



At Home and People

Our business impacts the lives of our customers, team members, communities, stockholders, product partners and other stakeholders. We believe that taking care of our stakeholders contributes to our success through better morale, lower turnover, improved product partner relations and higher customer satisfaction.



A World Class Team

Talent Development and Retention

Our team members are a critical component of our success, and we prioritize attracting, retaining and promoting top talent in our stores, distribution centers and home office. We provide our field and corporate leaders with the right tools and support to run the organization effectively. We recognize and reward team members who meet our high-performance standards, and we work to ensure our team members have opportunities for advancement and career growth.

At Home offers meaningful training and development opportunities. Most field team members begin their workday with short online educational training courses through our software learning platform. We also typically host a three-day annual leadership conference that brings together our field and corporate leadership with the goal of collaborative learning and building our At Home community. In fiscal year 2021, our team members engaged in 43,054 hours of training.

Annual performance reviews are completed for our team members utilizing our Excel At Home performance process. **Our performance review process allows us to provide competitive merit-based pay and promotion opportunities that support and reward our highest performers and future leaders.** The performance objectives that are woven into the review process incentivize store-level, department-level, and company-wide achievement of important initiatives.

Our succession planning process supports our talent development and retention. Our Board and management have identified core competencies of knowledge, skill, abilities and behaviors that support team member performance, growth and success. Our regular performance reviews and career discussions reinforce these competencies and foster our culture of trust, transparency and engagement.



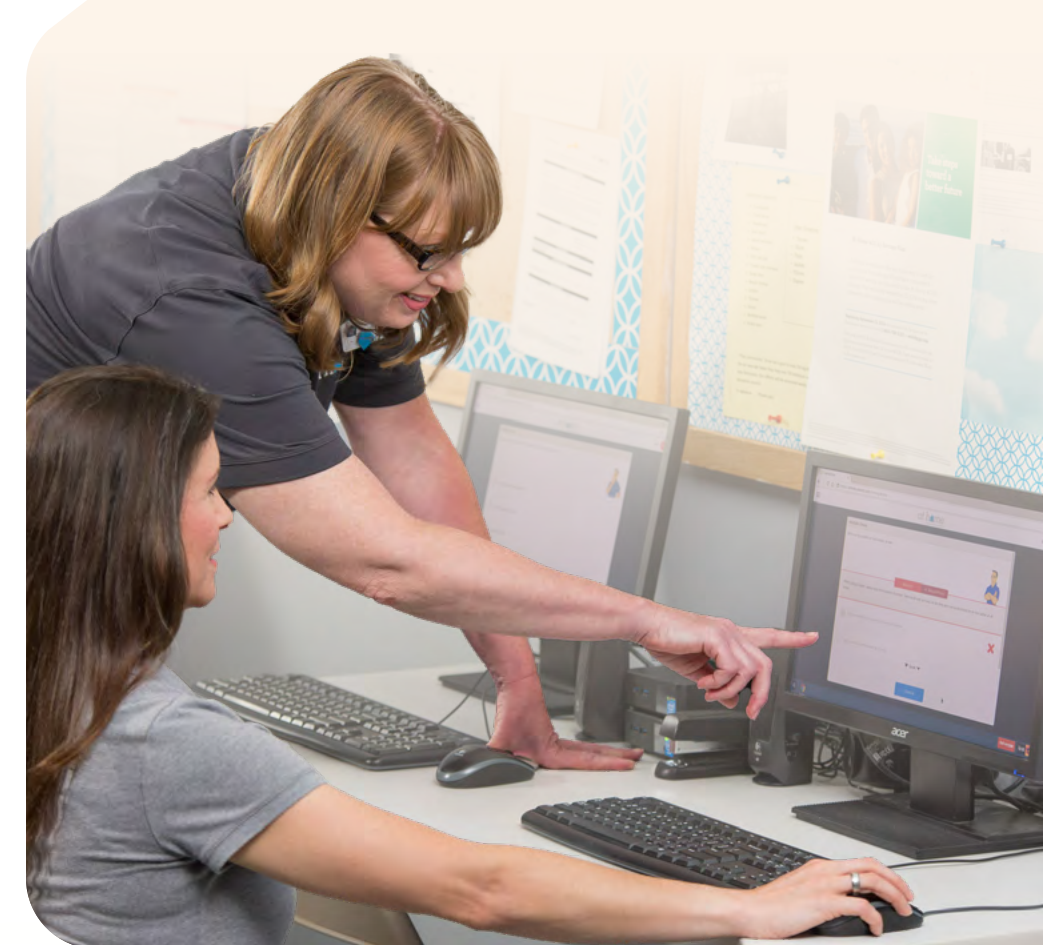
43,054

hours of training by our team members in fiscal year 2021

80% *of our home office team members expressed interest in keeping flexible and remote working options available going forward.*

Team Member Engagement

We engage our workforce on a regular basis to build teamwork and to cultivate an environment of high performance and fulfillment. Team member engagement begins with the onboarding process that includes a welcome session with our CEO Lee Bird to discuss At Home's history, culture and strategy. This initial meeting with our top executive sets the tone for open communication and cross-functional teamwork that makes At Home a *Great Place to Work and Grow*. **We regularly communicate with our team members in a variety of ways, including interactive quarterly town hall meetings led by our senior leadership team, hosted CEO lunches with team members and executive listening sessions. Our culture is also passionate about celebrating work milestones and personal achievements.** Every month, CEO Lee Bird holds a "brown bag" lunch with a small rotating group of team members to discuss what they individually feel makes At Home a great place to work, as well as one idea for improvement. We assess team member engagement in company-wide team member surveys, which we conducted in fiscal year 2020 and again in early fiscal year 2022. In fiscal year 2021, we conducted a survey of our home office team members regarding our return to office strategy. Among other things, 80% of respondents expressed interest in keeping flexible and remote working options available going forward.





30% of each store's bonus pool is allocated to hourly team members, based on wages earned

Our team members are recognized for individual and team achievements and anniversaries. We also provide engagement training to company leadership to support these efforts. In addition, at the beginning of each shift, our store leaders huddle with their team members to provide direction and receive feedback on important issues of the day. We assess team member engagement through a variety of channels, including third-party led surveys.

Our store directors hold one of the most important positions in our Company. They are a critical part of our operations, and we rely on them to execute against our strategy in each of our communities. Our store directors provide leadership in hiring our team, motivating their best work ethics, and nurturing a creative and empowering environment that leads to rewarding careers and retention.

Our home office team members as well as our regional managers, district managers, and distribution center team members all participate in a bonus program tied to the achievement of certain performance goals. This includes our salaried, hourly, full-time, and part-time team members in these roles. 30% of each store's bonus pool is allocated to hourly team members, based on wages earned, with the remainder allocated among the store director, store manager and inventory control manager. We paid bonuses to team members in all of our stores for fiscal year 2021 and paid out a total of \$7.35 million under our store level bonus plan. In the first quarter of fiscal year 2022, we added year-over-year reductions in employee turnover to our store bonus program to incentivize recruiting for the long-term and to ensure enhanced investment in the careers of team members.



Team Member Benefits, Health and Safety

We want our team members to thrive within and outside of their working environment. We provide a market competitive total rewards and benefits package to address the current needs of our team members, including their comprehensive health, financial wellness and quality of life coverage, as well as childcare support. We also host events and design resources aimed at protecting and supporting the physical, mental and financial health and well-being of our team members, including our annual corporate Wellness Week and safety training programs to prevent workplace accidents and injuries. **Through our Employee Assistance Program, our team members and their dependents have access to counseling sessions and referrals for personal services, including education, adoption, travel, daily living and childcare.** We are also proud to have created the At Home Foundation to provide financial assistance to eligible team members facing unforeseen hardship. The At Home Foundation relies primarily on donations from team members in order to fund grants.





DE&I KEY AREAS OF FOCUS

- *Listening*
- *Representation*
- *Training*
- *Community*
- *Hiring*
- *Belonging*
- *Products*
- *Communication*

Diversity, Equity and Inclusion (DE&I)

Our commitment to diversity begins at the top with a Board and executive leadership team that is fully committed to leveraging diversity to create a fair, healthy and high-performing organization. At Home is dedicated to building a diverse, inclusive and respectful workplace and to ensuring equitable access to resources and opportunities for all team members. **Women comprise 44% of the members of our Board of Directors continuing after the 2021 annual meeting of stockholders. Women likewise make up 45% of our corporate officers (13 out of 29). And in our stores women represent 49% of our store directors and managers and 67% of our remaining store and distribution center teams.** *Field team gender demographics are as of March 16, 2021 and exclude individuals who elected not to respond. While we have begun to request information related to the race/ethnicity of our team members, we do not have responses from a sufficient percentage of our team member population to begin publicly reporting our work force demographics by race/ethnicity for fiscal year 2021.

Our corporate culture, priorities and policies reflect our commitment to equality and contribute to driving our strong performance. Our field teams reflect the diversity of our customers and the communities where we operate. We have taken measures to ensure that our processes and policies around hiring, development, culture and tone at the top support our efforts to be an employer of choice. We are mindful of unconscious bias that can impact our culture, and we are analyzing our compensation practices across the organization with the goal of ensuring gender and racial pay parity.

In the first half of fiscal year 2021, we began to better organize and formalize our DE&I efforts. We started with listening sessions and a team member survey that addressed topics around inclusiveness, equality, ethnic diversity, religious diversity, and LGBTQ+ issues. Using the information and feedback gathered from these efforts, we developed our key areas of focus, which include:

- **Listening**—expanding opportunities to gather feedback from our team members
- **Hiring**—making a conscious effort to recruit and hire diverse candidates
- **Representation**—tracking and internally reporting on our diversity metrics
- **Belonging**—supporting our team members with resource groups
- **Training**—developing focused DE&I training across the organization
- **Products**—better reflecting the diversity of our customers in our product offerings
- **Community**—promoting our time-off policies to volunteer and vote
- **Communication**—ensuring we are communicating our DE&I commitment and actions



We began to consider and implement key action items related to these diversity and inclusion focus areas during fiscal year 2021. For example, **we launched four new team member resource groups to focus on issues around women, people of color, LGBTQ+ and military members and their families.** In their first year, our new resource groups have received a lot of enthusiasm. Our Women’s Resource Group hosts bi-monthly speaker panels and small group discussions as well as working to cultivate meaningful mentorship opportunities and community partnerships. We also recently hired a new Director of Diversity, Equity and Inclusion dedicated to developing and supporting our DE&I initiatives and culture.



WOMEN IN LEADERSHIP



Our Response to COVID-19

As the seriousness of the COVID-19 pandemic became abundantly clear, we had three primary stakeholders to consider immediately: our customers, our team members and our communities. To prioritize the health and safety of these groups and help reduce the spread of COVID-19, we temporarily closed all of our stores in late March 2020 and reopened stores in compliance with state and local mandates. We introduced numerous operational changes and protocols aimed at ensuring the health and safety of everyone in our stores. We also benefited from our large format store size that averages 105,000 square feet and offers extra space and wide aisles for social distancing.

“This pandemic has challenged us to think differently, to reexamine how we do business and, most importantly, to come together to rally our greatest strength—the human spirit.”

—LEE BIRD, CEO



90%+

Over 90% of team members who experienced a temporary furlough chose to return to work with us when our stores reopened.

In addition to our store and distribution center protocols, our corporate team members who are able to work remotely have been given the flexibility to continue doing so, while our Safe Home Office Policy ensures our corporate home office is safe, clean and available for team members who need or choose to use it.

In addition to store closures, we made some other difficult decisions in early fiscal year 2021, including a reduction in force, limited furloughs and tiered salary cuts. Our executive officers' base salaries were temporarily reduced by 30% during the period when some of our home office team members were furloughed. **For the entire duration of the furlough, our CEO Lee Bird had 50% of his base pay donated to the At Home Foundation for the benefit of team members facing unforeseen financial hardship, including as a result of COVID-19.** At Home underwrites the administrative cost of its Foundation so that 100% of donations can go directly to team members in need. **At Home continued to fund employer health insurance premiums for furloughed team members. We also offered a \$1,000 childcare benefit to help team members with the childcare needs created by the pandemic. And the company continued to match 401(k) contributions up to 4% of salary during the height of the pandemic's uncertainty when stores were closed.** Over 90% of our furloughed team members at our stores, distribution centers and home office returned to work when our stores were able to reopen.

Our executive leadership team and our internal communication team work together to share ongoing communications with our team members that address issues of interest and importance, with the most notable issues in fiscal year 2021 revolving around the pandemic. In response to the pandemic, we increased communications to all team members and utilized new communication methods. We transitioned town hall meetings to be monthly rather than quarterly; we hosted additional executive listening sessions; we relaunched our monthly CEO small group sessions; and we introduced our executive-sponsored team member resource groups. We believe that strong communication reinforces engagement, trust, respect and our At Home values. Our focus on communication also ensures that team members are aware of the many resources and benefits available to them.

As our stores reopened and some home office team members chose to return to the office, we operated in accordance with our Safe Stores Policy and our Safe Home Office Policy. Our policies focus on ensuring that only healthy team members report to the workplace, and that everyone respects the robust cleaning and safety measures that we implemented. Our legal, safety, and operations teams worked together to report, track, and monitor instances of infection if they arose. Toward the end of fiscal year 2021, we also implemented a compensation program for team members who were prevented from working due to a possible exposure and mandated quarantine period.

Ethical Sourcing

Most of our products are sourced from foreign product partners in countries such as China, Vietnam, India, Turkey, and Mexico. As a growth company with a complex global supply chain, we recognize our corporate responsibility to take reasonable actions that support doing business responsibly, respecting human rights, trading ethically and protecting the environment. We focus on building long-term relationships with our product partners and their team members, resulting in increased productivity, product quality and worker recruitment and retention for us and our product partners. The expansion of our direct sourcing program also supports our ethical sourcing strategy by increasing visibility and control over product development.

We have adopted an Ethical Sourcing Policy that is based on core International Labor Organization (ILO) conventions, the internationally recognized Ethical Trading Initiative (ETI) base code, Social Accountability International's SA8000 standard and the UN Guiding Principles on Business and Human Rights. Our Ethical Sourcing Policy outlines the minimum compliance standards we require from our contracted product partners. We also expect them to apply the same standards to their own supply chains. Our Ethical Sourcing Policy includes Principles of Implementation sets forth the commitments of At Home and our product partners upon entering a business contract in order to ensure such policy is effectively implemented.

The policy requires 100% voluntary labor, safe, humane and hygienic working conditions, zero child labor, living wages and no excessive working hours.



We require that our products be manufactured in factories audited by a globally recognized certification and standards organization within the past 12-24 months.

We partner closely with globally recognized certification and standards organizations and require that all factories be third-party audited in accordance with one of several methodologies that we accept. The audit methodologies include sections on labor standards, health and safety and environmental policies and standards, which factor into the overall rating of the factory. Should the factory's rating be unsatisfactory for any parameter, a Corrective Action Plan (CAP) is required until the factory obtains a satisfactory rating. We require that our products be manufactured in factories audited by a globally recognized certification and standards organization within the past 12-24 months. We request audit reports from our product partners on a regularly scheduled cadence.

Our relationships with our product partners in fiscal year 2021 were complicated by the impact of the COVID-19 pandemic, but we were resilient in cooperation with our product partners, exemplified by the level of transparency and open lines of communication we maintained throughout the fiscal year. In early fiscal year 2021, many factories in Asia were shut down and unable to manufacture and supply products. When these factories were able to reopen shortly thereafter, our stores were closed and we were forced to cancel or delay product orders. Through the process, we stepped up engagement with our product partners to ensure we had an honest and open dialogue and shared the economic burden of the pandemic, allowing us to maintain strong relationships with our product partners. When our business opportunities increased significantly thereafter, these relationships were fundamental to being able to service the high customer demand in spite of the significant supply chain challenges faced by the entire retail industry.



Product Safety

Our customer relies on us to ensure the products she purchases and brings into her home are safe and healthy. At Home products must meet all legal and regulatory requirements for import and sale in the United States, including state-specific protections and regulations.

Our Product Regulatory Compliance Program sets forth the obligations we impose on all Product Partners with whom we will do business.



Community Engagement

Habitat for Humanity Partnership

Consistent with our mission to enable everyone to affordably make their house a home, we focus our charitable giving and volunteer initiatives on home-centric nonprofits that support stable, healthy home lives and strong, safe communities. We are passionate about our partnership with Habitat for Humanity International. At Home sponsors Habitat home build opportunities for both team members as well as Insider Perks members (we temporarily paused Habitat build events due to COVID-19). In addition to our volunteer support, we donated \$1.6 million to Habitat for Humanity since fiscal year 2017. **Over the course of our partnership, we have donated a percentage of sales of all decorative crosses as well as the profits from special candles, notebooks and holiday ornaments.** To promote Habitat's mission in the communities where we operate, we also run periodic campaigns encouraging customers to add a donation amount to their purchase at checkout. At Home has also joined Habitat for Humanity's "Home is the Key" campaign that helps people become self-reliant through homeownership. We historically support additional worthy organizations and causes including Step Up, Genesis Women's Shelter & Support, Jonathan's Place, Sunshine Spaces, Salvation Army DFW Domestic Violence Shelter, Emily's Place, Kyle's Place, City House and PISD Adult Transition Center.

Volunteer Time Off

We believe that one of the most impactful ways we support our communities is by giving our team members the opportunity to be active participants in community activities. We grant 40 hours of paid time off to volunteer each year to all salaried full-time team members with two years of service to the company. Full time hourly employees are granted 16 hours of paid time to volunteer. **We also give team members a day off in honor of Juneteenth to volunteer for causes that support equality and racial justice.** Our team members additionally receive paid time off to volunteer on a Habitat for Humanity home build. We also encourage team members to vote in all public elections by providing time off work to vote if the polls are not open for three consecutive hours outside of a team members' working hours.



We donated \$1.6 million to Habitat for Humanity since fiscal year 2017.



We grant all salaried full-time team members with two years of service to the company 40 hours of paid time off each year to volunteer with non-profit organizations in their communities.

