

## RELATED PARTY TRANSACTION POLICY

The Board of Directors of Haverty Furniture Companies, Inc. (the “Company”), acting upon the recommendation of its Nominating, Compensation and Governance Committee (the “NCG Committee), has adopted the following policy with regard to Related Party Transactions, as defined below.

### Policy

The Company recognizes that related party transactions present a heightened risk of conflicts of interest (or the perception thereof). Our Code of Conduct, which applies to all employees and directors, provides that all conflicts of interest should be avoided. Therefore, the Company has adopted this policy pursuant to which all Related Party Transactions must be approved or ratified in accordance with the procedures set forth in this policy.

### Definitions

A “Related Party Transaction” is a transaction between the Company and any Related Party (including any transactions requiring disclosure under Item 404 of Regulation S-K under the Securities exchange Act of 1934), in which:

- the aggregate amount involved will or may be expected to exceed \$120,000 in any calendar year;
- the Company or a subsidiary of the Company is a party or participant; and
- a Related Party has or will have a direct or indirect interest (other than solely as a result of being a director or a less than 10% beneficial owner of another entity).

For these purposes, a “Related Party” is:

- an executive officer (which shall include at a minimum each Section 16 officer) or director of the Company;
- a stockholder that beneficially owns in excess of five percent of the Company;
- a person who is an immediate family member of an executive officer or director. Immediate family member includes a person’s spouse, parents, stepparents, children, stepchildren, siblings, mothers- and fathers-in-law, sons- and daughters-in-law and brothers-and sisters- in law and anyone residing in such person’s home (Other than a tenant or employee); or
- an entity which is owned or controlled by someone listed in 1, 2 or 3 above, or an entity in which someone listed in 1, 2 or 3 above has a substantial ownership interest or control of such entity.

### Nominating, Compensation and Governance Committee Approval

The Board has determined that the NCG Committee is best suited to review and

approve Related Party Transactions. Accordingly, the NCG Committee shall review the material facts of all Related Party Transactions that require the NCG Committee's approval and either approve or disapprove of the entry into the Related Party Transaction, subject to the exceptions described below. If advance NCG Committee approval of a Related Party Transaction is not feasible, then the Related Party Transaction shall be considered and, if the Committee determines it to be appropriate, ratified at the NCG Committee's next regularly scheduled meeting. In determining whether to approve or ratify a Related Party Transaction, the NCG Committee will consider among other factors, the following factors to the extent relevant to the Related Party Transaction:

- Whether the terms of the Related Party Transaction are fair to the Company and on the same basis as would apply if the transaction did not involve a Related Party;
- Whether there are business reasons for the Company to enter into the Related Party Transaction;
- Whether the Related Party Transaction would impair the independence of an outside director; and
- Whether the Related Party Transaction would present an improper conflict of interests for any director or executive officer of the Company, taking into account the size of the transaction, the overall financial position of the director, executive officer or Related Party, the direct to indirect nature of the director's, executive officer's or Related Party's interest in the transaction and the ongoing nature of any proposed relationship, and any other factors the NCG Committee deems relevant.

No director shall participate in any discussion or approval of a Related Party Transaction for which he or she is a Related Party, except that the director shall provide all material information concerning the Related Party Transaction.

#### **Pre-Approved Related Party Transactions**

The NCG Committee has reviewed the transactions described below and determined that each of them, to the extent they constitute Related Party Transactions, shall be deemed to be pre-approved or ratified by the Committee under the terms of this policy, even if the aggregate amount involved will exceed \$120,000.

- **Employment of executive officers.** Any employment by the Company of an executive officer and any compensation paid to an executive officer. The NCG Committee believes that such transactions are properly reviewed and approved by the Executive Compensation and Employee Benefits Committee ("Compensation Committee") pursuant to the guidelines in the Compensation Committee charter.
- **Director Compensation.** Any compensation paid to a director of the Company for services as a director.

- Certain transactions with other companies. Any transaction with another company at which a Related Party's only relationship is as an employee (other than an executive officer), director or beneficial owner of less than 10 percent of that company's stock, and any transaction with another company at which a Related party is an executive officer or a beneficial owner of 10 percent or more of that company's stock if the aggregate amount involved in any fiscal year does not exceed 2% of that Company's total annual revenues.
- Certain Company charitable contributions. Any charitable contribution, grant or endowment by the Company to a charitable organization, foundation or university at which a Related Party's only relationship is an employee or a director if the aggregate does not exceed \$100,000 or 2 percent of the charitable organization's total annual receipts.
- Certain transactions with stockholders. Any transaction where the Related Person's interest arises solely from the ownership of the Company's common stock and all holders of the Company's common stock receive the same benefit on a pro rata basis (e.g. dividends, stock repurchases, rights of offerings).
- Certain banking-related services. Any transaction with a Related Party involving the establishment or maintenance of banking accounts or services, trading, investment management, custody or other accounts, if the terms of such account or services are generally the same as or similar to accounts offered to others in the ordinary course of business.
- Transactions involving competitive bids. Any transaction involving a Related Party when the rates or charges involved are determined by competitive bids.
- Transactions with similar terms to all employees. Any transaction involving a Related Party made on the same or similar terms available to all Company employees.

## **Disclosure**

All Related Party Transactions are required to be disclosed in the Company's filings with the Securities and Exchange Commission, as required by the Securities Act of 1933 or the Securities Exchange Act of 1934 and related rules and regulations. Furthermore, all Related Party Transactions shall be disclosed to the Committee and any material Related Party Transactions shall be disclosed to the full Board. The material terms of this policy shall be disclosed in the Company's annual report on Form 10-K or in the Company's proxy statement, as required by applicable rules and regulations.