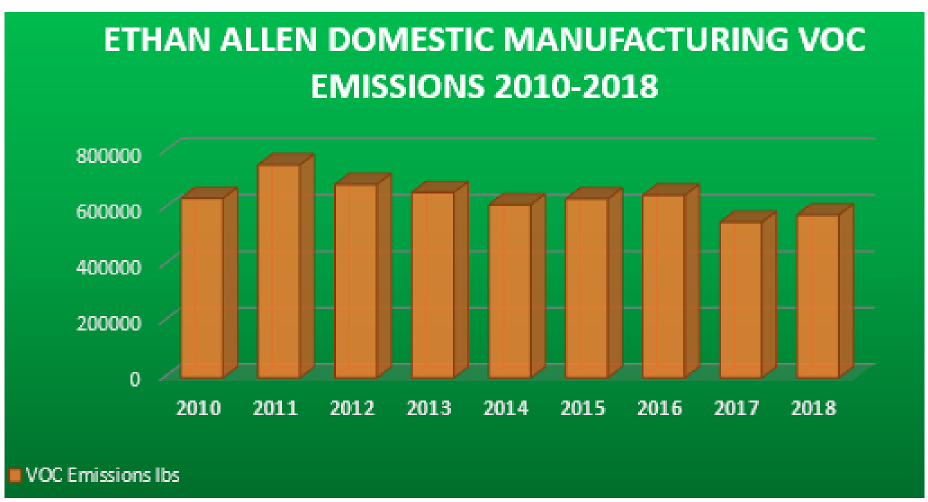
The following graph shows the generation of Hazardous waste from Our domestic manufacturing facilities. Reductions of hazardous waste at the generating facilities allowed for the reclassification of two of Our manufacturing locations from large quantity generators to small quantity generators and one of Our manufacturing locations is also now classified as very small quantity generator. 100 % of Our Hazardous waste emission are regulated under Federal and State Law (ISS ID 55). No hazardous wastes generated in the US are sent outside the borders of the United States. Ethan Allen has a program for waste determination and classification as Well as for treatment, storage, disposal and recycling requirements for waste disposal companies that drive to incineration and fuel blending, recycling and as a last resort landfilling. The main purpose of these programs is to reduce the generation, toxicity and overall liability for these materials from Cradle to Grave.

Other Environmental chemical reduction methods

Use of Low-HAP/Low-VOC Materials (G4-DMA Supplier Environmental Assessment)
Ethan Allen has traditionally worked with Our chemical suppliers to reduce, control, and/or eliminate the types of chemicals used in the finish materials (sprayed onto Our products) that cause toxic air emissions. Through strong partnerships with Our chemical suppliers, We have reduced the toxicity of and hazards associated with their chemicals, thus protecting Our employees and further reducing emissions from Our processes. Here are a few examples of what We've accomplished:
We apply water-based coatings to Our products where appropriate. We have established practices to reduce toxic chemicals in Our packaging materials.

We have eliminated the use of chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs) in Our packaging materials and have substituted water-based material for the solvent-based foam.
We use only low-HAP and Low-VOC coatings and associated processes.

Volatile Organic Compound Metrics
The following graph notes the total amount of VOC emitted from Our domestic manufacturing locations.



I. **Sustainable Forestry** (G4-DMA Supplier Environmental Assessment)

Ethan Allen's future depends on healthy, Well-managed forests. Our log and lumber director is a professionally trained and experienced forester, and most of Ethan Allen's lumber requirements are satisfied with native hardwood species, including soft and hard maple, black cherry, ash, and yellow birch. These trees regenerate naturally by seeding and by stump and root sprouts. Because of this natural regeneration, hardwoods do not have to be planted. In fact, the natural regeneration often has to be thinned because it becomes too dense. There is approximately 82% more hardwood stock today than there was in 1952.

Although Ethan Allen owns very little timberland, We encourage Our suppliers to use scientifically sound forest management practices on theirs. Much of Our lumber comes from lands that are intensively managed by professional foresters on a sustained yield basis. These forest managers create conditions that are favorable for producing the type of high-quality timber We require for Our furniture. We work very closely with these suppliers to achieve a climate that provides for a balanced and fully integrated use of the resource. We also work very closely with Our suppliers of nonnative species, such as mahogany, to ensure that the lumber We obtain has been legally harvested from properly managed forests.

The Lacey Act

The Lacey Act, initially enacted in 1900, is the United States' oldest national wildlife protection statute and serves as an anti-trafficking statute that protects a broad range of wildlife and wild plants. The act makes it unlawful to import, export, transport, sell, receive, acquire, or purchase any fish, wildlife, or wild plants taken, possessed transported, or sold in violation of state, federal, Native American tribal, or foreign laws or regulations that are related to fish, wildlife, or wild plants. The Lacey Act applies to "wild" animals, whether alive or dead, and wild plants, except for common food crops and common cultivars. Depending on the underlying federal, state, foreign or tribal law, the term "wildlife" could also apply to any fish, wildlife, or plants - or part, product, egg, or offspring thereof - even if bred in captivity. Additionally, the Lacey Act makes it illegal under U.S. law for persons to import wildlife, wildlife parts, or products thereof into the U.S. that have been taken, possessed, transported, or sold in violation of a foreign law or regulation. A second enforcement provision prohibits the making or submitting of any false record, account, label for, or identification of any wildlife transported or intended to be transported in interstate or foreign commerce, or imported, exported, transported, sold, purchased, or received from any foreign country.

Prior to the recent amendment, the Lacey Act did not apply to all international traffickers of plants, including timber or associated wood products. Previously, the Lacey Act only covered plants native to the U.S., which are listed in one of the three appendices to Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) or protected by the law of a U.S. state that conserves species threatened with extinction. The amendments to the Lacey Act extend the statute's reach to encompass products, including timber, that are derived from plants illegally harvested in the country of origin and brought into the U.S., either directly or through manufactured products, including products manufactured in countries other than the country where the illegal harvesting took place.

With the enactment of the 2008 Farm Bill (the Food, Conservation, and Energy Act of 2008), the Lacey Act was amended for the purpose of combating illegal logging and expanding the Lacey Act's anti-trafficking protections to a broader set of plants and plant products. The following points and background are designed to provide a concise summary of the amendments as Well as background on the Lacey Act.

- The Lacey Act now makes it unlawful to import, export, transport, sell, receive, acquire, or purchase in interstate or foreign commerce any plant, with some limited exceptions, taken in violation of the laws of a U.S. state or any foreign law that protects plants. The Lacey Act also makes it unlawful to make or submit any false record, account, or label for or any false identification of any plant.

- The definition of the term “plant” includes “any wild member of the plant kingdom, including roots, seeds, parts, and products thereof, and including trees from either natural or planted forest stands."

- There are certain exclusions, including: (1) common cultivars (except trees) and common food crops; (2) live plants that are to remain or be planted or replanted; and (3) scientific specimens of plant genetic material to be used for research, except, in the latter two instances, for those species that are listed in an appendix to CITES, as endangered or threatened under the Endangered Species Act, or pursuant to any state law providing for conservation of indigenous species threatened with extinction.

- Beginning on December 15, 2008, the Lacey Act also requires an import declaration for plants and plant products, except for plant-based packaging materials used exclusively to import other products. Importers must file a declaration upon importation that contains the scientific name of the plant, the value of the importation, the quantity of the plant, and the name of the country from which the plant was taken.

- Anyone who imports into the U.S. or exports out of the U.S. illegally harvested plants or products made from illegally harvested plants, including timber, as Well as anyone who exports, transports, sells, receives, acquires, or purchases such products in the U.S., may be prosecuted. In any prosecution under the Lacey Act, the burden of proof of a violation rests on the government.

- The defendant need not be the one who violated the foreign law; the plants or timber, and the products made from the illegal plants or timber, become “tainted” even if someone else commits the foreign law violation; however, the defendant must know - or in the exercise of due care should know - about the underlying violation.

- Violations of Lacey Act provisions for timber and other plant products, as Well as fish and wildlife, may be prosecuted through either civil or criminal enforcement actions. Regardless of any prosecution, the tainted plants may be seized or must be forfeited.

What does Ethan Allen do to comply with the amended Lacey Act?

It is each company’s responsibility to exercise “due care” and understand the origin of its forest products, keeping in mind that a Lacey violation can occur at almost any point in a forest product supply chain. To help improve compliance, this is what We do:

- Ask suppliers questions, such as: What are your supply chains? Can you trace them all the way back to the forest? What is the degree of illegal activity in that forest or region? Do you have proper documentation?

- Institute internal expectations Ethan Allen has professional foresters on staff, and Our foresters maintain close relationships with many of Our forest product suppliers. This open communication helps in the management and procurement of forest products.

- Ethan Allen foresters and supply chain team take extra care when procuring forest products from unknown regions. The Lacey Act is a fact-based rather than a document-based statute. If imported products turn out to be of illegal origin de facto, this fact will override any statement or document to the contrary. Illegal products are often accompanied by forged documents; therefore, evaluating Our suppliers and developing trust in them and the forest products they provide is as important—and at times more important—than obtaining physical papers. This means that Our foresters' and supply chain teams' evaluation of suppliers may include:
    - Conducting independent research on suppliers via online sources and your business contacts
    - Establishing long-term relationships
    - Consistently questioning your suppliers about the origin of their products and documenting their answers
    - Making supplier and forest site visits if possible
    - Implementing the Preferable Purchasing evaluation that includes the procurement of forest products.

J. **Social Responsibility** (ISS ID 302, 331, 334, 345, 346, 354, 357,358, 360,361, 375)

Ethan Allen has established a policy defining Our commitment to protecting human rights (see California Transparency in Supply Chains Act). In addition, Our Supply Chain Code of Conduct outlines Ethan Allen's expectations for all business dealings. All Our locations seek out ways to positively impact Our local communities' environmental efforts. We require every location to communicate with their local regulatory agencies about their environmental efforts; We also require every location to document those communications. Many of Our facilities are involved in environmental activities in their community. Our supply chain team and product compliance manager have addressed aspects of Our products that directly impact public health and safety by ensuring that those products have proper labeling to identify the status of various chemicals and document that they comply with health and safety regulations. To further reduce any risk to Our employees, clients, and communities, We have implemented purchasing policies that set environmental criteria for compliant materials. Compliance information is documented in Our compliance files and scheduled for yearly updates. Ethan Allen's 'grievance policy' is shown under the attached 'problem resolution' section of the corporate policy handbook and referenced herein as attachment no.2. This policy describes what actions associates need to take in regards to any grievance and further advises what to do to resolve any grievance. In addition to this policy, the leadership principles also require fair and just treatment of all associates which must always be maintained.

We make Our carbon footprint information available to Our clients and the general public by posting it in Our yearly sustainability brochure. The disclosure of Our carbon footprint data addresses, by intent, the SBD requirement to address Global Climate Impact by taking inventory of (in part) Our carbon footprint and GHG emissions and demonstrate annual improvements.

California Transparency in Supply Chains Act

Ethan Allen manufactures and/or assembles approximately 70% of its products in its own North American plants. These facilities along with Our associated Distribution and Service Centers and Retail Design Centers are within Our control and do not engage in human trafficking and/or slavery. Ethan Allen is committed to and operates in accordance with its Leadership Principles, by which it expects all affiliates and employees to abide, and all suppliers and contractors to embrace. Ethan Allen is engaged, at all levels, in a continuous improvement process and strives to maintain and establish a supply chain that conforms to Ethan Allen's high ethical and legal standards. Our Supply Chain Code of Conduct and Supplier Survey are sent out from Our domestic supply chain team members to all of Our suppliers. These documents inform Our suppliers of Our expectations and enable us to inquire about Our suppliers' activities regarding socially responsible business practices. We are currently developing a more formalized verification and auditing program for all third-party suppliers to ensure that they operate in accordance with Our code of conduct and all applicable laws and regulations. Ethan Allen does not condone the use of slavery or human trafficking and does not knowingly do business with any supplier who engages in such practice. Further, Ethan Allen does not maintain any long-term contracts or commitments with its suppliers and is free to take its business elsewhere should a supplier fall short of Our expectations; however, We have established long-standing relationships with most of Our suppliers, and We believe that Our business relationships are grounded on a foundation of integrity, honesty, and fairness. We develop relationships with carefully selected suppliers who are committed to responsible business practices. To assist in verifying Our vendor operations, members of Our merchandising, design, resourcing, and quality teams periodically perform announced visits of these facilities. We also use a third party to audit suppliers as Well as Our international manufacturing operations to ensure socially responsible methods and international labor standards are being met. (ref: Elevate and Bureau Veritas scope)

Ethan Allen maintains internal standards of accountability for all Our associates and failure to meet company standards concerning human trafficking and slavery is not tolerated. Ethan Allen provides formal training to all associates on Ethan Allen's Code of Conduct, which includes information on action(s) to take in the event of a violation by an associate or supplier.

Ethan Allen provides various warnings or information on products or labels to comply with California proposition 65, Title 20 and meets various compliance requirements such as California Technical Bulletin TB because a chemical or chemicals covered by the California Proposition 65 regulation may be present in Our products.

K. International Labor Compliance (ISS ID 6 E Compliance, ISS 370 Vendor Audits)
We expect all manufacturers who make Ethan Allen products to meet Our standards and demonstrate the leadership principles that are important to Our company and Our clients in their facilities worldwide. It is important that all business partners and production facilities making Ethan Allen products share Our commitment to labor compliance, ethical standards of business practices, and the fair treatment of workers worldwide. At a minimum, We require that all manufacturers of Ethan Allen merchandise to meet the Ethan Allen Manufacturing Code of Conduct and work with their employees to continuously improve labor standards in their facilities.

Ethan Allen is fully committed to ensuring that business partners who comply and meet the standards for the Manufacturing Code of Conduct understand that these principles are no less important than implementing quality standards for Ethan Allen products. Ethan Allen is committed to working with Our supplier network to educate and improve labor conditions worldwide through the following steps.

1. Establish an Ethan Allen Labor Compliance Program in 2016 with the launch of Disney brand. Third-party companies evaluated factories of production.
2. On-board international supplier partners and factories into Labor Compliance program
3. Evaluate and educate all Ethan Allen facilities on the Labor Compliance program
4. Ethan Allen encOurages each facility to develop and maintain their own labor compliance programs that mirror~~s~~ the Ethan Allen program, which encourages each facility to form their own Compliance program and staff to maintain standards.
5. Conduct compliance inspections of international factories by third-party auditing companies
6. Factories provide ~~a~~ Corrective Action Plans on any findings after the factory audit to improve labor standards.

L. **Product Compliance** (G4-DMA, G4EN27 Products and Services)

It is important that all Our business partners and any facilities manufacturing Ethan Allen products share Our commitment to quality. Ethan Allen has always had a strong reputation for delivering a quality product to their clients. The Ethan Allen client expects this standard for quality in any product that We deliver. All employees at Ethan Allen know that exceeding client expectations for quality, at good value, is imperative for client loyalty. We achieve this standard by making quality a team-based, company-wide initiative that includes written standards and procedures that encourage communication among associates and suppliers. We expect all manufacturers of Ethan Allen products worldwide to abide by Our standards for quality and comply with federal and state regulations.

Product Compliance requires suppliers to:

- Test their products at accredited third-party labs to ensure they meet or exceed Ethan Allen quality and safety standards
- Build and test clothing storage and media units so that they meet industry standards established to reduce tip-over risk. (Free tip restraints are also included with each unit.)
- Use only CertiPUR-US® certified foams in Our mattresses and upholstery
- Make products that comply with all federal and state regulations in the countries We serve. Ethan Allen requires documentation of specific testing to ensure all chemicals present are at acceptable levels.
- Use composite wood products certified to meet formaldehyde emission standards set by the California Air Resources Board (CARB) and the Environmental Protection Agency (EPA).
- Establish pre-shipment inspection programs to make certain each piece meets Our quality standards
- Label products with information to help clients use Our products safely and care for them properly

Ethan Allen employs a robust safety and quality assurance process that includes high standards for the raw materials in Our products. Testing is performed on products and in Our development phases to ensure safety and quality is achieved. Ethan Allen monitors and complies with all regulatory requirements in Our countries of operation and through Our Management of Change Policy bans various chemicals to be used in Our processes or products these include: chlorinated or hydrogenated solvents, polybrominated diphenyl ether (PBDE), formaldehyde, heavy metals, propyl bromide and other regulated fire retardants, bromofluorocarbons, chloroflurocarbons, mercury, poly chlorinated biphenyls, lead, cadmium, hexalvalent chromium.

CertiPUR-US® Certified Foams

We use only CertiPUR-US® certified foams in Our mattresses and custom upholstery. This means that all foams used in Our custom upholstery and mattresses have been tested and certified by an independent, accredited laboratory to meet specific criteria for content, emissions and durability. CertiPUR-US® certified foams are low-VOC for indoor air quality that are made without formaldehyde, mercury, lead, heavy metals, certain flame retardants, ozone depleters, or certain phthalates. For more information, visit the CertiPUR-US® Website at www.CertiPUR.US

M. Animal Welfare, Biodiversity

Respect for the environment, human rights, communities and animal habitats are the cornerstone of Our product safety philosophy. Since lumber wood and natural fabrics are part of Our products, We ensure that proper forest management practices are being implemented and that Our suppliers of fabric and leather are reputable companies and are audited through Our product compliance efforts.

N. Suppliers and the Code of Conduct (G4-DMA Products and Services, ISS 18 Supplier Certification)

Ethan Allen has set standards for labor, EH&S, human rights, and national legislation that includes supply chain issues such as the California Transparency in Supply Chains Act of 2010. Together, all these elements encompass the scope of Ethan Allen's Code of Conduct with respect to supply chain management. To meet SBD requirements, letters that identify Our expectations have been sent out to Our vendors and suppliers, but the need to comply with specific regulations such as the California Transparency in Supply Chains Act of 2010 is also explicitly stated in the company's external Website for all Our vendors, suppliers, and customers to see.

The code of conduct and interface between the company and the vendors or suppliers is handled through Our Supply Chain team at each facility. The EFEC Awareness team is also involved with employee orientation and education for EFEC and SBD, including code of conduct education for all employees. The purchasing agents are required to use EPAs evaluation of Vendors and suppliers for Preferable Purchasing Guidelines.

The supply chain team members compile information regarding the responses to letters of inquiry or letters of declaration, the number of responses and the adequacy of the responses are numerated at each manufacturing location.

We reach out to all major vendors and suppliers and yearly communicate Our EH&S efforts and ask about the efforts of Our suppliers. Some Our suppliers have their own industrial or commercial consortiums for environmental certifications however most of Our suppliers do not disclose what their activities are regarding Environmental management.

All deficiencies in the supply chain request responses and non-responses to the supply chain requests for information or declarations will require a corrective action to be filed as described in the Management system documents.

O. Supply Chain http://www.ethanallen.com/client_services_content?contentId=6567094.

We are committed to protecting the health, safety and employment conditions of workers in Our factories and throughout Our supply chain. Our expectation is that Our suppliers and vendors act responsibly in all aspects to ensure that no abusive, exploitative or illegal conditions are present in their workplace. All suppliers providing Ethan Allen with materials falls into the scope of Our supply chain program and is subject to Our Contractor Safety Program requirements.

Ethan Allen manufactures and/or assembles approximately 70% of its products in its own North American plants. These facilities are within Our control and do not engage in human trafficking and/or slavery. Ethan Allen is committed to and operates in accordance with its Leadership Principles, which it expects all affiliates and employees to follow and all suppliers and contractors to embrace. Ethan Allen is engaged, at all levels, in a continuous improvement process and strives to maintain and establish a supply chain that shares Ethan Allen's high ethical and legal standards. The Company engaged a third-party auditing program for all international suppliers to ensure that they operate in accordance with Our Code of Conduct and all applicable laws and regulations. Ethan Allen does not condone the use of slavery or human trafficking and does not knowingly do business with any supplier who engages in such practice. Further, Ethan Allen does not maintain any long-term contracts or commitments with its suppliers and is free to take its business elsewhere should a supplier fall short of Our expectations. To assist in verifying Our vendors' operations, Our merchants, design team, resourcing team, and quality team periodically visit many third-party facilities and simply observe their operations being obligated to report any concerns.

We believe that Our business relationships are grounded on a foundation of integrity, honesty, and fairness. We develop relationships with carefully selected suppliers who are committed to responsible business practices. Key components in Our third part audits of Our suppliers include the following: Child labor, discrimination, environment and safety management, fair wages and benefits, forced labor, freedom of association/collective bargaining, health, integrity and anti-corruption, local laws and regulations, monitoring compliance, responsible sourcing, working hours. Our goal is to have Our suppliers audited every two years. (ISS ID 456, 457)

Ethan Allen maintains internal accountability standards for employees and suppliers that fail to meet company standards concerning human trafficking and slavery. Ethan Allen provides formal training to all associates on Ethan Allen's Code of Conduct in Our corporate policies, including action to take in the event of a violation by an associate or supplier.

Conflict Minerals (ISS ID 391, 392, 393, 395 396, 398, 399)

We support an end to the violence and human rights violations in the Democratic Republic of the Congo and associated practices in surrounding countries. These violations are in part financed through tin, tantalum, tungsten and gold trade. Ethan Allen has established a certification/declaration process for Our materials used in products. Conflict minerals and other material regulated (RoHS, Reach, etc.) are evaluated for a more effective means of ensuring compliance. Efforts are also being made to ensure that declarations received are valid and to pursue entities that have not yet certified or declared certification prior to engaging in business. International suppliers are vetted through a third-party contractor evaluating issues such as but not limited to: human rights, safety, child labor, fair wages, slavery and product compliance issues. These efforts follow the OECD Due Diligence Guidelines for responsible supply chain of minerals from conflict-affected and high risk areas.

A conflict minerals report for company vendors is available upon request and has been developed and submitted to regulatory bodies as appropriate. There are no smelters used for waste materials outside the US and all materials purchased are in conflict mineral free areas.

Corrective Actions Plans

When an audit reveals a noncompliance item Ethan Allen works closely with suppliers to develop corrective action plans. Critical risks are identified and there have been no substantial corrective actions identified in 2018.

P. Human Rights

Ethan Allen's commitment to the protection and advancement of human rights is evident in the development of core values in safety and health, environmental stewardship, ethical behavior and overall respect for people. Our Human Rights Policy in conjunction with and supportive of Our Business Ethics and Conduct policy, EMS, and regulatory compliance programs reflect this commitment.

"Ethan Allen is built on a deep and abiding relationship of trust between Our clients, Our retailers, Our shareholders, Our associates, Our suppliers, and the many communities of which We are an integral part. If you create a business environment in which you have a culture of trust and justice, you create a positive attitude. Justice and good governance are good for profitability," commented Farooq Kathwari, Chairman, President and CEO of Ethan Allen Interiors Inc.

Ethan Allen looks to identify, assess, and manage human rights impacts within Our organization by focusing on the following:

Q. Associates Expectations

Ethan Allen is a company built on the principles of integrity and respect, and as such, associates are expected to adhere to both the letter and spirit of the Company's business ethics and conduct policy. The continued success of Ethan Allen depends on Our customers' trust, and We are dedicated to preserving that trust. Associates owe a duty to Ethan Allen, its customers, and its shareholders to act in a way that will merit the continued trust and confidence of the public.

In addition, all associates have the right to be treated with respect and dignity. Our company policies and procedures adhere to all applicable domestic laws and are consistent with labor principles concerning freedom of association, collective bargaining, nondiscrimination, forced labor, and underage workers in the workplace.

R. Local Communities

Ethan Allen, as an organization, respects the cultures, customs, and values of the people in the communities in which We operate.

Ethan Allen contributes, within the scope of Our capabilities, to promote the fulfillment of human rights through improving economic, environmental, and social conditions and serve as a positive influence in communities in which We operate.

S. **Brief of Applicable Codes of Business Conduct and Ethics** (G4-DMA Non-Discrimination)

This code of conduct applies to all employees of Ethan Allen, its subsidiaries and affiliates as Well as to the members of the Board of Directors. These codes are but one element of company policy; We have many other policies. We expect compliance with all company policies. We will not tolerate unethical behavior, and We will not tolerate failure to report instances of possible or actual policy violations. Violations of these codes are serious matters and will result in disciplinary action up to and including termination.

Complying with Law

All employees, officers, and directors should respect and comply with all applicable laws, rules, and regulations of the U.S. and other countries as Well as those of the states, counties, cities, and other jurisdictions, in which Ethan Allen conducts its business.

Such legal compliance should include, without limitation, laws and regulations concerning: safe workplaces, fair wages, hours and working conditions, product safety and compliance, anti-bribery, conflicts of interest, environmental responsibility, and the treatment of all coworkers, vendors, contractors, and/or consultants with dignity and respect. (ISS ID 275) It should also include compliance with "insider trading" prohibitions applicable to Ethan Allen and its employees, officers, and directors. Generally, employees, officers, and directors who have access to or knowledge of confidential or nonpublic information from or about the company are not permitted to buy, sell, or otherwise trade in the company's securities, whether or not they are using or relying on that information. This restriction extends to sharing—and tipping others about—such information, especially since the individuals receiving such information might utilize such information to trade in the company's securities. Ethan Allen has implemented and established trading restrictions to reduce the risk of (or the appearance of) insider trading as set forth in Our Insider Trading policy. Employees, officers, and directors should refer to Our Insider Trading Policy or contact the Legal department if they have questions regarding the applicability of such insider trading prohibitions.

The Codes of Business Conduct and Ethics do not and are not intended to summarize all laws, rules, and regulations applicable to Ethan Allen employees, officers, and directors. All employees, officer, and directors should contact the Legal department and consult the various policies or guidelines that the company has prepared with regard to specific laws, rules, and regulations.

Fair Dealing

Each employee, officer, and director should endeavor to deal fairly with Ethan Allen's customers, suppliers, competitors, officers, and employees. No one should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice.

Environmental Health and Safety Standards Ethan Allen and its employees shall comply with all applicable environmental, health, and safety laws and company policies. It is Our intention to control waste and emissions and to handle any hazardous materials so that We preserve and protect Our environment and provide a safe and healthy workplace.

Reporting Any Illegal or Unethical Behavior (G4-DMA Non-Discrimination)

Employees are encouraged to talk to supervisors, managers, or other appropriate personnel about observed illegal or unethical behavior and, when in doubt, to discuss the best course of action in a particular situation with the Legal department. Employees, officers, and directors who are concerned that violations of these codes or that other illegal or unethical conduct by employees, officers, or directors has occurred or may occur should contact either their supervisor or senior management. If they do not believe it appropriate or are not comfortable approaching their supervisors or senior management about their concerns or complaints, they may contact the Legal department, Audit Committee, or the Nomination/Corporate Governance Committee of the Board of Directors. If their concerns or complaints require confidentiality, including keeping their identity anonymous, this confidentiality will be protected to the extent practicable, subject to applicable law, regulation, or legal proceedings.

Investigations

Employees must fully cooperate with efforts to verify compliance with these codes and with any inquiry concerning a possible violation of these codes. Employees are also obligated to report violations or alleged violations. Employees must not make any false or misleading statements to: the company; its representatives, auditors, or counsel; or its Board of Directors. Employees must not conceal or omit information relating to such an investigation or withhold, conceal, alter, or destroy any hard copy or electronic document, book, or record that relates to such an investigation.

No Retaliation

Ethan Allen will not permit retaliation of any kind by or on the behalf of the company and its employees, officers, and directors against good faith reports or complaints of violations of these codes, company policies or guidelines, or other illegal or unethical conduct.

Equal Employment Opportunity and Anti-Harassment and Training (ISS ID 304, 364, 413, 414, 418)

Ethan Allen promotes a cooperative and productive work environment by supporting the cultural and ethnic diversity of its workforce and is committed to providing equal employment opportunity to all qualified employees and applicants. The company does not unlawfully discriminate based on race, color, sex, sexual orientation, gender identity or expression, religion, national original, marital status, age, disability, veteran's status, or genetic information in any personnel practice, including recruitment, hiring, training, promotion, and discipline.

Public Company Reporting

As a public Company, it is of critical importance that the Company's filings with the Securities and Exchange Commission (SEC) be accurate and timely. Depending on his or her position with the company, an employee, officer, or director may be called upon to provide necessary information to ensure that the company's public reports are timely, complete, fair, and understandable. The company expects employees, officers, and directors to take this responsibility seriously and to provide prompt, accurate answers to inquiries related to the company's public disclosure requirements.

International Business

Ethan Allen does business in many foreign countries that have different laws and customs. Employees who engage in international business are responsible for knowing and complying with both the laws and regulations of the countries in which they conduct business and U.S. laws and regulations that apply outside U.S. borders. Employees are prohibited from engaging in unauthorized transactions with: (1) embargoed countries and individuals or entities listed on the U.S. government's Statutorily Debarred Parties list; (2) any party engaged in arms proliferation—related and users or parties named on the Department of Commerce's Entity list; (3) any party known or believed to be acting in violation of U.S. or foreign laws or regulations; or (4) any party known to support an unsanctioned foreign boycott.

Misconduct

Violations of these codes will result in disciplinary action up to and including termination. No employee may authorize a code violation or disregard any provision in the code. Nor is an employee's violation of a code excused because the employee was directed by another individual to take such action. Nothing in these codes shall modify, change, or otherwise abridge the company's "at will" employment policies. These codes are not intended to - and do not in any way constitute - an employment contract or assurance of continued employment. Nor do they create any rights of any employee, client, supplier, competitor, shareholder, or any other person or entity. These codes are endorsed by and have the full support of the company's Board of Directors. The Board of Directors and Management are responsible for overseeing compliance with an enforcement of these codes.

Reporting Violations

It is everyone's duty to report violations or alleged violations of a questionable, fraudulent, or illegal nature. Employees may send a letter or email to the attention of the company's General Counsel. The company also maintains a Corporate Governance hotline that can be used to report violations of these codes. Reports to the General Counsel and/or the hotline may be made anonymously. The company will handle inquiries discretely and make every effort to maintain them in confidence, including the confidentiality of anyone requesting guidance or reporting a possible violation, when it is allowed by law.

T. The Importance of Community

Community involvement is an absolute must. We have tremendous credibility in Our communities and with Our clients, which We believe is a direct result of the credibility We in the Ethan Allen community have with one another. As Chairman, President and CEO, Farooq Kathwari sets an example with his personal community leadership activities and encourages the leaders of the local manufacturing, logistics, and Design Centers to set examples as leaders in their communities. Our people are big champions of the causes that matter most to them and their local communities.

In some communities where We have manufacturing facilities, We are the largest employer in the area, and at all levels of the company, We take that responsibility very seriously. We are part of hundreds of communities in North America; We are deeply involved in them. And in many countries around the world, We have associates and business partners who are deeply involved in their communities as Well.

For more information on Farooq Kathwari's leadership activities, please go to his personal Website, farooqkathwari.com.

Labor Aspects (G4-DMA Child Labor, G4 DMA Human Rights)

Equal Opportunity Employer

Ethan Allen is an Equal Opportunity Employer and is committed to providing equal employment opportunities to all individuals regardless of race, color, religion, sex, national origin, age, disability, marital status, sexual orientation, veteran status, domestic partner status, gender identity, genetic characteristics, medical condition, or any other characteristic protected by law. This policy applies to all phases of the employment process such as recruitment, selection, advancement opportunities, training, layoffs, recalls, and terminations.

Reasonable Accommodation

Ethan Allen is committed to fully complying with Americans with Disabilities Act (ADA) and ensuring equal opportunity in employment for all individuals, including qualified persons with disabilities.

Ethan Allen will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship to the company. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

This policy is neither exhaustive nor exclusive. Ethan Allen is committed to taking all other actions necessary to ensure equal employment opportunity for persons with disabilities in accordance with ADA and all other applicable federal, state, and local laws.

Child and Forced Labor and Human Trafficking

Ethan Allen will not tolerate the use of child or forced labor, slavery, or human trafficking in any of its operations and facilities. Ethan Allen will not tolerate the exploitation of children, their engagement in unacceptably hazardous work, or the trafficking, physical punishment, abuse, or involuntary servitude of any worker. We expect Our suppliers and contractors with whom We do business to uphold the same standards. Should a pattern of violation of these principles become known to Ethan Allen; We shall discontinue the business relationship.

Dodd-Frank Wall Street Reform and Consumer Protection Act

Dodd-Frank has broad and deep implications that will touch every corner of financial services and many other industries. Our evaluation of the act determined that Our greatest risk could be associated with the Conflict Mineral Manufacturers (Section 1502).

In recent years, there has been an increasing international focus on "conflict minerals" emanating from mining operations in the Democratic Republic of the Congo (DRC) and adjoining countries. Armed groups engaged in mining operations in this region are believed to subject workers and indigenous people to serious human rights abuses and are using proceeds from the sale of conflict minerals to finance regional conflicts. Government agencies, industry, and human rights groups such as the U.S. Government Accountability Office, the Organization for Economic Cooperation and Development (OECD), the Electronic Industry Citizenship Coalition (EICC), and the Global e-Sustainability Initiative (GeSI) have been working to raise awareness and bring about change.

On July 21, 2010, in response to these concerns, the U.S. Congress enacted legislation that requires certain public companies to provide disclosures about the use of specified conflict minerals emanating from the DRC and nine adjoining countries aka “Covered Countries,” which Central Africa Republic, South Sudan, Zambia, Angola, The Republic of the Congo, Tanzania, Burundi, Rwanda, and Uganda. Section 1502 of the Dodd-Frank Act is intended to make transparent the financial interests that support armed groups in the DRC area. By requiring companies using conflict minerals in their products to disclose the source of such minerals, the law is aimed at dissuading companies from continuing to engage in trade that supports regional conflicts.

Section 1502 is applicable to all SEC “issuers” (including foreign issuers) that manufacture or contract to manufacture products where conflict minerals are necessary to the functionality or production of the product. The industries most likely to be affected include electronics and communications, aerospace, automotive, jewelry, and industrial products.

On August 22, 2012, after much public comment and a year and a half after issuance of its proposed rule, the U.S. Securities and Exchange Commission (SEC) issued a final rule to implement the new disclosure requirements required by Dodd-Frank.

We will **take the following steps in Our approach to** address the conflict mineral requirements applicable to Section 1502 of the Dodd-Frank Act:

1. First, We will engage Our Supply Chain team to ascertain if We would be subject to the conflict materials disclosure requirements by determining whether We use any of these minerals in Our products.

2. If conflict minerals are used in Our products, We would conduct a “reasonable country of origin inquiry” to determine where the conflict materials originated from (whether from the DRC, a Covered Country, or elsewhere) and whether they are considered “recycled or scrap” materials.

3. If the conflict minerals are not from recycled or scrap materials and have originated from the DRC or one of the Covered Countries, We will engage an independent auditor to prepare a “Conflict Minerals Report.” We would exercise due diligence on the source and chain of custody of these minerals. The Conflict Minerals Report must be attached as an exhibit to Form SD and filed with the SEC.

Materiality

This report focuses on the topics most material to Ethan Allen and We gather input from a variety of internal and external sources to ensure that We are aware of emerging issues for Our investors, communities, associates and customers. The input for this report has been developed through Our policies, programs, guidelines and risk factors, external releases, feedback and insight from Our customers and associates, Shareholder engagement and communications, traditional media and online and social media, industrial trade groups Environmental, social and corporate governance reporting frameworks such as GRI and ISS Corporate Solutions, trending and emerging issues relative to Our business.

This Report

The information presented in this report reflects the business spanning various years to present the historic intent of the company regarding its corporate responsibility for EH&S, Social and sustainable practices. This is Our first Corporate Responsibility report and Our goal is to provide these reports every two years and publish data summaries as appropriate. The company assumes no obligation to update the online content or statements in this report. Various statements contained in this report about future developments and past occurrences are based upon information and assumptions available as of the date of this report. This report contains standard disclosures from the Global Reporting Initiative (GRI) Sustainability reporting Guidelines and as Well as disclosures as they apply to ISS Corporate Solutions data verification requirements, references to these are disclosed within the document. The report covers core businesses including manufacturing, distribution, service centers and design centers of company owned operations. Ethan Allen conducted an internal review of all the data and assumptions contained in the report to ensure accuracy of the content, but this report has not been reviewed, verified or assured by and independent third party.

ATTACHMENT:1

ETHAN ALLEN SUPPLIER CODE OF CONDUCT

The following describes Ethan Allen's Supplier Code of Conduct, which details Ethan Allen's requirements for all our suppliers and third-party suppliers. The intent of this code is to communicate our expectations for and intent when promoting socially responsible business ethics worldwide.

- Suppliers are expected to conduct business in accordance with the highest ethical standards when it comes to compliance with laws and regulations on bribery, corruption, and prohibited business practices. Standards of fair business, advertising and competition are to be upheld at all times. Ethan Allen's customer information is to be safeguarded at all times.
- Responsible Sourcing of Minerals – vendors are expected to comply with and be able to demonstrate compliance with all standards associated with the Dodd-Frank Wall Street Reform Consumer Protection Act provisions for Conflict Minerals.
- Forced or involuntary labor is unacceptable as is child labor (where the law of the country permits). Although we support the use of legitimate workplace apprenticeship programs, we also encourage the completion of compulsory education and support the minimum age requirements in the countries where we do business.
- Fair wages, compensation and benefits that comply with all legal requirements of the country in which we do business are expected, and working hours should meet the restrictions required under the law of that country.
- We expect to be treated with respect and dignity, and through good faith, we expect our suppliers to treat their employees with the same mutual respect; therefore we support our suppliers' efforts to establish favorable employment conditions, free from discrimination, and we maintain effective communication programs as a way of promoting positive employee relations. All communication is to be free from the treat of retaliation.
- Health and safety are high priorities at Ethan Allen, and we expect our suppliers to provide their employees safe workplaces in compliance with all applicable laws and regulations, including the implementation of methods that improve human safety and chemical safety, and to provide acceptable health and safety standards in any housing provided to employees.
- Suppliers are expected to operate in a manner that is protective of the natural environment and comply with environmental requirements specific to the products and services they provide.
- Supply chain transparency is required to confirm compliance with this code of conduct. Ethan Allen will request documentation, conduct onsite audits, develop corrective action as a result and verify that corrective action is complete to ensure compliance with this code of conduct.

We expect our suppliers as good business partners to maintain this code of conduct to demonstrate their support of these initiatives and requirements by communicating these principles with their supervisors, employees and suppliers.

PROBLEM RESOLUTION

Ethan Allen is committed to providing the best possible working conditions for its Associates. Part of this commitment is encouraging an open and frank atmosphere in which any problem, complaint, suggestion, or question receives a timely response from Ethan Allen supervisors and management.

Ethan Allen strives to ensure fair and honest treatment of all Associates. Supervisors and managers are expected to treat each other with mutual respect. Associates are encouraged to offer positive and constructive feedback.

If an Associate disagrees with established rules of conduct, policies, or practices, they can express their concern through the problem resolution procedure. No Associate will be penalized, formally or informally, for voicing a complaint with Ethan Allen in a reasonable, businesslike manner, or for using the problem resolution procedure.

If a situation occurs when an Associate believes that a condition of employment or a decision affecting them is unjust or inequitable, they are encouraged to make use of the following steps. The Associate may discontinue the procedure at any step.

1. The Associate presents the problem to his or her immediate supervisor immediately after the incident occurs. If the supervisor is unavailable or the Associate believes it would be inappropriate to contact that supervisor, the Associate may present the problem to their department manager or the Human Resources department or any other member of management.
2. The Supervisor/HR representative responds to the problem during the discussion or after consulting with appropriate

: YOUR EMPLOYMENT RELATIONSHIP AT THAN ALLEN

management, when necessary. The Supervisor documents the discussion and meets with the Associate to review.

3. If the problem is unresolved, the Associate presents the problem to the Human Resources department.
4. The Human Resources department advises the Associate, assists in putting the problem in writing, and visits with the Associate's supervisor(s), if necessary. Human Resources documents all discussions and meets with the Associate to review.
5. If the problem is unresolved, the Human Resources Director will review the problem. The Human Resources Director has the full authority to make any recommendation deemed appropriate to resolve the problem. The Corporate Human Resources Director informs the Associate in writing of the decision and retains a copy in the Associate's file.

Not every problem can be resolved to everyone's total satisfaction, but only through understanding and discussion of mutual concerns can Associates and management develop confidence in one another. This confidence is important to the operation of an efficient and harmonious work environment.

GRI and ISS Index

This report contains Standard Disclosures from the GRI Sustainability Reporting Standard and the Institutional Shareholder Services (ISS) Corporate Governance Requirements

GRI 102: General Disclosures 2018 Ethan Allen

Index GRI Index ISS	Data	Reason for Omission/Explanation
1. Organizational profile		
102-1 Name of the organization	• Company Overview (P.3)	Company 10K Financial Report
102-2 Activities, brands, products, and services	• Ethan Allen Business Operations (10K)	
102-3 Location of headquarters	• Corporate Responsibility Report (Cover Page)	
102-4 Location of operations	• Net Sales is incorporated into the environmental statistics as a normalizing factor • Number of Employees by Region within HR systems • Ethan Allen Directory • Company Overview (P3)	Directory available on Ethan Allen System Employee and associate data available on HR system
102-5 Ownership and legal form	• Ethan Allen Business Overview (10K)	
102-6 Markets served	• Ethan Allen Business Overview (10K)	
102-7 Scale of the organization	• Ethan Allen Business Overview (10K) • Business Summary (10K)	Company 10K attached

Index GRI Index ISS	Data	Reason for Omission/Explanation
102-8 Information on employees and other workers	• Ethan Allen Business Operations (10K) • Data Summary (Human Rights and Labor Policy) • Corporate Responsibility Report	
102-9 Supply chain	• Ethan Allen's Supply Chain and the Fulfillment of its Social Responsibility • Supply chain Audits Suppliers • Supply Chain Management	
102-10 Significant changes to the organization and its supply chain	• Net Sales by Business Unit and Main Products • Main Group Companies (10 K) • Business Reports (10K)	Business Restructure re-invention.
102-11 Precautionary Principle or approach	• Management Systems Approach (Environment) • Management Approach (Human Rights and Labor policy) • Management Approach Leadership Principles • Addressing the Issue of Conflict Minerals	Product Responsibility is part of the Supply chain auditing program and quality program.
102-12 External initiatives	• Association Memberships and Participating External Initiatives (Attach a list of participating memberships)	
102-13 Membership of associations	Association Memberships and Participating External Initiatives (Ibid)	
2. Strategy		
102-14 Statement from senior decision-maker	• Message letter from CEO	
102-15 Key impacts, risks, and opportunities	• Message from Management • Management Approach (Environment) • Management Approach (Human Rights and Labor) • Management Approach (Social Responsibility) (Attach Product Compliance scope)	(See emission metrics and Global Greenhouse risk CDP)

Index GRI Index ISS	Data	Reason for Omission/Explanation
	• Management Approach (Product Responsibility)	
3. Ethics and integrity		
102-16 Values, principles, standards, and norms of behavior ISS 1 Env Policy includes Vendors ISS 20 Eco -labels	• Corporate EH&S Policy • Ethan Allen's Growth Strategy and Sustainability • Corporate Leadership Principles • Prohibiting Discrimination Policy • Environmental Management	Ethan Allen is part of the American Home Furnishing Alliance program and is registered as a design for Environment level company. Product Compliance labels are identified on each product associated with various programs for example: California CARB Compliance.
102-17 Mechanisms for advice and concerns about ethics	• Prohibiting Discrimination Policy • Compliance, Ethics and reporting hotline	
4. Governance		
102-18 Governance structure	• Corporate Governance • An Overview of Corporate Governance at Ethan Allen, Inc. (10K)	
102-19 Delegating authority	• Ethan Allen EH&S Business Standard Policy • Process and structure of responsibilities • An Overview of Corporate Governance at Ethan Allen Inc. Web site	
102-20 Executive-level responsibility for economic, environmental, and social topics	• HR Promotion System • Global Environmental System • Quality Assurance System • Process for Responding to Quality Issues (Attachment Product Compliance Audit scope) • Corporate Governance • Risk Management System (M004 Risk Assessment Methods) • Information Security Management System, internal and external	

Index GRI Index ISS	Data	Reason for Omission/Explanation
	• An Overview of Corporate Governance at Ethan Allen, Inc. (https://www.ethanallen.com/en_US/corporate-guidelines.html)	
102-21 Consulting stakeholders on economic, environmental, and social topics	• EH&S Monthly Conference calls, programs EH&S Council, EH&S Business Management Standard Policy • Shareholders communications • Third-Party Review Process (Product Compliance Audit Scope)	
102-22 Composition of the highest governance body and its committees	• Corporate Governance • Annual Reports (10K) • An Overview of Corporate Governance at Ethan Allen, Inc. (https://www.ethanallen.com/en_US/corporate-guidelines.html)	
102-23 Chair of the highest governance body	• Corporate Governance https://www.ethanallen.com/en_US/corporate-guidelines.html)	
102-24 Nominating and selecting the highest governance body	• Corporate Governance • Ibid	
102-25 Conflicts of interest	• Conflicts of Interest Policy • An Overview of Corporate Governance at Ethan Allen, Inc.	
102-26 Role of highest governance body in setting purpose, values, and strategy	• Corporate and Board Management • CEO Letter • Leadership Principles	
102-27 Collective knowledge of highest governance body	• Corporate Board Committee, Risk Management Committee, and Disclosure Committee (10K)	

Index GRI Index ISS	Data	Reason for Omission/Explanation
	• An Overview of Corporate Governance at Ethan Allen, Inc. (https://www.ethanallen.com/en_US/corporate-guidelines.html)	
102-28 Evaluating the highest governance body's performance	• Corporate and Board Management • Corporate Governance (https://www.ethanallen.com/en_US/corporate-guidelines.html)	
102-29 Identifying and managing economic, environmental, and social impacts	• EHS M004 Risk Assessment Program M004 • An Overview of Corporate Governance at Ethan Allen, Inc. (https://www.ethanallen.com/en_US/corporate-guidelines.html)	
102-30 Effectiveness of risk management processes	• Risk Assessment EHS M004 and EH&S Audit • An Overview of Corporate Governance at Ethan Allen, Inc.. (https://www.ethanallen.com/en_US/corporate-guidelines.html)	
102-31 Review of economic, environmental, and social topics	• Ibid • An Overview of Corporate Governance at Ethan Allen, Inc.. (https://www.ethanallen.com/en_US/corporate-guidelines.html)	
102-32 Highest governance body's role in sustainability reporting	• Corporate Management	
102-33 Communicating critical concerns	• 10KI • Corporate Governance (https://www.ethanallen.com/en_US/corporate-guidelines.html) • Annual Sustainability Report (attach living Our values)	

Index GRI Index ISS	Data	Reason for Omission/Explanation
102-34 Nature and total number of critical concerns	• 10 K and Company Annual report	
102-35 Remuneration policies	• Executive Compensation (10 K annual report)	
102-36 Process for determining remuneration	• Executive Compensation (10K annual report)	
102-37 Stakeholders' involvement in remuneration	• Ibid	
102-38 Annual total compensation ratio	non-disclosure	Confidentiality: disclosure of said information restricted due to confidentiality risks
102-39 Percentage increase in annual total compensation ratio	non-disclosure	Confidentiality: disclosure of said information by Ethan Allen restricted at current time due to risks relating to confidentiality provisions in employment contracts
5. Stakeholder engagement		
102-40 List of stakeholder groups	• Third-Party Opinion (see: Product Compliance Audits scope)	
102-41 Collective bargaining agreements	• N/A	No Unions
102-42 Identifying and selecting stakeholders	• Corporate Philosophy • Supporting Our people	
102-43 Approach to stakeholder engagement	• N/A	
102-44 Key topics and concerns raised	• Board Meetings, 10K Annual report	
6. Reporting practice		

Index GRI Index ISS	Data	Reason for Omission/Explanation
102-45 Entities included in the consolidated financial statements	• Company description (10K)	
102-46 Defining report content and topic Boundaries	• Corporate Responsibility Report (P.1-2) • Identifying and Reviewing Materiality (10K Annual Report)	
102-46 6.1 Defining report content and topic Boundaries	• Identifying and Reviewing Materiality (10K Annual Report)	
102-47 List of material topics	• Identifying and Reviewing Materiality (10 K Annual Report) • Environmental Risks (10K)	
102-48 Restatements of information	• Corporate Responsibility Report	
102-49 Changes in reporting	• Main Group Companies • Business Reports	
102-50 Reporting period	• About this Report	
102-51 Date of most recent report	• About this Report	
102-52 Reporting cycle	• About this Report, intended every three year or more	
102-53 Contact point for questions regarding the report	• Corporate office EH&S, CFO	
102-54 Claims of reporting in accordance with the GRI Standards	• GRI Standard format and ISS Report requirements combined in to the Corporate Responsibility Report within this document	

<table>
<tr><th>Index GRI

Index ISS</th><th>Data</th><th>Reason for
Omission/Explanation</th></tr>
<tr><td>102-55
GRI content index</td><td rowspan="2">• GRI Standard Implementation based upon available data</td><td rowspan="2"></td></tr>
<tr><td>102-55
6.3
GRI content index</td></tr>
<tr><td>102-56
External assurance</td><td></td><td>No third-Party review.</td></tr>
</table>

GRI 103: Management Approach

Index	Data	Reason for Omission/Explanation
103-1 Explanation of the material topic and its Boundary	• Ethan Allen's Responsibility Report herein • 10K Materiality (10 K Annual Report) • Activity Highlights in Regard to Environmental and Social pillars of ISS • Management Approach (Living Our Values brochure as inclusive document) • Management Approach (Environmental Policy) • (Management Approach (Human Rights and Labor Policy) • Management Approach (Social Contributions as noted)	•
103-2 The management approach and its components	• Ethan Allen's Responsibility Report • 10K Materiality (10 K Annual Report) • Activity Highlights regarding Environmental and Social pillars of ISS • Management Approach (Living Our Values attached) • Management Approach (Environment) • Management Approach (Human Rights and Labor policy) • Management Approach within the document	•
103-3 Evaluation of the management approach	• Ethan Allen's Responsibility Report herein • 10K Materiality (10 K Annual Report) • Activity Highlights in Regard to Environmental and Social pillars of ISS • Management Approach (Living Our Values brochure) • Management Approach (Environment)	•

	• (Management Approach (Human Rights and Labor • Management Approach (Social Contribution) • Management Approach (Product Responsibility)	

GRI 201: Economic Performance

Index	Data	Reason for Omission/Explanation
2. Topic-specific disclosures		
201-1 Direct economic value generated and distributed	• Ethan Allen Business Operations as described in the report • Ethan Allen's Social Contribution Activities • Humanitarian Aid and Disaster Relief • ETHAN ALLENFACT BOOK • Annual Reports • Business Reports	Confidentiality: disclosure of tax amounts by country omitted for reasons of corporate confidentiality
201-2 Financial implications and other risks and opportunities due to climate change	• Management Approach see Climate change risk analysis	
201-3 Defined benefit plan obligations and other retirement plans	• Corporate Pension Plan and 401K plans established	
201-4 Financial assistance received from government	non-disclosure	Confidentiality: disclosure of said information restricted due to confidentiality risks relating to parts of content

GRI 202: Market Presence 2016

Index	Data	Reason for Omission/Explanation

202-1 Ratios of standard entry level wage by gender compared to local minimum wage	• Comparison of Ethan Allen's Minimum Wage to Local Minimum Wage	National averages are used but three differing programs for wage data are used for establishing wages.
202-2 Proportion of senior management hired from the local community	• Hr systems for hiring practices and data capture	Providing a single definition of "local areas or communities" at the company level is difficult because Ethan Allen's business development spans many different countries, regions and industrial sectors.

GRI 203: Indirect Economic Impacts

Index	Data	Reason for Omission/Explanation
203-1 Infrastructure investments and services supported	• 10 K Annual Report • Living Our Values	
203-2 Significant indirect economic impacts	• 10 K Annual Report	

GRI 204: Procurement Practices

Index	Data	Reason for Omission/Explanation
204-1 Proportion of spending on local suppliers	non-disclosure	Confidentiality: disclosure of said information restricted due to confidentiality risks relating to parts of content

GRI 205: Anti-corruption

Index	Data	Reason for Omission/Explanation
205-1 Operations assessed for risks related to corruption	• Prevention of Bribery (Code of Conduct)	Confidentiality: disclosure of said information restricted from Ethan Allen's standpoint due to the confidentiality risks relating to some content. Prevention of bribery is consistent with the values expressed in the Ethan Allen Code of Conduct, and education on this topic is given to employees.
205-2 Communication and training about anti-corruption policies and procedures	• Compliance Training from HR	
205-3 Confirmed incidents of corruption and actions taken	non-disclosure	Confidentiality: disclosure of said information restricted due to confidentiality risks relating to parts of content

GRI 206: Anti-competitive Behavior

Index	Data	Reason for Omission/Explanation
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	non-disclosure	Confidentiality: disclosure of said information restricted due to confidentiality risks

GRI 301: Materials

Index	Data	Reason for Omission/Explanation
301-1 Materials used by Weight or volume	• Overview of Environmental Impacts, see Carbon footprint and calculator description.	
301-2 Recycled input materials used	• Recycling	

301-3 Reclaimed products and their packaging materials	• Packaging Materials as described	

GRI 302: Energy

Index	Data	Reason for Omission/Explanation
302-1 Energy consumption within the organization ISS 71, 72, 73, 74, 75 Energy conservation and performance ISS 78, 79 80 Disclosing electrical poWer use. ISS 82 Grid Energy ISS 83, 84, 85, 86, 87, 88, 89, 91 Renewable and nonrenewable sOurces ISS 96, 97, 98, 99 energy reduction from non-renewable sOurces ISS 102 CDP disclosure of risk management regard to climate change ISS 105 managements role in climate change ISS 106 Climate risk integrated into strategy	• Environmental Performance see metrics • Carbon Footprint metrics • Data on Energy metrics • Corporate Responsibility Report • Outlined report not submitted to CDP	Total energy savings is attributed to reduction of Kwhrs as totaled in the CFC program. Due to inconsistencies of national electrical costs, transmission costs and peak costs; Kwhrs are the best indication of savings. Renewable and nonrenewable sOurces are distinguished from the total KWhrs in the calculation of CO2e based upon national energy derived sOurces as referenced in the CFC program. This is indicated by the carbon factor used in total carbon calculations for energy emissions of CO2e. Reductions of energy depicted are total energy consumption not specific to non-renewable sOurces. CDP is not used for disclosing risks see Corporate responsibility report Managements role in climate change is in the perpetual drive to attain corporate goals as they apply to each location in the EMS and EH&S Policy.

302-2 Energy consumption outside of the organization	• Overview of Environmental Impacts • Contributing to a Low-Carbon Society via burning wood fuel and eliminating landfill volumes and energy associated with steam heat derived from these processes.	
302-3 Energy intensity	• Environmental Goals and Achievements, see report and metrics • Contributing to a Low-Carbon Society, see carbon footprint metrics	
302-4 Reduction of energy consumption ISS 60, 61, 62 Energy Management System and ISO 50001 ISS 63,64,65,66,67,68,69 70 Energy from nonrenewable and renewable sOurces.	• Environmental Goals and Achievements (PP.) • Contributing to a Low-Carbon Society (PP.) • Data on Energy Corporate Responsibility Report • Energy evaluations are performed at each manufacturing Distribution and Service Center site based upon Management system requirements • In addition to local efforts the company collects energy data for analysis using an outside data analysis tools (ECOVA) and metrics are included in the Corporate Reports.	ISO 50001 is based on the management system model of continual improvement also used for other Well-known standards such as ISO 9001 or ISO 14001. This makes it easier for organizations to integrate energy management into their overall efforts to improve quality and environmental management. The AHFA is the consortium for the Furniture industry who has established its own set of Management system requirements (see AHFA Web site EFEC and SBD). ISO 50001:2018 provides a framework of requirements for organizations to: • Develop a policy for more efficient use of energy • Fix targets and objectives to meet the policy • Use data to better understand and make decisions about energy use • Measure the results • Review how Well the policy works, and • Continually improve energy management. Ethan Allen requires each location involved with Sustainability by Design to evaluate its use and type of local efforts can be accomplished to reduce energy consumption or increase efficiencies in energy use.
302-5 Reductions in energy requirements of products and services	• Carbon Footprint Carbon • Environmental emission reductions	

GRI 303: Water and Effluents

Index	Data	Reason for Omission/Explanation
303-1 Interactions with water as a shared resOurce	• Water Metrics See metric section of report • Data on Water ResOurces	
303-2 Management of water discharge-related impacts	• Water Metrics • Regional Water ResOurces regulated by State and Federal agencies	No fines or penalties noted in 2018.
303-3 Water withdrawal	• Water ResOurces section	

GRI 304: Biodiversity

Index	Data	Reason for Omission/Explanation
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	• Acquisition and Divestiture Program (PP.) • Material risks (10 K annual report)	Local environmental impact assessments are made within operational sites or prior to constructing any operating sites to ensure there are no critical issues. Ethan Allen also promotes business activities that are in line with an EMS policy. The site has settled all significant known outstanding liabilities for off-site contamination.
304-2 Significant impacts of activities, products, and services on biodiversity	• Forestry	Based on biodiversity principles, Ethan Allen has instituted a range of requirements to ensure the responsible procurement of timber and wood products; efforts are made to evaluate and minimize any direct or indirect environmental impacts due to Ethan Allen products and services.

GRI 305: Emissions

Index	Data	Reason for Omission/Explanation

305-1 Direct GHG emissions ISS 38 GHG reductions in emissions, ISS 39 GHG Targets, ISS 40 2 Degree Scenario ISS 42 The Science Based Target Initiative ISS 43 Disclosure investments in Low Carbon Opportunities.	• Environmental Performance metrics • Historic Reductions Through Initiatives at Operational Sites • • Data on GHG emission Targets Responsibility Report • Although Our targets and goals are currently being developed for the next 10 years Our methods are based upon science and continuous improvement methods in manufacturing. The science is based upon EPA warm models and other calculations supported by the DOE and EPA which are referenced in Our Carbon Footprint Calculator. • The company does not disclose investments in low carbon businesses hoWever, manufacturing does purchase wood chips from time to time to augment the energy needs for industrial boilers.	
305-2 Energy indirect GHG emissions	• Overview of Environmental Impacts see Environmental metric section • Reduction Through Initiatives at Operational Sites • Data on GHG and Carbon footprint metrics	
305-3 Other indirect (Scope 3) GHG emissions	• Overview of Environmental Impacts see metric in the report • GHG Reduction Through Initiatives at Operational Sites • GHG Reduction in Logistics see report for logistics	
305-4 GHG emissions intensity	• Overview of Environmental Impacts and metrics • GHG Reduction Through Initiatives at Operational Sites	
305-5 Reduction of GHG emissions	• Overview of Environmental Impacts see metric in the report • GHG Reduction Through Initiatives at Operational Sites • GHG Reduction in Logistics see report for logistics	
305-6 Emissions of ozone-depleting substances (ODS)	• Chemical Restrictions, EH&S Business Management Standard	
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions ISS 122, 123, 124,125, 126, 127, 128 disclosure of air emissions	• Overview of Environmental Impacts (PP) • Managing Chemical Substances Used in Manufacturing Processes (PP.) • Atmospheric Emissions for NOx, Sox, and others are included in the report. • Climate change risk assessment in included in this report. • See Corporate Responsibility Report	The GHG Protocol from World ResOurces Institute, et al is the standard that covers the accounting and reporting of seven greenhouse gases covered by the Kyoto Protocol – carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PCFs), Sulphur hexafluoride (SF_6) and nitrogen trifluoride (NF_3). It was updated in 2015 with the Scope 2 Guidance,

ISS 45, 46,48, 49 Reporting to CDP ISS 106, 107, 108, 109, 110, 111, GHG integrated into risk management ISS 50, 51, 52, 53, 54, 58 Quantitative metrics for GHG emissions		which allows companies to credibly measure and report emissions from purchased or acquired electricity, steam, heat, and cooling. Ethan Allen uses similar steps in the outlined calculations for GHG emissions, reference data for calculations can be found in the Carbon Footprint Calculator. Steam hoWever is not measured or included as an emission sOurce. Our data is included in Our sustainability and corporate responsibility reporting but is not uploaded to the CDP Quantitative and Qualitative emissions are disclosed, and specific parameters are also regulated and monitored per manufacturing's Permit to operate including NOx, Sox and HAPs. The company has imposed a self-restricting limit to all HAP emissions after significant reformulations have awarded the company a 90% decrease in HAP emissions and Merit award from the Federal EPA.

GRI 306: Effluents and Waste

Index	Data	Reason for Omission/Explanation
306-1 Water discharge by quality and destination ISS 199, 200, 201, 202, 203 Total water use ISS 204, 205, 206, 207, 208, 209 Scarcity of water, risk, compliance ISS 210, 212, 213 water recycled ISS 198 UN Global Compact CEO Water Mandate	• Overview of Environmental Impacts • Aiming for Sustainable Water ResOurces • CFC Data on Water Reductions • Corporate Responsibility Report	There Were no accidents involving leakage of water or other unforeseen incidents in 2018. The six commitments of the UN Global Climate Mandate is not specifically endorsed hoWever the intent for water reduction for operations within the companies control are supported. 1. Direct Operations 2. Supply Chain & Watershed Management 3. Collective Action 4. Public Policy 5. Community Engagement 6. Transparency Water withdrawn, and waste water is considered total volume included in disclosed US manufacturing metrics. No water violations or permit violations have been cited in 2018. Metrics do not distinguish recycled water just total reduction in water use.

306-2 Waste by type and disposal method ISS 158 E-waste commitment ISS 162, 163, 164, 165, 166, 167 nonhazardous waste ISS 168, 169, 170,171, 172, 173, 174 175, 176, 177, 178 Waste Management and recycling ISS 181, 182, 183 Haz and non Haz waste metrics and timeline. ISS 184, 185, 186, 187, 188 Packaging material	• Overview of Environmental Climate Impacts • Initiatives to Reduce Waste at Operational Sites are established at each location in a pollution prevention plan or equivalent. Contracts are established for proper disposal under State and Federal guidelines. • Data on Non- Hazardous Waste and hazardo0us waste noted under Waste and Toxicity section. • Pollution prevention plans • Corporate Responsibility Report	Each manufacturing location has as required by law pollution prevention plans. E-waste and other universal waste are appropriately managed, and the focus is on reduction of these materials as waste. Operations are encOuraged to recycle or repurpose e-waste as much as practicable. Nonhazardous waste is covered by all US operations and includes packaging and consumer-based materials landfilled. Recycled materials are identified separately at the local level and compiled as described in the Corporate Responsibility Report. 10-year Goals are general in nature based upon corporates directive for continuous improvement and reductions, targets are set by each individual entity and revieWed annually as metric and compiled. Initially in 2010 reduction metrics Were established at 10% for most categories and have been achieved and passed in prior years. Packaging material quantities and metrics are accounted for through internal procurement and purchasing departments
306-3 Significant spills	• Environmental Regulatory Compliance and Response to Complaints (P.) • Managing Chemical Substances Used in Manufacturing Processes (PP.)	There Were no accidents causing any serious environmental impact or related compliance violations in 2018. Moreover, all atmospheric and wastewater emissions from Ethan Allen operating sites Were within prescribed limits.
306-4 Transport of hazardous waste ISS 159, 160, 161 disclosure	• Overview of Environmental Impacts (PP) • Managing Chemical Substances Used in Manufacturing Processes (PP) • Corporate Responsibility Report	Recycling of waste materials is outsOurced to material recyclers properly in accordance with local regulations.
306-5 Water bodies affected by water discharges and/or runoff	• Reducing Emissions into the Atmosphere and Waterways and Preventing Pollution (P.)	Local environmental impact assessments are made prior to constructing any operating sites to ensure there are no critical issues. Sites also operate strictly within any local limits on total water consumption.

GRI 307: Environmental Compliance

Index	Data	Reason for Omission/Explanation
307-1 Non-compliance with environmental laws and regulations	• Corporate Responsibility Report and Response to Complaints (P.)	There Were no accidents causing any serious environmental impact or related compliance violations in 2018. Moreover, no related fines or penalties Were levied on the Ethan Allen.

ISS 55, 56, 57 Regulated emissions ISS 295 Major Env. Controversy ISS 7 EMS & ISS 8 ISO 1400 or Certified EMS ISS 21 Climate Change Policy ISS 22 Climate Risk ISS 23,24,25,26.28 Climate related ISS 35 Climate Change disclosure risky, strategy and financial planning ISS 36 Climate multi Scenarios ISS 37, 2-degree limit, ISS 222 Forestry	• Regulated Emissions for GHGs and Carbon equivalents are included in the Carbon footprint Calculator • The Environmental Business Standard and Policy outline the Environment, Health and Safety Management System • See Corporate Responsibility Report for Climate Change • Ibid	Ethan Allen is a member of the American Home Furnishing Association, a trade consortium that has developed an accepted EMS allowing for Government Contract work. The Company is not therefore ISO 14000 attested. Currently there is no multi financial scenario evaluation for Climate change because the current analysis does not show that these changes would be initially material. Forestry CDP questionnaire is not disclosed.

GRI 308: Supplier Environmental Assessment

Index	Data	Reason for Omission/Explanation

308-1 New suppliers that Were screened using environmental purchasing criteria ISS 5 Env. Standards to suppliers ISS 366 Code of Vendor Conduct ISS 370 Disclose Vendor Code	• Ethan Allen's Supply Chain and the Fulfillment of its Social Responsibility (P) • Environmental Assurance Activities in Cooperation with Suppliers (P.) • Code of Vendor Conduct	The Ethan Allen Green Procurement Standards define the standards relating to environmental performance with which Ethan Allen expects all its suppliers to comply. Ethan Allen hires 3rd party consultants to audit suppliers and manufacturing operations. Corrective actions are generated and addressed through these vendor audit programs.
308-2 Negative environmental impacts in the supply chain and actions taken ISS 6 Priority and nonconformance with Corrective actions ISS 18 Percentage of Supplier Operations Certified ISS 336, 338, 340, 342 Human rights policy applicability	• Ethan Allen's Supply Chain and the Fulfillment of its Social Responsibility Audits • Environmental Assurance Activities in Cooperation with Suppliers • Vendor Letters • Code of Ethics • Corrective Actions for EH&S programs are identified and accountable on a site by site basis and audited through registered AHFA auditors as Well as the third party consultants.	The Ethan Allen Environmental Procurement Standards define the standards relating to environmental performance with which Ethan Allen expects all its suppliers to comply. In the event of a supplier causing any negative environmental impact, Ethan Allen expects that firm to undertake prompt remedial action and report on improvements. The number of suppliers that are subject to assessment or remedial action is not disclosed for reasons of corporate confidentiality. Vendor and Supplier letter have been sent out requesting inquires to the EMS associated with their businesses including ISO 14000. Responses to queries Were less than 5% regarding vendor supplier programs.

GRI 401: Employment

Index	Data	Reason for Omission/Explanation

401-1 New employee hires and employee turnover	• Number of New Hires and Employees Leaving the Company are revieWed through Corporate HR	
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	• Employee Benefit Programs exist • Flexible Work Styles are on a case by case basis.	
401-3 Parental leave	• Abide by State and / or Federal laws for FMLA and ADA, e.g., maturity and paternity	

GRI 402: Labor/Management Relations

Index	Data	Reason for Omission/Explanation
402-1 Minimum notice periods regarding operational changes	• Changes in Work Duties are handled locally and efforts are made for cross training of associates particularly in manufacturing.	

GRI 403: Occupational Health and Safety 2016

Index	Data	Reason for Omission/Explanation
403-1 Occupational health and safety management system	• See AHFA, EFEC and Management systems	
403-2 Hazard identification, risk assessment, and incident investigation	• Included in Climate Change, through EFEC requirements for each location as impact analysis	

403-3 Occupational health services	• Addressing Work with High Risk of Injury, See recordable data in report	
403-4 Worker participation, consultation, and communication on occupational health and safety	• EH&S corporate calls, meeting and training.	

GRI 404: Training and Education

Index	Data	Reason for Omission/Explanation
404-1 Average hOurs of training per year per employee	• Human ResOurce Development	Data unavailable: information on the average time spent in training by employees is not collected currently
404-2 Programs for upgrading employee skills and transition assistance programs	• Human ResOurce Development	Compliance training is required for EH&S and in HR department
404-3 Percentage of employees receiving regular performance and career development reviews	• Regular Performance and Career Reviews	

GRI 405: Diversity and Equal Opportunity

Index	Data	Reason for Omission/Explanation
405-1 Diversity of governance bodies and employees	• Diversity and Inclusion (PP.) • Data Summary (Human Rights and Labor) (P.)	
405-2 Ratio of basic salary and remuneration of women to men	• Base Salary and Total Salary per Employee by Gender	Across the Company, remuneration is based on skills and performance, but is not defined by gender. Remuneration also varies according to factors such as age and qualifications and experience.

GRI 406: Non-discrimination

Index	Data	Reason for Omission/Explanation
406-1 Incidents of discrimination and corrective actions taken	• Respecting Human Rights	

GRI 407: Freedom of Association and Collective Bargaining

Index	Data	Reason for Omission/Explanation
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	• Respecting Basic Workers' Rights, Including Freedom of Association • Socially Responsible Procurement	Confidentiality: disclosure of said information restricted from Ethan Allen's standpoint due to the confidentiality risks relating to some content. Suppliers are given and expected to comply with the Ethan Allen Supplier Guidelines, and a dedicated hotline exists to provide people with related information.

GRI 408: Child Labor

Index	Data	Reason for Omission/Explanation
408-1 Operations and suppliers at significant risk for incidents of child labor ISS 360 Child Labor	• Eliminating Child Labor and Forced Labor • Socially Responsible Product Compliance Audits • Third Party Audits include Child labor evaluation	Confidentiality: disclosure of said information restricted from Ethan Allen's standpoint due to the confidentiality risks relating to some content. Suppliers are given and expected to comply with the Ethan Allen Supplier requirements.

GRI 409: Forced or Compulsory Labor

Index	Data	Reason for Omission/Explanation
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	• Ethan Allen's Supply Chain and the Fulfillment of its Social Responsibility • Eliminating Child Labor and Forced Labor	Confidentiality: disclosure of said information restricted from Ethan Allen's standpoint due to the confidentiality risks relating to some content. Suppliers are given and expected to comply with the Ethan Allen Supplier Code of Conduct

GRI 410: Security Practices

Index	Data	Reason for Omission/Explanation
410-1 Security personnel trained in human rights policies or procedures	—	Not applicable

GRI 411: Rights of Indigenous Peoples

Index	Data	Reason for Omission/Explanation
411-1 Incidents of violations involving rights of indigenous peoples	—	Not applicable

GRI 412: Human Rights Assessment

Index	Data	Reason for Omission/Explanation
412-1 Operations that have been subject to human rights reviews or impact assessments	• Management Approach (Human Rights and Labor) • Respecting Human Rights • The company has not suffered a major human rights controversy. Human right policy is described on Web and	

ISS 302, 316, 317, 318, 329, 331, Human Rights Corruption ISS 335 Water Right Policy	via policy docs. Training is part of the requirements and a governance hotline has been formally established. • Vendor code of conduct The company is not in a high-risk area for water but does recognize the right for water as a basic human right.	
412-2 Employee training on human rights policies or procedures	• Code of Conduct training, anti-harassment, etc. conducted via HR programs	
412-3 Significant investment agreements and contracts that include human rights clauses or that underWent human rights screening	• Supplier Evaluations and Ongoing Surveys Incorporating Environmental and Social Perspectives	

GRI 413: Local Communities

Index	Data	Reason for Omission/Explanation
413-1 Operations with local community engagement, impact assessments, and development programs	• Ethan Allen Social Contributions are site specific and include local community engagement	Local environmental impact assessments are made prior to constructing any operating sites to ensure there are no critical issues. All sites operate with proper consideration for the local environment and community.
413-2 Operations with significant actual and potential negative impacts on local communities	• Contributing to a Society in Harmony with Nature (PP.63-66) (2.5MB) • Social Contribution (PP.97-106) (1.0MB)	See above

GRI 414: Supplier Social Assessment 2016

Index	Data	Reason for Omission/Explanation
414-1 New suppliers that Were screened using social criteria ISS 344 Supplier performance and assistance ISS 345, 336, 337 Supplier audit programs ISS 349 Economic inclusion ISS 350 Environmental performance screening ISS 352, 353 Disclosure of top suppliers	• Socially Responsible Procurement (PP. • Third part auditors on a three year schedule	Prior to entering any business relationship with a new supplier, Ethan Allen conducts checks to see if the company meets Ethan Allen standards in areas such as finances, management set-up, business ethics, and environmental protection. Only firms meeting the criteria are registered on Ethan Allen's official Supplier List. Suppliers are expected to follow Ethan Allen Human Rights policy. The company produces safe products but does not educate consumers about ways to become fully integrated into the banking system addressing economic inclusion. Ethan Allen send periodic questionnaires to Our suppliers regarding what they do to support EMS or what certified or registered companies they are associated with. In addition, Ethan Allen follows the EPA method for preferable purchasing of goods and services. Ethan Allen uses its supplier lists for various purposes but does not disclose this list for the competitive market advantage with long lasting business partners.
414-2 Negative social impacts in the supply chain and actions taken ISS 354, 357, 358 Disclosure of human trafficking risks on supply chain	non-disclosure	Confidentiality: disclosure of said information restricted due to confidentiality risks relating to parts of content. To Our knowledge there has been no negative social impacts of human trafficking on supply chain.

GRI 415: Public Policy

Index	Data	Reason for Omission/Explanation

415-1 Political contributions	non-disclosure	Confidentiality: disclosure of said information restricted due to confidentiality risks relating to parts of content

GRI 416: Customer Health and Safety

Index	Data	Reason for Omission/Explanation
416-1 Assessment of the health and safety impacts of product and service categories	• Ensuring Product Safety	No significant issues noted in 2018
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	• Product recalls • Process for Responding to Quality Issues	No significant non-compliances noted in 2018

GRI 417: Marketing and Labeling

Index	Data	Reason for Omission/Explanation
417-1 Requirements for product and service information and labeling	• California Carb labeling, Bedding, etc.	All labeling is applied as required and there have been no citations or violations of labeling in 2018.
417-2 Incidents of non-compliance concerning product and service information and labeling	• Process for Responding to Quality Issues	No significant incidence reported in 2018.
417-3 Incidents of non-compliance concerning marketing communications	non-disclosure	Confidentiality: any compliance violations resulting in penalties, fines or punishments are disclosed appropriately in the reports filed with relevant government entities

GRI 418: Customer Privacy

Index	Data	Reason for Omission/Explanation
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	• Ensuring Complete Information Security	No Breaches in security have been noted in 2018

GRI 419: Socioeconomic Compliance

Index	Data	Reason for Omission/Explanation
419-1 Non-compliance with laws and regulations in the social and economic area	• Compliance 10 K Annual Report	No related major fines, penalties or sanctions Were levied on the Ethan Allen in 2018.