



Investor Presentation



Forward Looking Statements

This presentation contains "forward-looking" statements based on current expectations regarding future plans, events, outlook, objectives, and financial performance, expectations for future sales growth, and earnings per diluted share (GAAP and non-GAAP). Forward-looking statements can be identified by words including "expect," "believe," "anticipate," "estimate," "may," "will," "would," "could," "confident", or other similar words, phrases, or expressions.

Forward-looking statements involve known and unknown risks and uncertainties, which may cause the Corporation's actual future results and performance to differ materially from expected results. These risks include but are not limited to: the levels of office furniture needs and housing starts; overall demand for the Corporation's products; general economic and market conditions in the United States and internationally; industry and competitive conditions; the consolidation and concentration of the Corporation's customers; the Corporation's reliance on its network of independent dealers; changes in raw material, component, or commodity pricing; market acceptance and demand for the Corporation's new products; changing legal, regulatory, environmental, and healthcare conditions; the risks associated with international operations; the potential impact of product defects; the various restrictions on the Corporation's financing activities; an inability to protect the Corporation's intellectual property; the impact of recent tax legislation; and force majeure events outside the Corporation's control. A description of these risks and additional risks can be found in the Corporation's annual and quarterly reports filed with the Securities and Exchange Commission on Forms 10-K and 10-Q. The Corporation assumes no obligation to update, amend, or clarify forward-looking statements.

Financial Performance Summary

\$2.3B

Net Sales*

\$217M

EBITDA*

\$140M

Free Cash Flow*

1.1x

Debt / EBITDA*

2018 delivering results

- Solid organic growth with profit improvement
- Completed ERP go-live and significant operational transitions
- Strong balance sheet and cash flow generation

Our Business

A family of leading brands providing products and services for the office and home



Two
Segments

Office Furniture

76% of sales
54% of operating profit

Hearth Products

24% of sales
46% of operating profit

Three
Businesses

**Contract
Driven**

**Supplies
Driven**

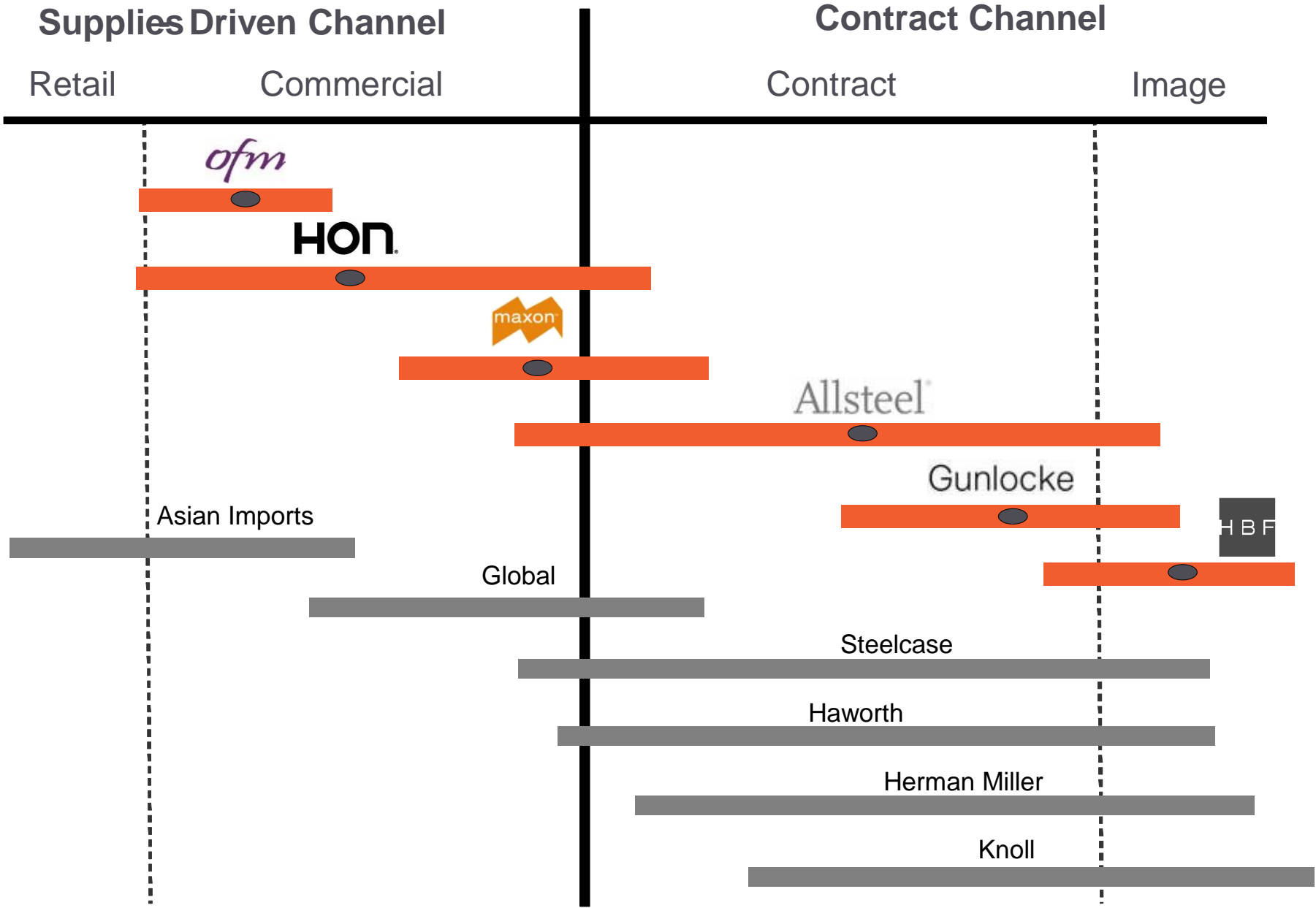
**Hearth
Products**

Market Coverage

Office Furniture

HNI Brands
 ● Core, sweet spot

Key Competitors



HNI provides the broadest market coverage of any office furniture manufacturer.

Our portfolio of brands are tuned and tailored to meet unique customer needs across the market.

- Clear channel leader
- Broadest offering
- Trusted brands delivering value and certainty powered by operational excellence

- Top tier competitor
- High design products at compelling value
- Consistent, flawless execution powered by operational excellence

Right to WIN

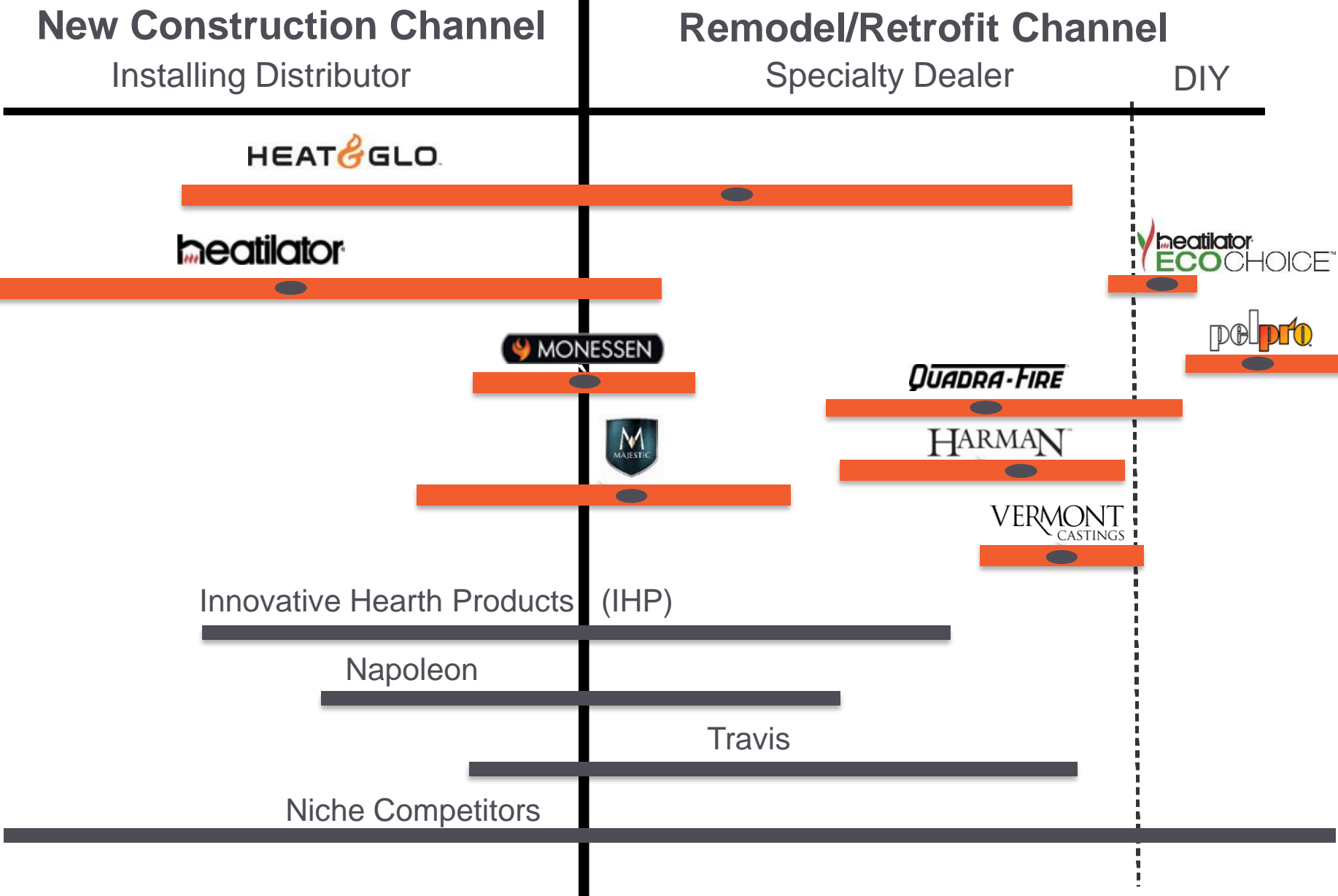
Market Coverage

Hearth Products

HNI Brands
 ● Core, sweet spot

Key Competitors

Right to WIN



HNI has led an industry roll-up and developed a leading portfolio of brands.

Market share of approximately 40% within the hearth products space.

- Installing distributors partner with single family home builders
- Strongest brands, products and distribution delivering unparalleled value powered by operational excellence

- Dealers assist homeowner's with the right products for their need
- Leading products across all residential types drive an unmatched competitive position powered by operational excellence

Our Priorities and Path Forward

Strategic Pillars

- ✓ Operational excellence / best total cost
- ✓ Convenience model – transform end-to-end customer experience, make the buying process easier

Execution Strategies

- ✓ Growth from core markets: offer compelling, on-trend products at a best value through a convenient path to purchase
- ✓ Build brand equity and distribution capability
- ✓ Expand markets: grow internationally, expand hearth market, build out emerging channels

Capital Allocation

- ✓ Continue to invest to drive organic growth and best total cost – invested \$0.5B in capex over last 5 years
- ✓ Continue responsible return of capital to shareholders – returned \$0.5B over last 5 years
 - Maintain and grow quarterly dividend
 - Repurchase shares to offset dilution from compensation plans
 - Additional share repurchases based on excess cash and share price
- ✓ Pursue complementary, value enhancing acquisitions

Our Board of Directors

Diverse, experienced Board is engaged in advising and overseeing strategic priorities

Larry B. Porcellato (Chairman)

Former CEO, Homax

- ✓ CEO experience in the building products industry, financial expertise, international, marketing and corporate governance experience
- ✓ Former CEO (ICI Paints North America), Imperial Chemical Industries

Jeffrey D. Lorenger (CEO)

President & CEO, HNI

- ✓ Significant executive level experience, with broad experience in corporate and operating company roles
- ✓ Former President, Office Furniture, HNI; Former President Allsteel; Former VP (Sales & Marketing), The HON Company

Mary A. Bell

Independent Consultant

- ✓ Considerable logistics, manufacturing and dealer channel expertise and general management experience
- ✓ Former VP (Building & Construction Products), Caterpillar

Abbie J. Smith

Chaired Professor, University of Chicago Booth School of Business

- ✓ Considerable financial and corporate governance expertise
- ✓ Director of DFA Investment Dimensions Group, Dimensional Investment Group & Ryder System

Miguel M. Calado

Chairman & President, WY Group

- ✓ Extensive international, general management, manufacturing and financial expertise
- ✓ Former VP (Corporate Development) & President (iMAX Diagnostic Imaging Business Unit), Hovione; Former President, International, Dean Foods; Former CFO, PepsiCo Foods International

Cheryl A. Francis

Independent Business & Financial Advisor

- ✓ Significant financial expertise as well as corporate governance and executive leadership experience
- ✓ Former CFO, R.R. Donnelley & Sons

John R. Hartnett

EVP, Illinois Tool Works

- ✓ Extensive engineering, marketing, manufacturing, distribution and management experience
- ✓ Numerous business roles at Illinois Tool Works, including head of ITW's Construction Products segment

Mary K.W. Jones

SVP & GC, Deere & Company

- ✓ Significant risk management, corporate governance, compensation and general legal expertise
- ✓ Considerable expertise in the areas of talent strategy, executive succession planning and compensation

Brian E. Stern

Director, Starboard Capital Partners

- ✓ Significant knowledge of the office products and office supplies industry and expertise in product development, sales and marketing
- ✓ Former SVP (Fuji Xerox Operations), Xerox Corporation

Ronald V. Waters III

Independent Business Consultant

- ✓ CEO experience, significant finance expertise, extensive outside audit experience and international, law and information technology expertise
- ✓ Former President & CEO, LoJack; Former CFO Wm. Wrigley Jr. Company; Former Controller, The Gillette Company

Corporate Governance

Our Board believes involvement, independence and integrity make up the foundation of effective corporate governance

Board / Committee Independence

- ✓ Independent Chairman
- ✓ 9 of 10 Directors independent, focus on diversity
- ✓ Fully independent Audit, Human Resources and Compensation, Public Policy and Corporate Governance Committees

Share Ownership / Compensation

- ✓ Robust stock ownership guidelines for CEO and other senior executives
- ✓ Anti-hedging policy for officers and directors
- ✓ Clawback policy for executives

Succession Planning

- ✓ Long-planned and orderly CEO succession process conducted during FY18
- ✓ Board member recruitment process currently on-going
- ✓ Regular review and evaluation of bench-strength available for critical roles

Accountability

- ✓ All directors are elected by a majority of votes cast
- ✓ Shareholders who have at least 50% of total shares outstanding can call special meetings
- ✓ Annual say-on-pay Vote

Board Committees and Board Oversight

Thoughtful approach to committee composition and responsibilities to appropriately address strategic risks

Audit Committee <i>Met 9 times in 2018</i>	Cheryl Francis (C)	Larry Porcellato	Abbie Smith
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Oversees the integrity of HNI’s financial statements, reviews interim and year-end operating results with our independent auditor and ensures compliance with all applicable legal and regulatory requirements

Human Resources & Compensation Committee <i>Met 4 times in 2018</i>	Ronald Waters, III (C)	Mary Bell	John Hartnett
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Reviews and recommends executive compensation plans and determines whether plans encourage excessive risk taking, and oversees annual performance evaluation of the Chairman and CEO by the Board

Public Policy & Corporate Governance Committee <i>Met 4 times in 2018</i>	Brian Stern (C)	Miguel Calado	Mary Jones
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Recommends Director nominees to the Board, develops corporate governance principles applicable to HNI and oversees capital structure, investor relations, and the evaluation process for our Board and committees

Board’s Role in Risk Oversight

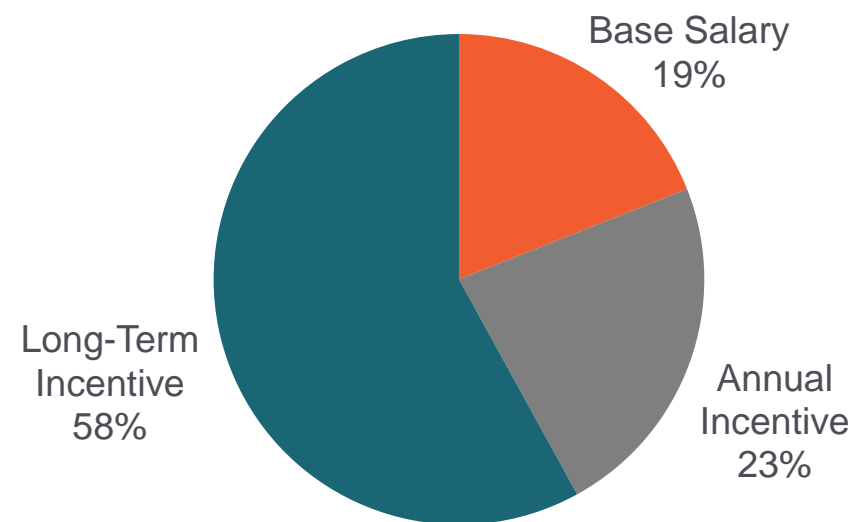
Takes an active and holistic approach to assessing all major risks facing HNI including:

- Board regularly discusses:
 - Adequacy of internal controls that could significantly affect the Corporation's financial statements
 - Current and potential risks, mitigation efforts
 - Strategic direction and adjustments related to changing business landscape
- Reviews with management HNI’s existing risk management processes, including information security and data protection procedures, and their effectiveness
- Regular committee membership rotation to maintain fresh and diverse perspectives

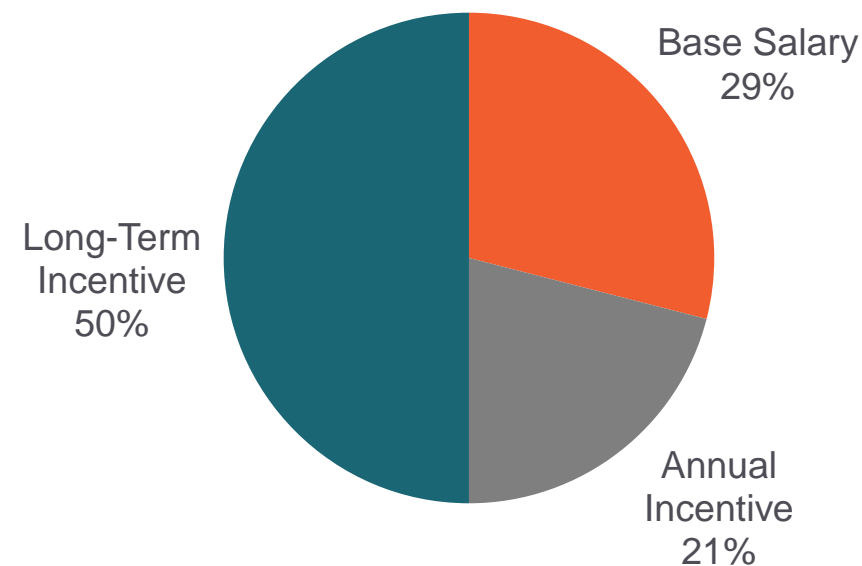
Executive Compensation

The Corporation's Board believes in aligning the compensation of HNI's leadership with creating long-term value for shareholders and other important stakeholders, including members and customers

CEO Target Pay Mix



Other Named Executive Officer Target Pay Mix



What We Do:

- ✓ Pay for performance by structuring a large majority of executive compensation based on achievement of long-term value creation
- ✓ Stock ownership guidelines require the CEO to hold shares valued at 5x base salary and other senior executives at 3x base salary
- ✓ Double trigger change in control, wherein both a change in control and involuntary termination are required for the change in control agreement to take effect
- ✓ Clawback policy
- ✓ Anti-hedging policy whereby officers and directors are prohibited from engaging in hedging or pledging transactions with respect to HNI stock
- ✓ Independent compensation consultant working for the Board
- ✓ Annual say-on-pay vote
- ✓ Annual compensation risk assessment

What We Don't Do:

- ✗ No repricing of underwater options
- ✗ No perquisites
- ✗ No employment contracts for the CEO or Named Executive Officers
- ✗ No dividends on unearned performance awards
- ✗ No supplemental executive benefits
- ✗ Pay tax gross-ups

Corporate Social Responsibility

Sustainability efforts reinforce our mission to be a responsible global citizen, grow profitability and create long-term value

Impact on Communities

- Steadfast commitment to collective gain
- Financial contributions to worthy causes
- Dedication of time and talent to local communities

Global Environment

- Constant search for new ways to deliver sustainable, long-term value while minimizing environmental impact
- Design of core elements of our business with an effort to protect the natural environment
- Commitment to lean manufacturing, responsible sourcing and distribution, reduction of material waste and emissions

Compelling Long-Term Investment

New CEO and management team executing strategy and creating shareholder value

Strong top-line growth driving performance

Leading positions in contract and supplies-driven office furniture and hearth products businesses

Governance policies aligned with shareholder interests

Diverse and experienced Board driving long-term strategy and overseeing risk

