

**HNI CORPORATION**  
**PUBLIC POLICY AND CORPORATE GOVERNANCE COMMITTEE CHARTER**

**I. Purpose**

The Public Policy and Corporate Governance Committee (the "Committee") has primarily an external focus towards shareholders, communities and the public, but also focuses on the Board of Directors (the "Board") itself and corporate governance.

The purpose of the Committee is to (a) identify individuals qualified to serve as directors consistent with criteria approved by the Board, (b) recommend the Board select the director nominees for the next annual meeting of shareholders, (c) develop and recommend to the Board corporate governance principles, (d) monitor and evaluate corporate governance practices and adherence to the Corporation's Vision Statement, (e) oversee evaluation of the Board and the Corporation, and (f) oversee the finance policy and capital structure of the Corporation.

**II. Organization**

***A. Membership; Qualifications***

The Committee shall consist of at least three independent, outside Directors. Each member of the Committee shall meet the independence requirements under the listing standards of the New York Stock Exchange ("NYSE"), the Corporation's Categorical Independence Standards, and the Securities Exchange Act of 1934.

The Board shall appoint members and the Chairperson of the Committee. The Board may replace committee members and the Chairperson.

***B. Meetings***

The Committee shall meet in person or telephonically at least quarterly, or more frequently as necessary to fulfill its responsibilities. The Committee may also act by unanimous written consent.

***C. Agenda***

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

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

The Committee shall have the resources, including funding in amounts the Committee deems necessary, and authority appropriate to discharge its responsibilities. The Committee shall have sole authority to retain and terminate consultants used to identify director candidates and to approve the consultant's fees and other retention terms. The Committee may retain and terminate consultants to assist in evaluation of compensation and benefits for Directors and approve the consultants' fees and other retention terms. The Committee shall obtain regular reports from management related to the Committee's areas of responsibility.

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

Except as otherwise prohibited by law or the Articles of Incorporation or By-laws, the Committee may delegate its responsibilities to subcommittees or individuals.

## **III. Responsibilities**

The Committee will:

### ***A. Nominating Committee for Directors***

Identify and evaluate candidates to be recommended to the Board for nomination as directors. The Committee, at a minimum, shall consider basic qualifications required for membership on the Board (both internal and external requirements) and additional qualifications required of one or more members of the Board.

Consider and evaluate nominees for election to the Board recommended by shareholders. The Committee may consider the share ownership of recommending security holders and compliance with procedures for submission of recommendations.

Director candidates will be evaluated consistent with the Corporation's corporate governance guidelines, and the Committee will consider the mix of director characteristics, experiences, perspectives and skills appropriate for the Corporation. The Committee shall identify candidates without regard to race, color, disability, gender, national origin, religion or creed.

The Committee with the help of management will appropriately document the nomination and candidate evaluation process.

Review and approve procedures for submission of shareholder nominating recommendations including timing and manner of submission, required information regarding the recommending shareholder and the proposed nominee; and consent of the proposed nominee to be contacted and interviewed by the Committee and to serve if nominated and elected.

### ***B. Review of Directors***

Evaluate and review qualifications of incumbent Directors in determining whether to recommend them for re-election. The Committee will use the same factors established for new director candidates to make its evaluation and will also take into account the incumbent Director's performance as a Board member.

### ***C. Succession Planning***

At least annually, report to the Board on Director succession planning, which shall include appropriate contingencies in case the Chairman (if the Chairman is not the CEO) or Lead Director retires, resigns or is incapacitated. The Committee shall assist the Board in evaluating potential successors to the Chairman and Lead Director.

### ***D. Corporate Governance Guidelines***

At least annually, the Committee shall review the Corporation's corporate governance guidelines and recommend changes, if any, to the Board.

***E. Review Committee Charter***

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

***F. Review and Evaluate the Committee's Performance***

At least annually, evaluate the Committee's performance against the requirements of the Committee's Charter and review evaluations with the Board. The Committee shall conduct its review and evaluation as it deems appropriate.

***G. Committee Charters and Structure***

Review periodically, but not less than annually, the charters of the committees and committee structure of the Board, including appropriate size of the Board, and recommend changes, if any, required to satisfy applicable law, regulations and the listing standards of the NYSE.

In cooperation with the Chairman of the Board, nominate members of the Board to the three Board committees for a term of one year.

***H. Board Officers/Lead Director***

Nominate annually the Chairman and Secretary of the Board.

Review annually qualifications of the Lead Director and nominate a member of the Board as Lead Director.

***I. Director Compensation***

Review annually the compensation paid to Directors for service on the Board and recommend changes, if appropriate.

***J. Corporate Social Responsibility; Enterprise Sustainability***

Monitor the Corporation's social responsibility programs, including enterprise sustainability.

***K. Charitable Giving***

Review annually the Corporation's charitable giving program and recommend annual charitable funding.

***L. Shareholder Relations Program***

Review annually the Corporation's investor relations program and shareholder and institutional investor issues as the Committee deems appropriate, including periodic review of takeover preparedness measures.

***M. Compliance, Ethics and Corporate Governance***

Provide oversight of the Corporation's ethics program, compliance programs and corporate governance practices. The Corporation's Chief Compliance Officer will be the Committee's main contact with respect to this responsibility.

***N. Performance Evaluations***

Conduct annually the Company Performance Evaluation and the Board Performance Evaluation.

***O. Stock Exchange***

Review periodically and make recommendations as appropriate regarding the stock exchange(s) on which the Corporation's stock is traded.

***P. Financial Policy and Capital Structure Oversight***

1. Review and monitor the Corporation's long-term financial structure, strategies and alignment with the Corporation's business strategies, including the Corporation's hedging activities and debt position.
2. Evaluate the Corporation's cash and stock dividend payment policies and procedures and recommend to the Board a dividend schedule and rate.

***Q. Shareholder Communications with the Board***

Review and approve procedures for evaluation and response, as appropriate, to shareholders' communications with the Board. The procedures shall at a minimum describe: (i) the manner communications may be sent to the Board; (ii) information required to be provided concerning the shareholder; (iii) process for collecting and organizing communications; (iv) process for determining which communications are forwarded to the Directors; and (v) manner and timing of delivery of communications to the Directors.

***R. Policy on Director Attendance at Annual Meetings***

Review and recommend to the Board a policy regarding attendance of Directors at the Corporation's annual meeting of shareholders.

***S. Board Reports***

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

**V. History**

Adopted by the Board of Directors on February 11, 2004.

Amended November 11, 2004, November 11, 2005, February 14, 2007, November 9, 2007

November 7, 2008, November 19, 2009 and November 12, 2010.