

T R I N I T Y

FURNITURE INCORPORATED

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Corporate Social Responsibility Report

Employee Relations

Individuals are our most important assets. As such, Trinity works to treat each employee in a fair and honest manner. At the heart of its operations, Trinity strives to:

—Treat each employee as an individual. Your rights are respected with courtesy, dignity, and consideration.

—Provide fair wages, good employee benefits, the fullest possible employment and good working conditions.

—Promote on the basis of merit and ability, with preference given to those with greater length of service if all other factors are equal.

—Encourage frank and open discussion of any problems and misunderstandings.

Equal Employment Opportunity

Trinity Furniture provides equal employment opportunities to all employees and applicants for employment without regard to race, color, religion, sex, national origin, citizenship, age, disability, status as a Vietnam-era or special disabled veteran, or any other protected category in accordance with applicable federal laws. Additionally, Trinity complies with all applicable state and local laws governing nondiscrimination in employment. This policy applies to all terms and conditions of employment, including, but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation, and training. If you believe that you have been unlawfully harassed or discriminated against, or have witnessed such conduct, you must immediately bring this matter to the attention of your supervisor, the HR Manager and/or Jorge Lagueruela, and provide a full and accurate report of the underlying facts.

Non-Discrimination/No-Harassment

Trinity Furniture is committed to maintaining a work environment that is free from discrimination and in which employees at all levels can devote their full attention and best efforts to the job. Harassment and discrimination have no place in the work environment. Trinity does not authorize and will not tolerate any form of harassment or discrimination based on the following factors:

Race, sex, national origin, color, religion, age, disability, or status in any group protected by federal, state, or local law.

This policy applies to management and non-management employees alike, and even to non-employees who harass our employees.

Examples of “harassment” that are covered by this policy include offensive language, jokes, or other verbal, graphic or physical conduct relating to an employee's race, sex, religion, color, national origin, age, disability, or other factor protected by law, which would make the reasonable person experiencing such harassment uncomfortable in the work environment or

which could interfere with the person's job performance.

Safety and Health

Trinity Furniture is committed to providing a safe and healthy working environment. In this connection, Trinity makes every effort to comply with relevant federal and state occupational health and safety laws and to develop the best feasible operations, procedures, technologies, and programs conducive to such an environment. Trinity's policy is aimed at minimizing the exposure of our employees, customers, and other visitors to our facilities to health and safety risks. To accomplish this objective, all Trinity employees are expected to work diligently to maintain safe and healthy working conditions and to adhere to proper operation practices and procedures designed to prevent injuries and illnesses. All employees are directed to the Written Hazard Communication Policy and the Hearing Conservation Program for a full explanation on the safety and health requirements implemented by Trinity Furniture.

The following are just examples, and not a full exhaustive list, of the responsibilities of all employees of Trinity regarding safety:

1. Wearing proper protective equipment, including, but not limited to eye, hand, and ear protective wear, as instructed by their supervisors.
2. Exercising maximum care and good judgment at all times to prevent accidents and injuries;
3. Reporting to supervisors and seeking first aid for any and all accidents and injuries, regardless of how minor;
4. Reporting unsafe conditions, equipment, poor practices to supervisory personnel;
5. Using safety equipment provided by Trinity at all times;
6. Observing conscientiously all safety rules and regulation at all times;
7. Notifying their supervisors, before the beginning of the workday, of any medication they are taking that may cause drowsiness or other side effects that could lead to injury to them and their coworkers or could otherwise affect their ability to perform their job duties.
8. Wearing clothing and shoes appropriate for one's job duties and responsibilities; and avoid wearing loose-fitting clothing, rings or loose jewelry while operating or working in the vicinity of machinery;
9. Refraining from horseplay in the workplace;
10. Avoiding walking or passing under suspended machinery or materials;
11. Utilizing all machinery in accordance with operating instructions and for the purpose for which it was intended (i.e. refraining from transporting individuals on fork trucks).; and
12. Reporting all unsafe conditions to a supervisor.
13. Be aware of and follow all requirements set forth in the Written Hazard Communication Program.
14. Be aware of and follow all requirements forth in the Hearing Conservation Program.

Lost Time Report

Trinity Furniture requests OSHA to visit our plant periodically to ensure that we in compliance with all new codes and regulations. Our last review from OSHA was January of 2010 with no violations.

OSHA REPORTS/VIOLATIONS – (3) YEARS

Community Outreach and Involvement

1. Trinity Furniture's principals have had extensive involvement with community outreach. In economic development Jorge Lagueruela is currently serving on the Randolph County Economic Development Board; he is Treasurer and original board member for the soon to be completed YMCA in Archdale and Trinity. He has served as a board member of the Archdale-Trinity Chamber of Commerce and Center City Planning Board for the City of Trinity. He has served for 3 Years as a Planning Board Member for the Jack Frost Soccer Tournament.

In community involvement, Jorge Lagueruela has served as Board member of the Guil-Rand Youth Soccer Association, Soccer Coach with Guil-Rand Challenge Teams, Soccer coach with PTFC Classic Teams. Principals and staff members are currently serving and have served in numerous local church and conference planning and outreach committees. Trinity Furniture has been and will continue to be a supporter and contributor to local churches and missions overseas.

Trinity Furniture is committed to conformance with the SA8000 Social Accountability Standard. The following is a listing of our basic practices.

Child Labor

Trinity Furniture does not engage in or support the use of child labor. (Child is defined as a person under 15 years of age, unless a higher age is stipulated by local law.)

Workers under the age of 18 may be employed but in areas subject to mandatory education laws, they may work only outside of school hours. Total school, work, and transportation time for such workers may not exceed a combined total of 10 hours per day, and in no case shall such workers work more than 8 hours a day; and, they may not work during night hours.

Trinity Furniture shall not expose children or young workers to any situations in or outside of the workplace, that are hazardous or unsafe to their physical and mental health.

Forced and Compulsory Labor

Trinity Furniture does not use or support the use any form of forced or compulsory labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.

Neither Trinity Furniture nor any entity supplying labor to Trinity Furniture shall withhold any part of any personnel's salary, benefits, property, or documents in order to force such personnel to continue working for Trinity Furniture.

Personnel shall have the right to leave the workplace premises after completing the standard workday, and be free to terminate their employment provided that they give reasonable notice to their employer.

Neither Trinity Furniture nor any entity supplying labor to Trinity Furniture shall engage in or condone trafficking in human beings.

Health and Safety

Trinity Furniture shall provide a safe and clean working environment in order to avoid preventable work-related accidents and injuries. Trinity Furniture is in compliance with all OSHA regulations.

The Human Resources Manager is Trinity Furniture representative responsible for implementation and enforcement of the health and safety program.

Trinity Furniture provides training so that all employees learn to perform their jobs in a safe manner.

If necessary, Trinity Furniture provides personal protective equipment and trains the employees on its proper use.

Freedom of Association & Right to Collective Bargaining

Each facility shall obtain and comply with local and national laws and regulations regarding freedom of association and collective bargaining.

No employee shall be subject to harassment, intimidation or retaliation in their efforts to pursue their legal rights.

All workers are free to join associations of their own choosing, and they should have the right to bargain collectively.

Trinity Furniture does not authorize any disciplinary actions from the factory against workers who choose to peacefully and lawfully organize or join an association.

Discrimination

Employees are not discriminated against in hiring, remuneration, access to training, promotion, termination or retirement based on race, caste, national origin, religion, disability, gender, gender identity, sexual orientation, union membership, political affiliation or age.

Employees are able to practice their beliefs with regard to religion, nationality, race, political issues, union issues, sexual orientation, and other family and personal issues without fearing discrimination from Trinity Furniture.

Trinity Furniture does not allow threatening, abusive, exploitative, or sexually coercive behavior.

Disciplinary Practices

Trinity Furniture treats all employees with dignity and respect. Physical, mental or verbal abuse is not allowed or tolerated.

Working Hours

Each Company facility shall comply with national laws on the maximum work week.

Overtime shall be voluntary unless permissible under applicable law. Workers shall not be asked or required to take work home or off premises except as permissible under applicable law.

Workers are entitled to one full day off after each six consecutive days of work. Exceptions to this rule apply only where both of the following conditions exist: a) National law allows work time exceeding this limit; and b) A freely negotiated collective bargaining agreement is in force that allows work time averaging, including adequate rest periods.

All overtime work is voluntary and will not exceed 12 hours per week.

Remuneration

Trinity Furniture recognizes that wages are essential to meet each employee's basic needs.

Wages paid for a normal work week always meet at least legal or industry minimum standards and are sufficient to meet the basic needs and to provide some discretionary income.

Deductions from wages are not made for disciplinary purposes except as allowed by national law when a freely negotiated collective bargaining agreement is in force.

Trinity Furniture's wage and benefits program conforms to local and federal laws and is clearly defined in Trinity Furniture Handbook.

All overtime is reimbursed at a premium rate as defined by national law. Where a premium rate for overtime is not regulated by law or a collective bargaining agreement, personnel shall be compensated for overtime at a premium rate or equal to prevailing industry standards, whichever is more favorable to workers' interests.

Trinity Furniture shall not use labor-only contracting arrangements, consecutive short term contracts, and/or false apprenticeship schemes to avoid fulfilling its obligations to personnel under applicable laws pertaining to labor and social security legislation and regulations.

Environmental and Economic Elements:

At Trinity Furniture respecting the environment is more than good business practice – it is the right thing to do. We believe that continued economic growth and environmental protection are linked. Our quality of life depends on meeting human needs without destroying the environment on which all life depends.

We will and have developed strategies that enable us to move toward sustainability while enhancing the value offered to our customers. We will measure and monitor progress toward our environmental goals as a key metric of our business success.

On the journey toward sustainable business practices, through continued improvement we will:

- Go beyond compliance with environmental regulations and other requirements
- Pursue prevention of pollution and elimination of waste of any kind.
- Implement technologies to efficiently use energy resources.
- Design our products, Processes and buildings for the environment.
- Promote environmental knowledge and awareness.

To date we have reduced our solid waste to 0% in our manufacturing process. As a part of this venture we have (6) major suppliers who have reduced waste in their manufacturing processes down to 10%.

We have reduced our energy consumption by 62% over the last (3) years. This does include reducing our work week to a (4) 10 hour week to help our employees to conserve energy as well.

We have included metrics representing these reductions:

Solid Waste Management:

Energy Reduction for (3) years:

Management Systems

The preceding document and the SA8000 Standard are displayed in a prominent, easily accessible location on Trinity Furniture's premises, to inform personnel that it has voluntarily committed to the following:

- To conform to all requirements of the SA8000 Social Accountability Standard.
- To comply with national and other applicable laws and to respect the international agreements and their interpretation.
- To review this policy regularly in order to continually improve, taking into consideration changes in legislation, in its own code-of conduct requirements, and any other company requirements.
- To see that this policy is effectively documented, implemented, maintained, communicated, and made accessible in a comprehensible form to all personnel, including directors, executives, management, supervisors, and staff, whether directly employed by, contracted with, or otherwise representing Trinity Furniture.
- To make this policy publicly available to interested parties, upon request.

Other Management Practices

- Trinity Furniture shall appoint a senior management representative who regardless of other duties shall ensure that the requirements of this standard are met. This representative is Jorge Lagueruela.
 - An SA8000 Worker Representative (Angie Hughes)has been chosen.
 - Top management shall periodically review the adequacy, suitability, and efficacy of Trinity Furniture's policy, procedures, and performance results against the requirements of this standard and other requirements to which Trinity Furniture subscribes. Where appropriate, system amendments and improvements shall be implemented. The worker representative shall participate in this review.
 - Trinity Furniture shall ensure that the requirements of this standard are understood and implemented at all levels of the organization.
 - Trinity Furniture will consult the SA8000 Guidance Document for interpretative guidance regarding this standard.
 - Trinity Furniture shall maintain appropriate records of supplier and subcontractor commitments to social accountability
- Trinity Furniture shall establish, maintain, and document procedures to evaluate and select suppliers, subcontractors, and sub-suppliers taking into account their performance and commitment to meet the requirements of this standard.
- Trinity Furniture shall make a reasonable effort to ensure that the requirements of this standard are being met by suppliers and subcontractors within their sphere of control and influence.
 - In addition to the above requirements, where Trinity Furniture receives, handles, or promotes goods and/or services from suppliers/subcontractors or sub-suppliers who are classified as home workers, Trinity Furniture shall take special steps to ensure that such home workers are afforded a level of protection similar to that afforded to directly employed personnel under the requirements of this standard.
 - Trinity Furniture shall provide a confidential means for all personnel to report non-

conformances with this standard to Trinity Furniture management, and the worker representative. Trinity Furniture shall investigate, address, and respond to the concerns of personnel and other interested parties with regard to conformance/non-conformance with Trinity Furniture's policies and/or the requirements of this standard. Trinity Furniture shall refrain from disciplining, dismissing, or otherwise discriminating against any personnel for providing information concerning observance of the standard.

- Trinity Furniture shall identify the root cause, promptly implement corrective and preventive action, and allocate adequate resources appropriate to the nature and severity of any identified non-conformance with Trinity Furniture's policy and/or the standard.

- Trinity Furniture shall establish and maintain procedures to communicate regularly to all interested parties data and other information regarding compliance with the requirements of this document, including, but not limited to, the results of management reviews and monitoring activities.

- Trinity Furniture shall demonstrate its willingness to participate in dialogues with all interested stakeholders, including, but not limited to: workers, trade unions, suppliers, subcontractors, sub-suppliers, buyers, nongovernmental organizations, and local and national government officials, aimed at attaining sustainable compliance with this standard.

- In the case of announced and unannounced audits of Trinity Furniture for the purpose of certifying its compliance with the requirements of this standard, Trinity Furniture shall ensure access to its premises and to reasonable information required by the auditor.

- Trinity Furniture shall maintain appropriate records to demonstrate conformance to the requirements of this standard.