

## **ETHAN ALLEN INTERIORS INC.**

### **CODE OF BUSINESS CONDUCT AND ETHICS**

#### **CODES OF BUSINESS CONDUCT AND ETHICS**

The Company is committed to complying with all laws that apply to the Company, its personnel, and their activities. The Company and each of its directors, officers, employees, and representatives must adhere to the highest standards of ethical conduct and avoid even the appearance of improper conduct. This fundamental principle governs all of the Company's activities. Ethical conduct and business success are inseparable, and no important business objective can be achieved without following this fundamental principle. This Code is intended to help implement this fundamental principle and enable better decision making. This Code applies to Company and its directors, officers, and employees. Further, this Code should be provided to the Company's agents, representatives, consultants, and temporary workers, and they should be asked to follow the principles and standards set forth in this Code. This Code is but one Company policy. The Company has many other policies and expects compliance with all Company policies. The Company will not tolerate unethical behavior and will not tolerate failure to report instances of possible or actual policy violations. Violations of this Code are serious matters and will result in disciplinary action up to and including termination.

#### **COMPLIANCE WITH LAWS, RULES AND REGULATIONS (INCLUDING INSIDER TRADING LAWS)**

All employees, officers and directors of the Company should respect and comply with all of the laws, rules and regulations of the U.S. and other countries, and the states, counties, cities and other jurisdictions, in which the Company conducts its business or the laws, rules and regulations of which are applicable to the Company.

Such legal compliance should include, without limitation, laws and regulations concerning safe workplace, fair wages, hours and working conditions, product safety and compliance, anti-bribery, conflicts of interest, environmental responsibility and the treatment of all co-workers, vendors, contractors and/or consultants with dignity and respect, compliance with the "insider trading" prohibitions applicable to the Company and its employees, officers and directors. Generally, employees, officers and directors who have access to or knowledge of confidential or non-public 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 upon that information. This restriction extends to sharing or tipping others about such information, especially since the individuals receiving such information might utilize such information to trade in the Company's securities. The Company has implemented and established trading restrictions to reduce the risk, or appearance, of insider trading, as set forth in the Insider Trading Policy. The Company's employees, officers and directors are directed to the Insider Trading Policy or to the Company's Law Department if they have questions regarding the applicability of such insider trading prohibitions.

This Code does not and is not intended to summarize all laws, rules and regulations applicable to the Company and its employees, officers and directors. All employees, officers and directors are directed to the Company's Law Department and the various policies or guidelines which the Company has prepared on specific laws, rules and regulations.

## **CONFLICTS OF INTEREST**

All employees, officers and directors of the Company should be scrupulous in avoiding a Conflict of Interest with regard to the Company's interests. A "Conflict of Interest" exists whenever an individual's private interests interfere or conflict in any way (or even appear to interfere or conflict) with the interests of the Company. A Conflict of Interest can arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her work for the Company objectively and effectively. Conflicts of Interest may also arise when an employee, officer or director, or members of his or her family, receives improper personal benefits as a result of his or her position with the Company, whether received from the Company or a third party. Loans to, or guarantees of obligations of, employees, officers and directors and their respective family members may create Conflicts of Interest. Federal law prohibits loans to directors and executive officers.

It is impossible to list every situation where a Conflict of Interest could occur. Examples of such conflicts include situations where an employee, officer or director:

- accepts a gift (other than a de minimis gift permitted as described elsewhere herein) from a current or potential customer, supplier or competitor.
- owns a substantial financial interest in or serves in a business capacity with another enterprise which does or wishes to do business with, or is a competitor of, the Company.
- serves as an intermediary for the benefit of a third party in transactions involving the Company.
- uses confidential information of the Company or its suppliers or customers for personal benefit.
- uses Company funds or assets for personal benefit.
- conducts business for another enterprise during normal working hours.
- simultaneously serves or works for or provides consulting services to a competitor, customer or supplier.

Conflicts of Interest are prohibited by the Company as a matter of policy, except under guidelines approved by the Board of Directors or committees of the Board. Conflicts of Interest may not always be clear-cut, so if you have a question, you should consult with senior management or the Law Department. Any employee, officer or director who becomes aware of a Conflict of Interest

or potential Conflict of Interest should bring it to the attention of a supervisor, manager, or other appropriate personnel or consult the procedures described in this Code.

## **RELATED PERSONS AND FAMILY MEMBERS**

The activities of related persons or family members can create a Conflict of Interest. This happens when an employee or representative's loyalties become divided – or may appear to be divided – between loyalty to the related person or family member (who has one set of interests) and loyalty to the Company (who has another set of interests). Related persons include (i) any person who is, or at any time since the beginning of our last fiscal year, was, a director or executive officer of us or a nominee to become a director, (ii) any person who is known to be the beneficial owner of more than 5% of any class of our voting securities, (iii) any immediate family member of any of the foregoing persons, which means any child, stepchild, parent, stepparent, spouse, domestic partner, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law of the director, executive officer, nominee or more than 5% beneficial owner and any person (other than a tenant or employee) sharing the household of such director, executive officer, nominee or more than 5% beneficial owner and (iv) any firm, corporation or other entity in which any of the foregoing persons is employed or is a general partner or principal or in a similar position or in which such person has a 10% or greater beneficial ownership interest. A Conflict of Interest could arise if a related person or family member has a significant, personal stake in a company that supplies or seeks to supply goods or services to the Company, is a Company customer or potential customer, or competes with the Company.

## **CORPORATE OPPORTUNITY**

Employees, officers and directors are prohibited from (a) taking for themselves personally, opportunities that properly belong to the Company or are discovered through the use of corporate property, information or one's position; (b) using corporate property, information or position for personal gain; and (c) competing directly or indirectly with the Company. Employees, officers and directors owe a duty to the Company to advance the Company's legitimate interests when the opportunity to do so arises.

## **CONFIDENTIALITY**

Employees, officers and directors of the Company must maintain the confidentiality of all confidential information entrusted to them by the Company or its suppliers or customers, except when disclosure is authorized by the Law Department or required by law, regulation or legal proceeding. Whenever feasible, employees, officers and directors should consult the Law Department if they believe they have a legal obligation to disclose confidential information. Confidential information includes all non-public information that might be of use to competitors of the Company or be harmful to the Company or its customers if disclosed.

## **FAIR DEALING**

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

## **PROTECTION AND PROPER USE OF COMPANY ASSETS**

All employees, officers and directors should protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. All of the Company's assets should be used only for legitimate business purposes.

## **INTELLECTUAL PROPERTY**

Our trademarks, service marks and patents are valuable corporate assets and all employees are responsible for protecting them. As such, all trademarks should be used in a manner that reflects the brand and is consistent with the Company's standards. Employees must also report any suspected or actual violations, such as unauthorized or improper use of the Company's marks or labels. Any questions regarding intellectual property should be referred to the Law Department.

## **COMPANY INFORMATION SYSTEMS**

Appropriate use of the Company's information technology systems such as the Internet, e-mail, voice mail, cell phones, and social media is critical to business success. Everyone who uses these systems plays a role in ensuring that they operate as they should. Additionally, when using these systems individuals are visible and recognized as employees or representatives of the Company. This means that good judgment should guide our use of these systems.

All employees, officers and directors must use such information systems responsibly and primarily for legitimate business purposes – any personal use should be reasonable and kept to a minimum. Special care should be exercised when composing e-mail messages. Employees, officers and directors are strictly prohibited from using Company information systems to gather or distribute pornographic, harassing, abusive, or offensive data.

Operational and technical security measures must be used to protect computer systems. Always protect information used to access Company networks, including IDs and passwords, pass codes and building-access key cards. To maintain the security and integrity of our information systems, the Company reserves the right to monitor and intercept electronic communications, including information that has been deleted by users (subject to local law). As with other forms of Company correspondence, no employee, officer or director should have any expectation of privacy in any message, file, image or data created, sent, retrieved, received, or stored using Company equipment and/or electronic access, including personal information and messages, and visits to Intranet sites. Monitoring activities, when undertaken, will be undertaken in accordance with local law

## **COMPLAINTS**

The Company's policy is to comply with all applicable financial reporting and accounting regulations applicable to the Company. If any employee, officer or director of the Company has concerns or complaints regarding questionable accounting or auditing matters of the Company, then he or she is encouraged to submit those concerns or complaints (anonymously, confidentially or otherwise) to the Audit Committee of the Board of Directors (which will, subject to its duties arising under applicable law, regulations and legal proceedings, treat such submissions confidentially), senior management or the Company's Law Department. Such submissions may be directed to the attention of the Audit Committee, or any director who is a member of the Audit Committee, at the principal executive offices of the Company.

## **DUTY TO SPEAK UP**

Employees have a duty to speak up if he or she feels unsure about the proper course of action and needs advice; believes that the current or likely future conduct of someone acting on behalf of the Company violates or could reasonably be expected to violate this Code or the Company's policies or procedures or could reasonably be expected to expose the Company or its employees to legal problems; feels that he or she being pressured or being asked to compromise his or her values; or believes that he or she may have been involved in misconduct.

## **REPORTING ANY ILLEGAL OR UNETHICAL BEHAVIOR**

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 Company's Law Department. Employees, officers and directors, who are concerned that violations of this Code or that other illegal or unethical conduct by employees, officers or directors of the Company have occurred, or may occur, should contact either their supervisor or senior management. If employees do not believe it is appropriate or are not comfortable approaching their supervisors or senior management about their concerns or complaints, then they may contact either the Law Department of the Company or the Audit Committee or the Corporate Governance & Nominations Committee. If their concerns or complaints require confidentiality, including keeping their identity anonymous, then 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 this Code and with any inquiry concerning a possible violation of this Code. Employees are also obligated to report violations or alleged violations. Employees must not make any false or misleading statements to the Company, its Board of Directors or the Company's representatives, independent auditors or counsel, or conceal or omit information relating to such an investigation. Employees must not withhold, conceal, alter or destroy any hard copy or electronic document, book or record that relate to such an investigation. Concealing or covering up an ethical or legal violation is itself a major

violation of this Code, and, absent serious mitigating circumstances, the penalty for such conduct may be immediate discharge.

## **NO RETALIATION**

The Company will not permit retaliation of any kind by or on behalf of the Company and its employees, officers and directors against good faith reports or complaints of violations of this Code, the Company's policies or guidelines, or other illegal or unethical conduct. No employee or representative shall be discharged, demoted, suspended, threatened, harassed or in any other manner retaliated against for asking questions, raising concerns, or assisting in an investigation relating to an actual or potential violation of this Code or the Company's policies or procedures, provided that such individual is acting in good faith. "Good faith" does not mean that an individual must be right – but it does mean that the individual believes he or she is providing truthful information.

Individuals engaging in retaliatory conduct will be subject to disciplinary action, which may include termination. If you suspect that you or someone you know has been retaliated against for raising a compliance or ethics issue, immediately contact the Law Department. The Company takes claims of retaliation seriously. Allegations of retaliation will be investigated, and appropriate action taken.

## **DRUGS AND ALCOHOL IN THE WORKPLACE**

Work requires clear thinking and the ability to react quickly – the safety of fellow employees and customers depends on it. Being under the influence of alcohol or drugs, or improperly using medication, diminishes an employee's ability to perform at his or her best. Therefore, the abuse of drugs and alcohol is strictly prohibited. Violations of these rules are taken very seriously.

The moderate consumption of alcohol during events or meals sponsored by the Company is subject to local customs, rules, and management discretion.

## **BUSINESS ENTERTAINMENT AND GIFTS**

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage with customers. However, they can also make it harder to be objective about the person providing them. In short, entertainment and gifts can create their own Conflicts of Interest.

No gift or entertainment should be offered, given, provided or accepted by any of the Company's employees, family members of an employee or agents unless it:

- is not a cash gift,
- is consistent with customary business practices,
- is not excessive in value,

- cannot be construed as a bribe or payoff and
- does not violate any laws or regulations.

Business entertainment (including meals, lodging, and transportation) should be reasonable and appropriate for the occasion. Good judgment must be exercised, and entertainment must not appear unusual or extravagant as viewed by an objective third party. A legitimate business purpose for all business must exist and, if an employee expense report is to be filed, appropriate documentation supporting the expenses must be provided.

Please discuss with your supervisor or the Company's Law Department any gifts or proposed gifts received or to be given which you are not certain are appropriate. When local customs or other circumstances make it very difficult or embarrassing for an employee or representative not to offer or accept a gift, the employee or representative must obtain approval from the Law Department to offer or accept the gift. All inappropriate gifts or entertainment should be declined and/or returned.

### **ACCURATE BOOKS, RECORDS, AND FINANCIAL DISCLOSURE**

To comply with the law as well as maintain credibility with investors, lenders, customers, suppliers, regulators and others, the Company must consistently prepare financial and other reports accurately and fully and fairly disclose all pertinent information.

To implement these standards, employees and representatives must:

- Seek to ensure that Company financial, accounting and other books, reports and records accurately and fairly reflect the transactions of the Company in reasonable detail and in accordance with the law and the Company's system of internal controls.
- Cooperate with and do not take any action to fraudulently influence, coerce, manipulate or mislead our internal and external auditors.
- Execute Company transactions only in accordance with management's general or specific authorizations and administrative and accounting controls.
- Never take any action to circumvent the Company's system of internal controls.
- Never authorize payment knowing that any part of the payment will be used for any purpose other than that described in documents supporting the payment. Of course if we incur legitimate expenses in connection with Company business, we will be reimbursed upon the filing of completed and accurately documented expense reports.
- Never destroy, alter or conceal a document with the intent to impede an investigation, or tamper with or destroy a document with the intent to impair its availability in an official proceeding.

- Establish or maintain unrecorded or “off the books” funds or assets for any purpose.

In addition, each of the Company’s employees must:

- Report only the true and actual number of hours worked.
- Record all Company funds and assets on the books of the Company at all times.
- Retain Company records according to Company record retention policies and procedures.

## **ENVIRONMENTAL, HEALTH AND SAFETY STANDARDS**

The Company is committed to providing a safe and secure work environment. Safety is especially important in manufacturing locations, which are subject to significant workplace safety regulations. Each work location has safety rules that must be followed. The Company and its employees shall comply with all applicable environmental, health and safety laws as well as the Company’s own internal health and safety policies. All employees and representatives working on the Company’s premises must know the health and safety requirements associated with their jobs. A safe and secure work environment means a workplace free from violence. Threats (whether implicit or explicit), intimidation and violence have no place at the Company and will not be tolerated. It is also the Company’s intention to control waste and emissions and to handle any hazardous materials so that it preserves and protects the environment and provides a safe and healthy workplace for the Company’s employees.

## **EQUAL EMPLOYMENT OPPORTUNITY AND HARASSMENT**

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 origin, marital status, age, disability, veteran’s status or genetic information in any personal practice including recruitment, hiring, training, promotion, and discipline.

Having a professional work environment also means that the Company will not tolerate any form of harassment. Harassment can be verbal, physical or visual behavior where the purpose or effect is to create an offensive, hostile or intimidating environment. Sexual harassment, in particular, can include sexual advances, requests for sexual favors, unwanted physical contact or repeated and unwelcome sexual suggestions. Other prohibited conduct includes offensive racial, ethnic, religious, age-related, or sexual jokes or insults; distributing or displaying offensive pictures or cartoons; and using voicemail, e-mail, or other electronic devices to transmit derogatory or discriminatory information. This kind of behavior will not be tolerated by the Company.

Each of the Company’s employees must apply these principles to all phases of the employment relationship, including hiring, training, development, compensation, promotion, demotion, transfer, layoff, termination, use of facilities, and selection for special programs.



## **PUBLIC COMPANY REPORTING**

As a public company, it is of critical importance that the Company's filings with the Securities and Exchange Commission be accurate and timely. Depending on their position with the Company, an employee, officer or director may be called upon to provide necessary information to assure 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**

The Company 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 the U.S. Laws and regulations that apply outside the U.S. borders. Employees are also prohibited from engaging in unauthorized transactions with 1) embargoed countries and individuals or entities listed on the U.S. Government debarred parties list; 2) arms proliferation – related and users or parties named on the U.S. Department of Commerce's entity lists; 3) any party known or believed to be acting in violation of U.S. or Foreign laws or regulations; or 4) parties known to support an unsanctioned foreign boycott.

## **BRIBES AND KICKBACKS**

Employees must not offer, request or receive any kickback, bribe, disguise commission or similar payment of benefit from any vendor, supplier, contractor, landlord, developer, customer, competitor, another associate of the Company, or any other individual, from or Corporation or any public or governmental official. Payments other than for a legitimate purchase of a product or the giving or receiving of a gift of other than a token or nominal value to or from suppliers or customers or their agents, employees or fiduciaries may constitute a "commercial bribe" which may also be a violation of the law. Commercial bribery is prohibited, and no employee may engage in such bribery on behalf of the Company.

## **ANTITRUST LAWS**

The Company may not agree (orally or otherwise) to act together with any competitor with regard to prices, profit margins, terms or conditions of sale, number and types of product, production, distribution, territories, customers or suppliers. Employees must not exchange or discuss with a competitor prices, terms or conditions of sale or any other competitive information and must not engage in any other conduct which may unlawfully restrain competition or otherwise violate antitrust laws. The Company must not act together with its independent retailers in violation of antitrust laws including pricing, project margins and terms and conditions of sale. The consequences for failure to comply with these restrictions may involve criminal and civil liability for both the Company and the employee involved. If you are responsible for areas of business where these laws apply, you must be aware of them and their implications and in particular how they apply in any particular country. Many countries have antitrust or competition laws (though

they vary significantly from one country to another). Employees must consult the Law Department regarding conduct which may give rise to antitrust concerns.

## **ANTI MONEY LAUNDERING**

The Company and its employees must comply with all applicable laws and regulations to detect and deter money laundering activities and the support and financing of terrorism, and that require the reporting of cash or suspicious transactions.

## **BUSINESS RECORDS, RECORD RETENTION, AND RECORD SECURITY**

The Company expects honesty and transparency in all of its dealings and business records in order to maintain the trust of the Company's stockholders. Therefore, all business records (including expense reports and time records) must be accurate and maintained in a manner that fairly and accurately reflects the true nature of the Company's business transactions. No employee should create, maintain or distribute any document or record, whether for internal or external purposes, that contains any false or misleading information or that conceals or omits information necessary to make the document accurate. Records should always be retained, handled or destroyed according to the Company's record retention policy. In the event of litigation or governmental investigation, please consult the Company's Law Department.

Confidential Information is defined in the Company's Confidentiality Policy as set forth in the Company's Confidentiality & Non-Solicitation Agreement executed by each employee at the commencement of employment (as such policy may be amended from time to time), and includes, without limiting the generality of the foregoing, all non-public information which is or might be of use to competitors of the Company, be harmful to the Company or its customers if disclosed, or contains Personal Information. Personal Information of an individual, such as, by way of example only, credit card numbers, social security number, medical records, or a personnel file, is always considered Confidential Information.

All documents which contain Confidential Information must be locked and maintained in a secure area except when actually being used for appropriate purposes.

Records should always be retained, handled or destroyed according to the Company's record retention and security policy. In the event of litigation or governmental investigation, please consult the Company's Law Department.

## **MISCONDUCT**

Violations of this Code will result in disciplinary action up to and including termination. No employee may authorize a violation of this Code or disregard any provision in this Code. An employee's violation of this Code is not excused because the employee was directed by another individual to take an action which is inconsistent with this Code. Nothing in this Code shall modify change or otherwise abridge the Company's policy of "at will" employment. This Code is not intended to and does not in any way constitute an employment contract or assurance of continued employment, and does not create any rights of any employee, client, supplier, competitor,

stockholder or any other person or entity. This Code is endorsed by and has the full support of the Company's Board of Directors. The Board of Directors and management are responsible for overseeing compliance with and the enforcement of this Code.

## **REPORTING VIOLATIONS**

It is everyone's duty and obligation to report violations or alleged violations of a questionable, fraudulent or illegal nature. You may send a letter or email to the attention of the Company's Corporate Secretary (Ethan Allen Global, Inc. and its subsidiaries, 25 Lake Avenue Extension, Danbury, Connecticut 06811, Attn: Vice President, General Counsel and Secretary, or alternatively, [eric.koster@ethanallen.com](mailto:eric.koster@ethanallen.com)). The Company also maintains the Corporate Governance hotline that can be used to report violations of this Code (855-719-8401, when prompted enter company identifier number 384 followed by the # sign on the telephone keypad). Reports to the Corporate Secretary and/or the hotline may be made anonymously. The Company will handle inquiries discretely and make every effort to maintain them in confidence when it is allowed by Law, including the confidentiality of anyone requesting guidance or reporting a possible violation.

In addition, if you have concerns about the Company's financial controls, accounting, financial reporting or auditing, you must advise the Company in writing as set forth above, or through the Corporate Governance hotline (855-719-8401, when prompted enter company identifier number 384 followed by the # sign on the telephone keypad). Alternatively, you may advise the Company in writing at, or electronically at <https://ir.ethanallen.com/corporate-governance/whistleblower>.

## **AMENDMENT, MODIFICATION AND WAIVER**

This Code may be amended, modified or waived by the Board of Directors and waivers may also be granted the Corporate Governance & Nominations Committee. To the extent that the Corporate Governance & Nominations Committee determines to grant any waiver, for an executive officer or director, of the provisions of this Code required by the applicable rules of the New York Stock Exchange, the waiver must be disclosed to Stockholders within four (4) business days of such determination. Disclosure must be made by distributing a press release, providing website disclosure, or by filing a current report on Form 8-K with the U.S. Securities and Exchange Commission.

Last approved September 21, 2020.