



2020

# Corporate Social Responsibility

ANNUAL REPORT

**CITY**  
FURNITURE

OUR  
CORPORATE  
SOCIAL  
RESPONSIBILITY  
STRATEGY

Over the recent years, we have seen the impact of embedding our Corporate Social Responsibility (CSR) strategy across the company through our main areas of focus: People, 5% Giving Pledge, and Environment. Our strategy represents our desire and ambition to live CITY’s purpose – “To enrich people’s lives and make the world a better place.” This CSR strategy is a roadmap for how we can leverage our strengths and competitive advantages to provide value for the people, communities and planet that we serve. We are committed to working together on this journey to continuously improve and achieve our goals, all while being transparent. We’re confident we will achieve our goals, so that when we look back on our time at CITY (and on this earth), we will be proud that we fulfilled our purpose of making this world a better place, not just for each other, but for the next generation of the CITY family, our customers, and our community.

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## 2020 MESSAGE FROM OUR PRESIDENT

Looking back at 2020 and my second year as President, I want to thank our CITY family for an unbelievable year. The perseverance, dedication, and hard work they've shown through adversity is unmatched. I truly believe that we have the best team in the world, and I'm honored to have them as part of my CITY family.

This year brought new challenges to our company that no one could have predicted:

- COVID-19 completely disrupted the world as we know it. It forced us to increase safety standards, made us rethink the options we provide our customers to shop, caused temporary store shutdowns, inventory shortages nationwide, and many additional challenges.
- 2020 was also a time of deep reflection for our country as it relates to social justice and racial equity. It was evident that CITY needed to make a bigger commitment in our actions towards creating a more diverse, equitable, and inclusive workforce. We're proud of the progress we made this year and have big plans for the future.

I'm proud to say that even through these difficult times, we created a safe environment for all, hit our major goals for the year, exceeded our sales expectations, and beat our profit forecasts; all while ensuring we had zero COVID-19 related layoffs. We also doubled down on our efforts to create a diverse and equitable organization.

Most importantly, we created a better culture at CITY by living our seven values (with examples below):

### 1 ENTREPRENEURIAL SPIRIT

We created an Online Sales Team, Free Design Services, CITY Moves (our new moving business), Designer Apartment Packages, and many more! We also added a beautiful Ashley store in North Miami, and acquired more property in order to open multiple new stores and warehouses in the coming years.

### 2 FAMILY SPIRIT

We rallied around our sales team to ensure they had everything needed for a safe and successful weekend during the busiest time of the year. 60 Associates from our corporate offices volunteered to help our stores during Black Friday weekend.

### 3 MUTUAL TRUST & RESPECT

Mutual Trust & Respect is only achieved if all Associates have a voice and are given a safe place to use it. After the events that happened this summer, we held several Town Hall Sessions where Associates asked me tough questions, as well as provided feedback on areas where we need to improve. In keeping with their feedback, we are increasing our effort in creating a diverse, equitable and inclusive organization. I encourage you to read through this report to find out more about some of the things we're already doing.

### 4 TEAMWORK

I couldn't be more proud of all the departments and how they collaborated to get through this pandemic. One of many examples is how quickly our Technology and Marketing teams moved to create online chat, phone sales, and virtual and online sales appointments; providing new options for our customers and supporting our Sales team.

### 5 CUSTOMER FOCUS

At a time when all furniture retailers are experiencing inventory shortages, CITY still leads the way in available inventory. We're set up to fulfill customer demand better than any retailer in the industry and we have plans to return to pre-COVID-19 inventory levels **very** soon. Even with our inventory challenges, customer satisfaction scores are still one of the highest in the industry.

### 6 CONTINUOUS IMPROVEMENT

In the spirit of always challenging the status quo, we completely improved our Sales culture by enhancing our training and development programs, improving compensation programs, creating new scheduling policies for better work life balance, adding individual development programs and improving our communication strategy. We're also making celebrating our teams more fun and rewarding than ever before.

### 7 GIVING BACK

Most importantly, in a really tough pandemic that is affecting the communities in which we operate, we were able to surpass our 5% Giving Pledge and help our communities more than ever. We also continue to make great strides towards becoming carbon-neutral through our 2040 Green Promise.

We're proud of all we've done in 2020!

I am more excited about the future than ever before, and we will continue to set the standard for how a company should operate. We take care of our Associates, our customers, our community, and our environment. CITY is more than just selling furniture. Our purpose is **"to enrich people's lives and make the world a better place."** And that's never been more true.

This Corporate Social Responsibility Report is our way to show how we are doing in living our purpose. Specifically, this report will show our progress and how we are creating the company we all want to be part of. It will also hold leadership (including myself) accountable, and I look forward to your feedback. Please feel free to email me at [andrewk@cityfurniture.com](mailto:andrewk@cityfurniture.com) for any suggestions for improvement.

Sincerely,

Andrew Koenig, President



## our vision

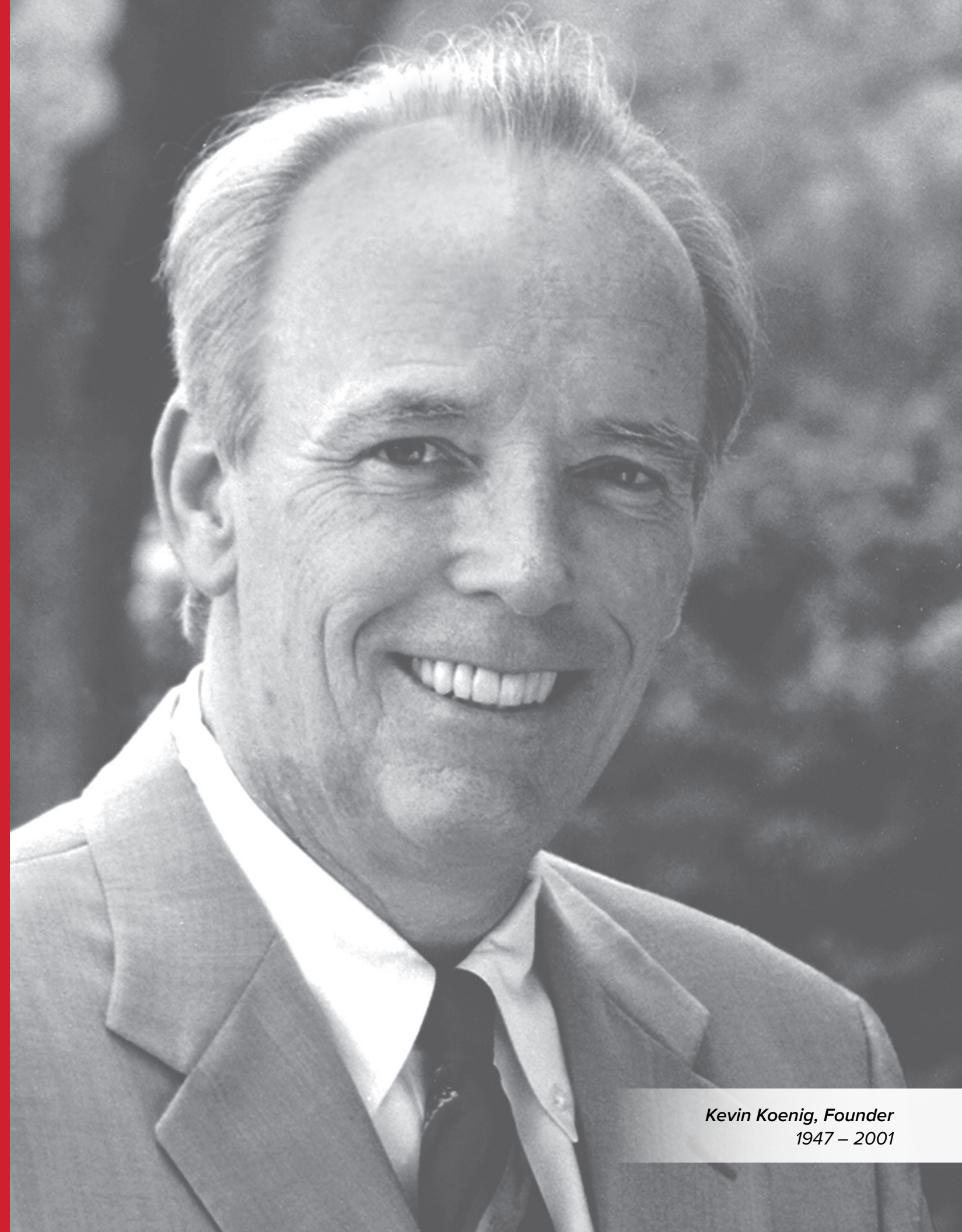
To be the ultimate  
furniture and  
mattress store.

## our mission

To provide quality home furnishings,  
at excellent values, in an exciting  
and fun environment.

## our purpose

To enrich people's lives  
and make the world  
a better place.



*Kevin Koenig, Founder*  
1947 – 2001



Notable  
Highlights of 2020

2,415  
Associates



Over  
\$7,500,000  
Paid Out in  
Profit Sharing Bonuses  
and 401(k) Match



Partnered with  
Feeding South Florida and WSVN  
to Distribute Meals to  
over 600  
Families During COVID-19

55,000+  
Masks were Made and Donated  
to Hospitals and Other Institutions



6 YEARS  
Average Tenure



Spent Over  
\$500,000  
on Associate Recognition Programs



300+  
Certified  
People First® Leaders



99%  
of All Cardboard, Plastic,  
and Operational Waste  
are Recycled

95%  
Leaders Promoted  
from Within



5.5  
million  
Pounds of Cardboard  
are Sent to a Local Paper  
Recycling Mill



Launched 4 Employee  
Resource Groups



100%  
of our Trucks  
use Compressed  
Natural Gas



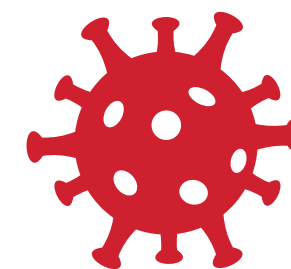
500  
Kilowatt Hours  
of Energy from Solar Panels



8 Showrooms  
are  
LEED  
Certified







COVID-19



Connecting in a time of crisis

# CITY's response to COVID-19

As everyone began to feel the impact of the COVID-19 pandemic, CITY moved quickly to meet the challenges. Our priority has always been the safety of our Associates and customers, but as a result of COVID-19, we increased our safety measures and made operational changes to enhance our standards. We will continue to do so during these uncertain times.

*Supporting the Health and Safety for our Associates and Customers*

**HYGIENE & MASKS:**

All Associates are required to wear a mask/face covering, and we strongly encourage them to continue healthy hygiene habits like frequent hand-washing. Additionally, all customers are required to wear mask/face coverings while in the stores and for customers without a mask, we provide one free of charge. Associates also complete a temperature screening when reporting to work.

**CLEANING & DISINFECTING:**

We have undertaken a stringent approach to cleaning and disinfecting high-touch areas to help reduce the risk of spreading illnesses in our stores, distribution centers and offices.

**SOCIAL DISTANCING & CUSTOMER MONITORING:**

To ensure social distancing is maintained, we monitor customer traffic in our stores. We also stagger breaks and meal periods in the stores and limit the number of Associates permitted in lunch rooms.

**PLEXIGLASS PARTITIONS:**

We installed plexiglass partitions to provide a safer environment for customer interactions.

**FLEXIBLE WAYS TO SHOP:**

We offer our customers flexibility to ensure everyone can shop with confidence – online, chat, phone or in the store, even by private appointment if necessary.

**SHOWROOM SAFETY ENHANCEMENTS:**

We electrostatically spray all surfaces weekly to kill viruses and bacteria for up to 14 days (move to twice a week during periods of increased traffic). We also upgraded all of our air filters to a higher Minimum Efficiency Reporting Value (MERV) rating to filter out more debris from the air, and increased the minimum outside air percentage for our HVAC systems, bringing in more outside air to our facilities, and reducing the amount of time viruses, bacteria and CO2 can be present in the air.

**REMOTE WORK:**

We transitioned the majority of our Call Center and Corporate Office Associates to work from home.

*Expanding Associate Benefits*

We're proud of our Associates who have gone above and beyond to continue to provide incredible service to our customers. We recognize their commitment and match it with our own: to invest in their health and support them when their health is compromised.

**HEALTH INSURANCE:**

We covered 100% of the health insurance premiums for temporary furloughed Associates.

**PAID LEAVE:**

We provide paid leave (up to 80 hours) to any active Associate who tests positive for COVID-19.

**COVID-19 TESTING:**

We provide no cost COVID-19 testing.

**VIRTUAL HEALTH:**

We provide no cost virtual general medicine and behavioral health consults and mental health resources 24/7.

**MENTAL HEALTH:**

We provided our Associates the opportunity to enroll in a FREE mindfulness app to help reduce stress, anxiety and sleep issues.



# ZERO

COVID-19 RELATED LAYOFFS  
in 2020



## *Supporting the Community*

We're seeing the impact that the pandemic has had on our communities, and we're honored to support the communities in which we operate during these challenging times:

### **COMMITTED TO CITY'S 5% GIVING PLEDGE:**

We're proud to say that we were able to surpass our 5% Giving Pledge this year. At a time when our communities needed us the most, we provided more help than ever before!

### **PARTICIPATED IN A FOOD DRIVE:**

We teamed up with organizations like Feeding South Florida & WSVN to distribute healthy food and meals to over 600 families to help address food insecurity.

### **MADE AND DONATED MASKS:**

Kevin Charles Fine Upholstery, our private label furniture line, manufactured and distributed over 55,000 masks to local hospitals to help offset their shortage of PPE for patients and families. We also donated several hundred masks to our friends at Camillus House, who went on to distribute them to people experiencing homelessness in Broward and Miami-Dade County.

### **DONATED IPADS:**

We donated iPads to assist patients in communicating with their families during their hospital stays.





PEOPLE



# Associate Experience

## ATTRACTING, DEVELOPING AND RETAINING TOP TALENT

CITY uses a variety of recruiting resources to ensure we source from diverse talent pools. We partner with many external organizations and several Veteran organizations to source top talent including: CareerSource Broward, Hispanic Unity, Urban League of Broward County and Broward College’s Broward UP Program. And we also value our relationships with many colleges and universities across the state of Florida, including FAU, FIU, UCF, FSU, UF, and FAMU, which is the highest ranked public HBCU (Historically Black Colleges and Universities according to News & World Report 2021).

Each one of our 2400+ Associates brings their incredible talent and innovative ideas to CITY every day, and in turn, we’re committed to ensuring that our Associates have opportunities to build successful careers and have meaningful work experiences.

We empower our Associates to do great work, and we support them on their journey. There are exciting career paths and bright futures for all Associates, especially as we continue to expand throughout Florida and beyond.

Learning and Development is at the heart of our people strategy. CITY offers both company-wide and department/position specific training programs. These provide the necessary skills, knowledge, and abilities to grow talent from within and support the needs of our fast-paced retail environment. Our programs ensure that Associates are equipped to provide our customers with an exceptional customer experience.



CITY provides support to our Associates, including connecting them to resources, benefits and counseling for major life circumstances and moments that matter, such as: critical life events, leave of absences, illnesses, medical accommodations, etc.

We are continually investing in our Associate’s experiences by listening with empathy and putting their needs at the center, so when decisions are made, it’s in the best interest of our team and our business.

**95%**  
Leaders Promoted  
from Within  
in 2020



**78**  
Positions  
Filled Internally  
in 2020

**300+**  
Certified  
People First®  
Leaders





# DIVERSITY, EQUITY & INCLUSION

IncluCITY

## BUILDING A DIVERSE WORKFORCE

We believe that together, we can create a better future for all — one that is equitable and inclusive. We recognize that people from different backgrounds bring different perspectives and ideas which cultivates innovation and problem-solving, thus making it possible for everyone to succeed.

We firmly believe that all Associates should feel welcomed, respected, appreciated, valued, safe and are given opportunities to grow. These principles are more important today than ever before. We are all made better by the diversity that exists within our organization, and we are stronger when all voices are heard and respected.

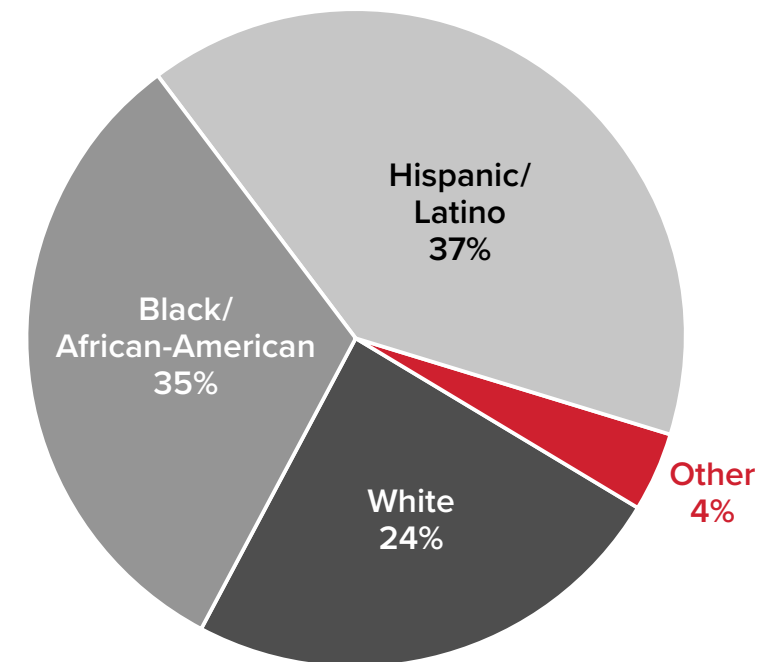
CITY has made a strong commitment to drive progress in racial equality and economic opportunity in our communities by using our voice and our partnerships to make meaningful, bold change in 2020 and beyond.

We reinforce our commitment to diversity and expand our impact by partnering with other organizations focused on advancing and driving inclusion in the Workplace, including:



## OUR WORKFORCE MUST REPRESENT THE COMMUNITIES WE SERVE

We believe sharing our workforce diversity metrics holds our leadership team accountable and ensures we are delivering on our commitment to increase representation. By disclosing our workforce data, we demonstrate the progress we are making. And by maintaining this focus, we believe our company will be well positioned to attract and retain diverse talent, better serve our customers and communities, and build meaningful connections among our Associates.



**33%**  
Females

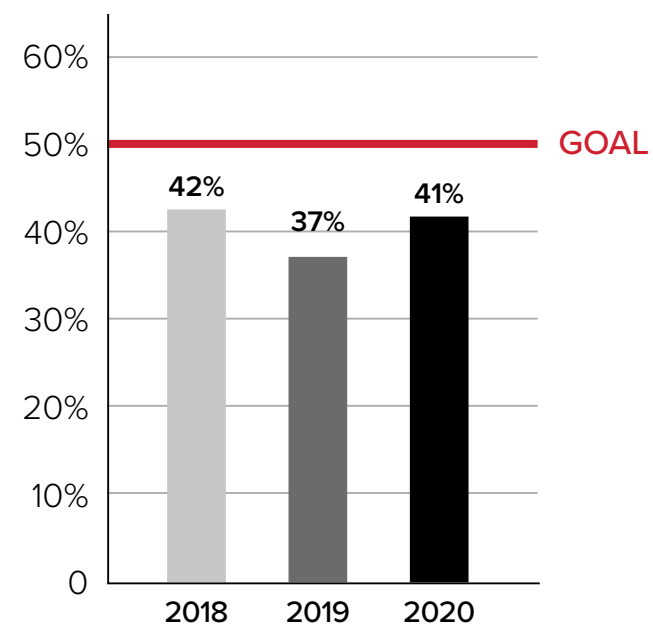


**67%**  
Males

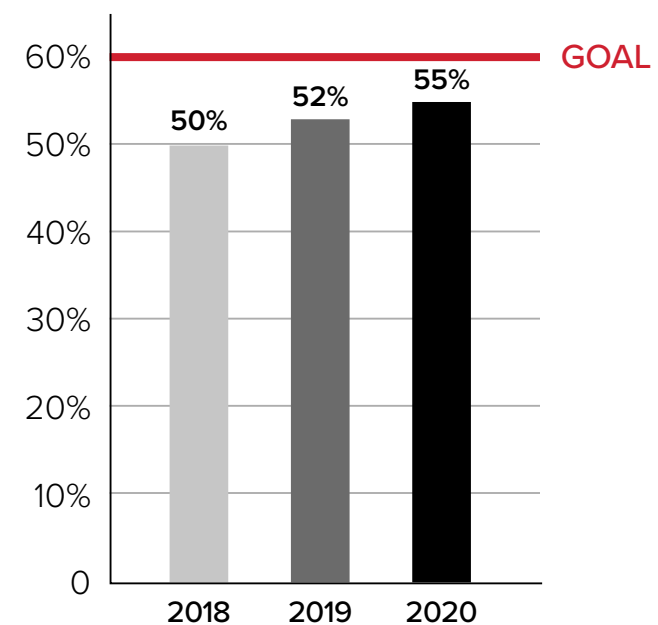




### FEMALES IN LEADERSHIP POSITIONS



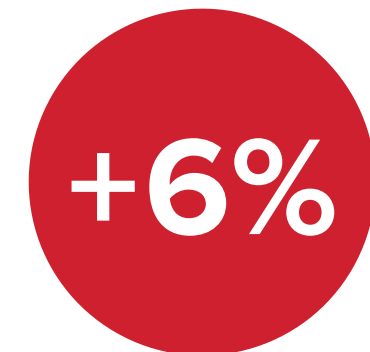
### DIVERSE REPRESENTATION\* IN LEADERSHIP POSITIONS



### IMPROVEMENTS IN LEADERSHIP METRICS



Increase in  
**FEMALES**  
in Leadership Positions



Increase in  
**DIVERSE REPRESENTATION\***  
in Leadership Positions

*\*Diverse Representation includes: Black, Hispanic, Native American, or Native Hawaiian & other Pacific Islander, and Asian.*

*The information presented is based on raw data and should not be used to draw legal or other conclusions regarding CITY's employment practices.*



## SOCIAL JUSTICE



## RACIAL EQUITY

This is an extraordinarily painful time for our country and our CITY family. Racism is wrong. Until we ALL take responsibility to challenge hate, discrimination, and injustice, we won't see the real progress our diverse community so desperately deserves. At CITY, we value a culture of diversity, equity and inclusion, and strive to provide a work environment where all Associates feel welcomed, respected, appreciated, valued, and are given opportunities to grow both personally and professionally. These guiding principles are more important today than ever before. We are all made better by the diversity that exists within our organization, and we are stronger when all voices are heard and respected. Racism, hatred, and inequality do not have a place here. As a company, we don't claim to know how to solve these problems, or how to stop the violence that's occurring, but we do know that it has to start with recognizing how deep-seated racism is and working together to tackle it head-on. Action is critical and starts right here at CITY. We're more committed than ever to our corporate social responsibility goals that support diversity, equity and inclusion.

CITY will continue to be a beacon of inclusion. We will live our purpose... ***to enrich people's lives and make the world a better place*** AND we will use our voice and move forward together.



Promoting an  
Inclusive workplace



We are intentional in our efforts to build and foster an inclusive workforce that reflects our customers and the communities we serve. Expanding our perspectives is a critical aspect of how we drive a culture of inclusion, and open dialogue can help our Associates gain a greater understanding and appreciation for one another. Now more than ever, we need to be comfortable with uncomfortable conversations and deepen our understanding through self-education of people’s differences. To encourage uncomfortable conversations, in 2020, we introduced our Diversity, Equity & Inclusion Town Hall Series with more than 500 Associates participating in conversations. The conversations were hosted in conjunction with community partners, such as the Urban League and Broward College, as well as leaders at CITY.

In addition, we conducted diversity and inclusion training to more than 2,000 Associates and leaders at all levels across the organization. This targeted training helps drive a culture of mutual respect and promote teamwork and positive engagement.

Our four Employee Resource Groups (ERGs) were launched in 2020 and are led by Associates and championed by Executive Sponsors and Advisors to drive Associate engagement and promote inclusion at CITY. Every one of us is unique with our own story to tell, but it’s what we have in common that brings us together in our ERG’s. Our ERG’s reflect our diverse workforce and are true to our inclusive culture; therefore, each group is not only open to Associates who identify with that community, but also to their allies. Together, we celebrate what makes us unique as we build relationships, develop our skills & networks, and support business strategies & priorities.



PRIORITIES  
FOR  
PROGRESS

These priorities guide our company’s efforts to enhance diversity, equity and inclusion:

- 1 Improve the diversity of our leadership and promotion pipelines to better represent our Associates
- 2 Strengthen the culture of inclusion through development and engagement
- 3 Reinforce our commitment to our community and suppliers through strategic partnerships



# Our Veterans

Veterans bring diverse skills into the workplace, including a deep understanding of teamwork, leadership and the value of a strong work ethic. They are often natural leaders with expertise that benefits fast paced, innovative companies like CITY.

CITY is grateful for the military personnel and Veterans who have given their time and made personal sacrifices to ensure our nation's safety and freedoms. We actively recruit and hire Veterans because we value the integrity, passion, and leadership they bring to our team.

We are committed to our Veteran recruitment and retention initiative and strive to achieve a goal of 5% of our workforce to be comprised of Veterans by 2025.



Nearly **2%**  
of our Associates  
are self-identified  
Military Service Veterans



## Drive-by Backpack Distribution

While we focus a lot on giving back to the community, we also know how important it is to take care of our own family! Our annual Back to School event is an opportunity to help our Associates' children get ready for school. This year, we did things a little differently with a drive-by backpack distribution. In 2020, at our Back to School event, we gave out 150 backpacks filled with a variety of school supplies.



For Veterans Day, we gifted our Veteran Associates a tumbler to show our appreciation.



# Competitive Compensation & benefits

We compensate our Associates fairly based on market rates for their positions, experience and how they perform, and we regularly benchmark against other companies both within and outside our industry to make sure our pay is competitive. We are committed to evolving our compensation and benefits to meet our Associates’ needs, and to ensure that we are attracting and retaining the best talent in Florida.

Here are some highlights of our compensation program:

- We have documented and published Compensation Programs for all departments
- We utilize an external HR Compensation Consultant to review and compare market rates
- We provide the opportunity for our Associates to maximize their earning potential by offering:
  - Overtime throughout various departments (i.e., Distribution Center, Customer Care, etc.)
  - Bonus programs throughout various departments

POSITION	NATIONAL AVERAGE*	CITY AVERAGE	CITY TOP 10%	CITY TOP 1%
Service Technician (Delivery Driver)	\$43,000	<b>\$60,000</b>	<b>\$94,750</b>	<b>\$114,000</b>
Warehouse Associate	\$33,000	<b>\$39,000</b>	<b>\$66,000</b>	<b>\$72,000</b>
Customer Care Representative	\$30,000	<b>\$40,000</b>	<b>\$45,500</b>	<b>\$47,000</b>
Sales Associate	\$43,250	<b>\$62,000</b>	<b>\$100,500</b>	<b>\$131,250</b>

\*Source: Payscale.com and Salary.com, December 2020



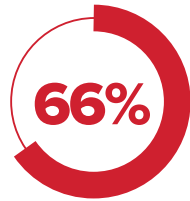
\$7,500,000+

PROFIT SHARING BONUSES  
& 401(k) MATCH PAID IN 2020



We also have a Profit-Sharing Bonus Plan which is designed to reward Associates and leaders who drive performance that directly and significantly impact our corporate goals. Profit Sharing bonuses are based on company profitability. Additionally, we offer a 401(k) Plan with a discretionary match based on company profitability.

We believe “taking care” of our Associates means investing in the whole self, both at and outside of work. The health and safety of our Associates is our top priority, and we’re committed to providing them with the resources they need to take care of themselves and their families. We know we play a critical role in enhancing our Associates’ well-being through the health and wellness benefits we provide.



CITY’s contribution towards the Associate coverage for HRA Health Insurance Plans



CITY’s contribution for additional family coverage for the HRA Health Insurance Plans



CITY’s contribution of Dental, Life, STD, LTD, and EAP Plans

Our health and wellness benefits support the overall well-being of Associates, from their financial security to their mental and physical health and support for their families. A range of programs inspire and help Associates manage and enhance their health and well-being. This includes access to our onsite Health & Wellness Center (located at our Tamarac location), free Virtual ER with access to medical providers available 24/7, fitness and wellness discounts (such as gym memberships) and a tobacco-cessation program — just to name a few. Additionally, our banking programs, education assistance/tuition reimbursement and 401(k) Plan with a discretionary company match, as well as our Profit-Sharing Bonus also help our Associates build long-term financial stability.



2020 Kevin Koenig Leadership Award Winners, Keri Malone and Katie Gottlieb, with Keith and Andrew Koenig.

## Recognitions & Rewards

Whether it’s simply a pat on the back or a high five, a monetary bonus, a weekend getaway or even a new car, we pride ourselves on having a comprehensive recognition strategy that allows us to cultivate a culture of appreciation, so our Associates know how much we value and appreciate them. We recognize that successful people have a tremendous desire to win. That’s why we foster a workplace where everyone is capable of being successful, feels empowered and engaged, and knows they are equal contributors to the overall success of our business.



# \$500,000+

SPENT ON  
ASSOCIATES' RECOGNITION



## RECOGNITION AWARDS:

- Kevin Koenig Leadership Award
- People First® – “Purple Tile on the Gray Wall” Award
- Doreen Koenig Philanthropic Award
- CFOS (CITY Furniture Operating System) Award
- Departmental Top Performers: Monthly, Quarterly and Yearly
- Safety Awards
- Suggestion System Awards – Gift Cards for implementing ideas (up to \$25), Annual Trip Raffle Prize
- CITY Circle Awards – \$10-\$75 Quarterly, \$1,000 Annual Grand Prize
- And much more!





## Doreen Koenig

PHILANTHROPIC AWARD

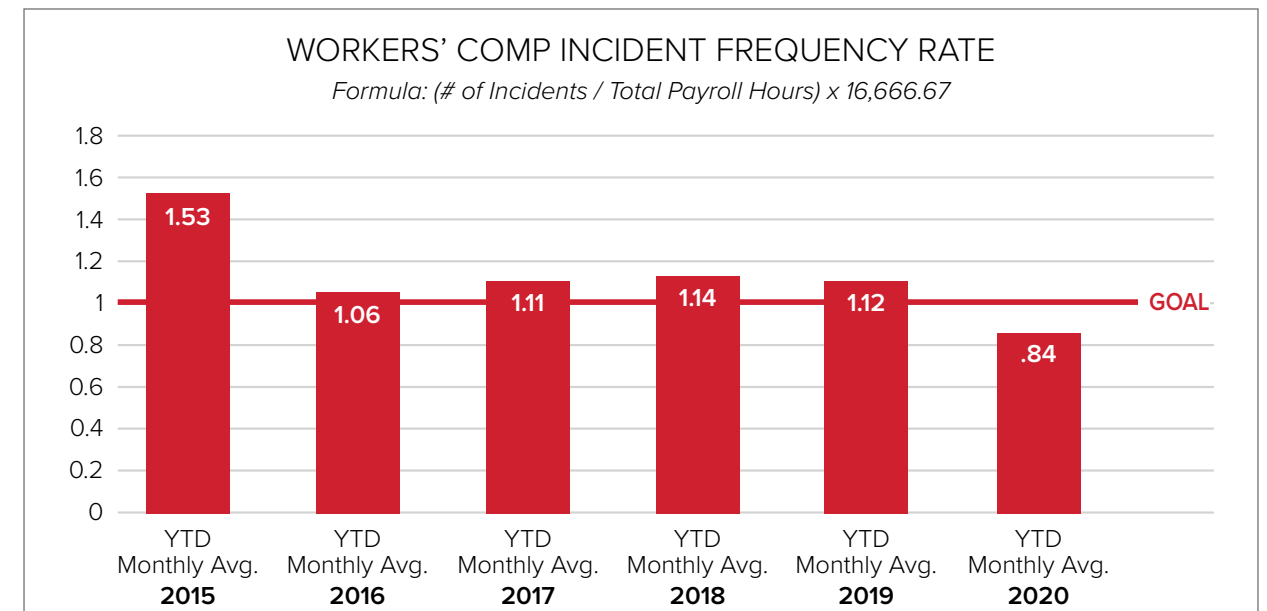
Doreen Koenig, our CEO's late wife, passed away from breast cancer in 2015. Doreen was known throughout the community for her charitable efforts. As part of our Associate Recognition program, the Doreen Koenig Philanthropic Award is presented to an Associate in memory of Doreen Koenig's love, respect, and generosity for the CITY family and the community around her. The recipient(s) of the award is chosen based on their contributions to the community and their ability to go above and beyond to give back and help another person and/or charitable organization. They are generous with their time and support, and perform good deeds for those who need the help. Ultimately, the recipient(s) lives their life as Doreen did, touching many lives and making the world a better place.



*Danny LaRose, winner of 2020's Doreen Koenig Philanthropic Award, with Keith & Andrew Koenig, Danny's family, and Sabrina Maday.*

## Our commitment To safety

Safety at CITY is one of our cornerstones to ensure our future as an organization. Core to the company's philosophy is a goal of zero Associate injuries and auto accidents, as well as customer incidents. CITY supports all efforts to protect all Associates & guests with such fervor. With recent events that have impacted our service markets and the world, it has been amazing to witness CITY's resiliency and commitment to the health and safety of each and every person, regardless of affiliation to the company. During these trying times, we can proudly say that CITY lives our core values of making the world a better place.



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*\*Through 11/30/2020*



With Cyber Security crimes up over 75%, Cybercrime is getting more serious by the month. Cyber Security Awareness and Training is a top company priority, and keeping our Guests' information safe is everyone's responsibility. CITY is implementing a new Security & Risk team for 2021, fully focused on improving our Cyber Security capabilities and ensuring that your private information is safe from any threats.





CITY'S  
5% GIVING PLEDGE



# CITY'S 5% GIVING PLEDGE

We owe a lot to our success, and a big part of that is the community that has allowed us to grow our business over the last 49 years. That's why we're committed to giving back a minimum of 5% of annual profits through **CITY's 5% Giving Pledge**.

The mission is to spread our reach far and wide into the community, because we believe there's no limit to the good we can do. We do this by partnering with a vast number of organizations each year and supporting them through fundraising, volunteerism, and activism. It all goes back to our original mission to make the world a better place, by empowering critical causes with positive change. The five main pillars of CITY's 5% Giving Pledge include:



## HOME

Uplifting the people that live in our community.



## HEALTH

Raising funds to foster physical and mental health.



## SERVICE

Honoring Veterans, first responders, and all who sacrifice.



## DIVERSITY

Empowering equality through activism and outreach.



## EDUCATION

Developing a brighter future through knowledge and safety.



## HOME

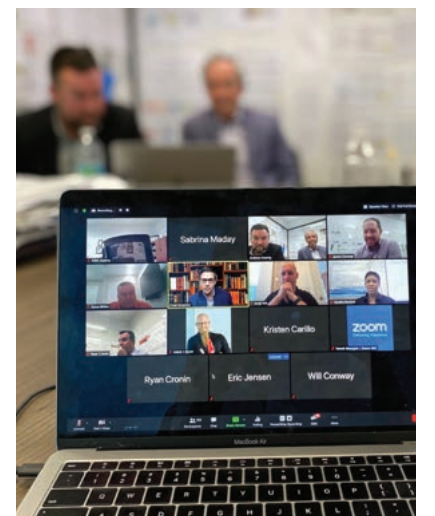
Uplifting  
the people  
that live  
in our  
community.



In July, CITY teamed up with Feeding South Florida, WSVN, and the Caleb & Calder Sloan's Awesome Foundation to host a drive-thru food distribution at our headquarters in Tamarac. Together, we loaded up over 600 families' cars with fresh fruits and vegetables, meat, and milk to help offset the burden for those who are struggling during these times.



Covenant House Florida provides invaluable services to homeless, runaway, and at-risk youth under the age of 21. This November would have marked our 25th annual Kevin Koenig Memorial Covenant House Cup Golf & Fishing Tournament. Due to COVID-19, we had to pivot our strategy to raise the funds Covenant House needed more than ever before. CITY's first ever virtual Vendor Conference was a successful alternative, raising over \$140,000.







## HEALTH

Raising funds  
to foster  
physical  
and mental  
health.



American Heart Association®  
**Heart Walk®**

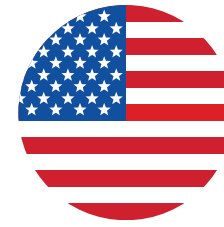
Each year, we participate in the Broward Heart Walk in memory of CITY's founder, Kevin Koenig, and all who have been impacted by heart disease or stroke. Nearly 100 CITY Associates registered to walk virtually this year, and our annual company-wide fundraising effort for the American Heart Association totaled over \$85,000! Combined with our donation match commitment of up to \$25,000, it was our honor and privilege to have been able to contribute over \$110,000 to the Broward Heart Walk in 2020.



### PINK PUMPKINS FOR AMERICAN CANCER SOCIETY

We have long supported the American Cancer Society's Making Strides Against Breast Cancer campaign. In 2020, over 100 of our CITY Associates registered to walk virtually, following the launch of our first annual Pink Pumpkins breast cancer awareness & fundraising initiative to benefit Making Strides. Our Associates, customers, friends, and other local businesses banded together to help us raise over \$80,000 for the cause. Combined with our donation match commitment of up to \$25,000, it was our honor and privilege to have been able to contribute over \$100,000 to the American Cancer Society in 2020.





## SERVICE

Honoring  
Veterans,  
first responders,  
and all who  
sacrifice.



## FIRST RESPONDERS

When a crisis occurs, our first responders are there to answer. These true heroes of every community sacrifice for our safety daily. For that reason, we believe it's our duty to give back at every opportunity. We made a special delivery of new mattresses to our neighbors at Tamarac Fire Rescue; a small token of appreciation to those who keep our community safe.

### *honoring our heroes*

One of the most rewarding aspects of our sports partnerships was the opportunity to honor the men and women who serve our country. From our Everyday Heroes to the Salute to Service, these programs allow us to recognize a Veteran at the home games of the Miami Dolphins, Orlando City and Orlando Pride Soccer Clubs, the Florida Panthers, and the Miami Marlins. Our heroes have given us so much, and it's truly humbling to stand amongst them.

# 54

HEROES  
HONORED  
IN 2020





## DIVERSITY

Empowering  
equality  
through  
activism and  
outreach.



Our partnership began in 2019 with the CommUNITY Rainbow run, an event dedicated to honoring the victims, survivors, and first responders of the 2016 Pulse Nightclub tragedy in Orlando; celebrating our diverse backgrounds; and creating a sanctuary of hope for our future. We are continuing to expand our relationship to help support the construction of the National Pulse Memorial and to fund community education programs and scholarships. In 2020, we donated \$25,000 to OnePulse.

## Arc Broward



2021 Miss Arc Broward  
Pageant Winner

Arc Broward transforms our community by providing opportunities for people with disabilities and other life challenges to realize their full potential. The annual Miss Arc Broward Pageant is a unique experience designed to empower young women with disabilities. We sponsor the event's Teen Ambassadors – local teens who dedicate their time to make the pageant an unforgettable experience for the contestants.







## EDUCATION

Developing  
a brighter  
future through  
knowledge  
and safety.

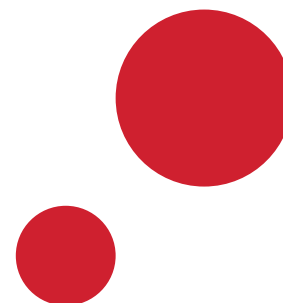


Our CITY storefront at JASF's Finance Park teaches thousands of 8th grade students in Broward County about making smart purchases by using credit and financing. During the height of the pandemic in South Florida, we teamed up with JASF to put an increased effort into educating youths and families about financial and health literacy, to help people & children in Broward county make smarter long-term decisions that will help them reach their goals and be prepared for potential economic crises. In 2020, we donated \$100,000+ to JASF.



**DR. MARTIN LUTHER KING, JR.  
DAY OF SERVICE**

To honor the legacy of Dr. Martin Luther King, Jr. we joined community members in partnership with City Year Miami for a Day of Service at South Hialeah Elementary School in January of 2020. Our 15 volunteers painted murals on the interior & exterior walls of the school, built and painted tables and benches, and did some landscaping – all to make the school a more fun and engaging learning environment for the students.





WE SUPPORT

over **40**

NON-PROFITS  
THROUGHOUT FLORIDA







2040  
GREEN PROMISE



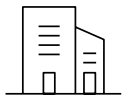
# 2040

## Green Promise

We're raising our standards for a carbon neutral future.

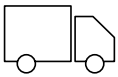
For us, nothing is more important than home. And there's no home that needs more care than our planet. That's why we're taking all the right steps now to create a greener future, with the goal to be carbon neutral in our showrooms, delivery fleet, warehouses, and corporate offices by 2040.

### 3 MAJOR MILESTONES AND COUNTING



#### SHOWROOMS & FACILITIES

Good design isn't just for our furniture. We have eight LEED-certified showrooms, which are specially constructed to use up to 25 percent less energy and 30 percent less water.



#### TRANSPORTATION

We make thousands of deliveries each year, so every mile counts. We were the first in our industry to convert our entire delivery truck fleet to run on compressed natural gas.



#### RECYCLING

We built a state-of-the-art recycling center in our warehouse to recycle almost everything that comes through the doors. That equals six million pounds of waste kept out of landfills every year.

**460,000**

square feet of retail space certified for Leadership in Energy & Environmental Design

**45%**

less greenhouse emissions are released into the air with USA-made natural gas

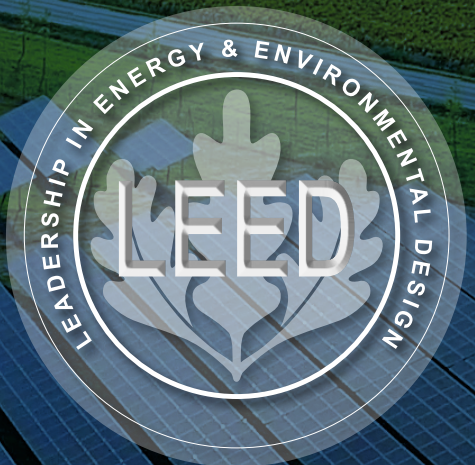
**99%**

of all cardboard, plastic, and operational waste is recycled

Visit [cityfurniture.com/green-promise](https://cityfurniture.com/green-promise)







LEED is the most widely used green building rating system in the world. LEED provides a framework to create healthy, highly efficient and cost-saving green buildings. LEED certification is a globally recognized symbol of sustainability achievement.

We have the MOST LEED certified square footage of any furniture retailer in the USA!

8 LEED Certified Showrooms (2 more in process of being certified)

460,000 ft² of LEED Showrooms

# Our Facilities

By 2040, our plan is to run nearly all showrooms on renewable energy, which will offset our electric use and help achieve our goal of carbon neutrality.



42

High Efficiency HVAC Units Qualify for FPL/Utility Rebates

\$200,000+

Received in Utility Rebates



99%

of Showrooms Have LED Interior Track Lights

85%

of Parking Lots and Exterior Lights are LED



500 Kilowatt Hours

from Solar Panels through FPL Solar Together Program

Installing First Privately-Owned 420 Kilowatt Hours Solar Panel System in our Doral showroom – Over 60% of Electrical Consumption at Showroom will be from Solar Panels



Up to 30% Less Water

With the Help of Retention Ponds and Wells at Select Sites



In the Process for Getting 9 Showrooms Certified



Through a New Partnership, We Will Now Track our Scope 1 and Scope 2 Emissions Data



By Moving All Of Our Or Data Center To The Cloud, We Have Significantly Lowered Our GHG Emissions and Footprint



We've added 12 Electric Vehicle Charging Stations at two showrooms

We Save Over

7.2 Million

Kilowatt Hours Per Year Due to Energy-Efficient Projects in Lighting, HVAC, and Building Controls



Resulting in

11.2 Million Pounds

of CO2 Not Released Into the Air Each Year



Our  
Transportation

Clean skies are ahead. By 2040, our delivery fleet will be carbon neutral, running on Compressed Natural Gas (CNG) and electric trucks powered by renewable energy. We'll also use Tesla semi-trucks to transport our shipments to each warehouse.



**100%**  
of our Trucks Utilize  
CNG or Renewable  
Natural Gas (RNG)

First in our Industry to  
Convert 100% to  
CNG Delivery Trucks



**3**

Forklifts Fueled  
by Propane Gas



**PETERBILT  
DEDICATED CNG  
SEMI TRUCKS**

Each of these trucks have  
a NOx Reduction of  
5,582 lbs. Average  
Compared to a Diesel Semi  
(53% More Cost-Effective  
than Diesel Alternatives)



**2**

Ottawa E2  
Electric  
Yard Spotters



Model 3  
in the Fleet



Semi-Trucks  
on Order



Cyber Trucks  
on Order



*Renewable Natural Gas will be  
used in at least 60% of our miles  
driven, with even greater emission  
reductions than CNG.*





## We Recycle

It's always been our purpose to make the world a better place. So, we built a state-of-the-art recycling center in our Distribution Center to recycle almost everything that comes through the doors. That equals 6 million pounds of waste kept out of landfills every year.



**500,000**

Pounds of Plastic are Recycled and Repurposed into Goods

**100%**  
of Showroom Locations  
Have Mixed-Use  
Recycling Dumpsters



Removed All Styrofoam Cups from our Tamarac Facilities, Preventing

**over  
200,000**

Styrofoam Cups from Ending Up in Landfills Every Year



**5.5  
million**

POUNDS OF CARDBOARD  
ARE SENT TO A LOCAL PAPER  
RECYCLING MILL PER YEAR





# Our Products



Fair Trade Certified™ Factory – The factory we order sheets from is certified by Fair Trade USA™. Money received from the sale of Fair Trade Certified™ products goes to a community development fund, and then workers vote together on how to spend those funds.



Our proprietary “top of bed” linen lineup includes 100% Tencel™ pillow cases, sheets, and duvet covers. Tencel™ is a true earth-friendly product: sustainable, natural, bio-degradable, and compostable.



We source more product from the United States than any other nation.



Our bedding lineup includes a GOTS Organic Cotton line.



Our exclusive private label sheets, pillowcases and duvet covers are OekoTex® certified. The process to make the textiles met strict guidelines for water consumption, and harmful chemicals were not used in the production of the product.



Our Seattle collection features FSC Certified Recycled solid wood. Utilizing wood reclaimed from pallets, our Seattle collection has both beautiful appearance and charming character.



We partnered with the Arbor Day Foundation to plant one tree for every piece sold from the entire Seattle collection.



CITY partners with Underwriter’s Laboratory (UL) on their Product Stability Verified program this year. UL’s Product Stability Verified Mark endorsed by the American Home Furnishings Alliance helps consumers identify products that meet the industry’s stability requirements. Backed by science, the Product Stability Verified Mark provides objective, scientific assessments that confirm product stability, a unique identifier that allows consumers to easily find details about your product claims and trust that product’s claims will live up to their promise.





In 2002, CITY introduced our own exclusive line of furniture, **Kevin Charles Fine Upholstery**. Named in honor of Kevin Koenig, founder of CITY, Kevin Charles Fine Upholstery provides over 100 jobs to Americans and hand assembles all furniture right here in the USA. The Kevin Charles brand has become firmly established as one of the leading names in fine furniture in South Florida and will continue to honor Kevin's legacy with passion and dedication to all its customers. We are proud of the efforts made by our Kevin Charles Associates to support our 2040 Green Promise.



Installed Energy Right LED Lighting in New Facility,  
Reducing Energy Consumption by  
**30%**



- Over **2,500** cardboard boxes are reused annually
- Raw material packaging is reused to ship Accent Pillows to CITY
- Office and manufacturing supply boxes are reused to ship Customer Service Parts



Replaced All HVAC Units  
with New Energy Efficient Units







## Company Recognitions



Rated  
A+



Rated  
★★★★★ (4.3)



Rated  
★★★★★ (4.5)



