

HOOKER FURNITURE CORPORATION CORPORATE GOVERNANCE GUIDELINES

Introduction

The Board of Directors (the “Board”) of Hooker Furniture Corporation (the “Company”) has approved the principles set forth in these Corporate Governance Guidelines (these “Guidelines”) to serve as a basis for the corporate governance of the Company. These Guidelines, together with the Company’s charter documents and the charters of the committees of the Board, provide an overall framework for the Company’s governance and are intended to support the Board in its role in overseeing the business and affairs of the Company on behalf of the Company’s shareholders. The Board will review these Guidelines annually, and these Guidelines will be posted on the Company’s website for public access.

Role and Function of the Board

All corporate powers of the Company are exercised by or under the authority of the Board. The Board is charged with the responsibility of overseeing the Company’s management, as well as the business and affairs of the Company on behalf of the Company’s shareholders.

As a part of its general oversight responsibility, the Board is responsible for (either directly or indirectly through one or more of its committees) overseeing Company-wide risk management through, among other things:

- Reviewing and approving the Company’s annual operating and capital budgets;
- Reviewing the Company’s quarterly and year-to-date operating results and discussing those results with senior management;
- Reviewing management’s quarterly risk assessment reports;
- Reviewing management and internal audit reports regarding the Company’s internal control over financial reporting; and
- Reviewing reports regarding the Company’s internal control over financial reporting from its independent registered public accounting firm.

The Board is also responsible for (either directly or indirectly through one or more of its committees), among other things:

- Selecting, evaluating, setting compensation for and planning for the succession of the Company’s Chief Executive Officer (the “CEO”);
- Providing counsel on the selection, evaluation, development, compensation, and succession of the Company’s senior management;
- Reviewing and engaging in discussions periodically with members of the

Company's management team about the Company's fundamental financial and business strategies;

- Reviewing and approving significant corporate actions, including electing officers, declaring dividends and major transactions; and
- Establishing and maintaining appropriate committees, as required by the rules of the Securities and Exchange Commission and/or the NASDAQ Global Select Market ("NASDAQ") or as otherwise deemed appropriate by the Board.

Board Composition and Director Qualifications

1. Size of the Board

The Board will set the number of directors within the range allowed by the Company's bylaws based upon the recommendation of the Board's Nominating and Corporate Governance Committee.

2. Director Independence

The Board shall, at all times, consist of a majority of independent directors, as defined under NASDAQ rules. The Board is responsible for making an annual determination as to the independence of each director based upon the recommendation of the Nominating and Corporate Governance, which recommendation shall take into account all relevant facts and circumstances, including whether a director has a relationship with the Company (in addition to those specified in applicable NASDAQ rules) that would impair their independence.

3. Board Leadership

The directors of the Board will elect a Chair at the organizational meeting following the Annual Shareholders' Meeting or as needed.

4. Election of Directors

All directors are to be elected annually by the Company's shareholders. The Board shall recommend a slate of directors for election by shareholders at each annual meeting of shareholders based upon the recommendations of the Nominating and Corporate Governance Committee. Any vacancies on the Board shall be filled by the Board in accordance with the Company's bylaws. Any individual selected to fill any such vacancy shall serve only until the next annual meeting of shareholders.

5. Term Limits and Mandatory Retirement

The Board does not believe that it is appropriate or necessary to limit the number of terms a director may serve. However, any outside director must retire upon reaching the age of 75, with such retirement being effective and occurring upon the completion of the term in which the director turns 75.

Board leadership should be refreshed regularly, therefore under most circumstances Board and Committee chairs should not serve in a given role for more than three consecutive years.

6. Selection of New Director Candidates

New candidates for director are to be identified by the Nominating and Corporate Governance Committee and assessed by such committee in the context of the current composition of the Board, the operating requirements of the Company and the long-term interests of shareholders. The Nominating and Corporate Governance Committee has not established a set of specific, minimum qualifications for director candidates but, in conducting its assessment, will consider such factors as it deems appropriate given the current needs of the Board and the Company.

Generally, the committee seeks candidates who:

- Possess a reputation for adhering to the highest ethical standards and have demonstrated competence, integrity, and respect for others;
- Have demonstrated excellence in leadership, judgement and character;
- Have diverse business backgrounds, with a wide range of relevant education, skills and professional experience that will complement and enhance the Company's business and strategy; and
- Have the time to devote to Board and committee service and are free of potential conflicts of interest.

While the Board has no formal policy regarding diversity, the Nominating and Corporate Governance Committee considers the diversity of the Board when identifying nominees for director. Such diversity may include a variety of different personal, business and professional experiences, as well as a variety of opinions, perspectives, backgrounds and other characteristics.

7. Evaluation of Incumbent Directors

In deciding whether to renominate an incumbent director, the Nominating and Corporate Governance Committee shall review such director's overall service to the Company during their term as a director and whether their skills are still relevant to the needs of the Board.

8. Change in Circumstances

The Board will consider whether a change in an outside director's circumstances directly or indirectly impacts that individual's ability to fulfill their obligations as a director.

To facilitate the Board's consideration, all outside directors must submit a resignation to the Board as a matter of course upon retirement, a change in employer or other significant change in their professional roles and responsibilities or other circumstances which could impact the director's ability to fulfill their responsibilities as a director. Such resignation may be accepted or rejected by the Board in its sole discretion.

Any director employed by the Company shall submit their resignation as a director to the Board upon the conclusion of their employment with the Company. Such resignation may be accepted or rejected by the Board in its sole discretion.

9. Service on Other Boards

The Board believes that directors should limit the number of boards of other public companies on which they serve in order to ensure their effectiveness as a director and to avoid potential conflicts of interest. The CEO and any director working for the Company may not serve on more than 1 other public company board, while any outside director may not serve on more than 4 public company boards.

Any director must advise the Board Chair and the chair of the Nominating and Corporate Governance Committee in advance of accepting any invitation to serve on another public company board in order to allow the Board and the Nominating and Corporate Governance Committee to evaluate whether the new directorship may adversely impact the director's service on the Board or create any potential conflicts of interest.

10. Compliance with Company Policies

Each director must comply with these Guidelines, the Company's Code of Business Conduct and Ethics and any other Company policies applicable to such director.

Board Meetings and Materials and Director Education

1. Regular and Special Meetings

The Board shall establish the number of regular meetings to be held each year, which number shall not be less than 4, and shall hold special meetings when called in accordance with the Company's bylaws.

2. Executive Sessions

The independent directors shall meet in executive session for a portion of each regularly scheduled Board meeting.

3. Meeting Agenda

The Board Chair, in consultation with the CEO, will establish the agenda for each meeting. In establishing the agenda, the Board Chair shall also take into account any suggestions from other members of the Board.

4. Distribution of Board Materials

The agenda for each Board meeting and, to the extent possible, summaries of information and background materials that may assist the Board in understanding the business and matters to be considered at such meeting are to be distributed to the Board sufficiently in advance of such meeting to allow the Board to review and consider them prior to such meeting.

5. Director Attendance and Preparation

Directors are expected to attend all Board and committee meetings and to devote as much time and attention as necessary to discharge their duties. Directors also

are expected to ensure that other commitments do not materially interfere with their attendance at Board and committee meetings or their ability to fulfill their responsibilities as directors.

6. Annual Meeting Attendance

The Company expects each director to attend the Company's annual meeting of shareholders.

7. Director Orientation and Continuing Education

The Company will conduct appropriate orientation programs for new directors, including presentations by senior management, to familiarize new directors with the Company's business and strategic plans; and significant financial, accounting and risk management issues; these Guidelines; and the Company's Code of Business Conduct and Ethics.

Continuing education opportunities will be made available to directors, including through management presentations and/or the distribution of information concerning business, legal or regulatory issues affecting the Company.

Director Compensation and Share Ownership

Directors employed by the Company shall receive no additional compensation for their service on the Board.

Non-employee directors shall be compensated in the form and the amount determined by the Board based upon the recommendation of the Compensation Committee. Independent directors may not receive consulting, advisory or other compensatory fees from the Company in addition to their compensation as directors.

All non-employee directors are required to hold shares of the Company's common stock with a value equal to three times their annual cash compensation. Each director is allowed six years to accumulate the required holding level.

Board Committee Matters

1. Maintenance of Committees

The Board shall maintain at least three standing committees: an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee (the "Committees"). The Board may, from time to time, re-allocate responsibilities amongst these committees and may, from time to time, form or disband such additional committees as deemed necessary or appropriate by the Board, in its sole discretion.

2. Purpose and Responsibilities

The purpose and responsibilities of each committee shall be outlined in their charters, and each charter shall be posted on the Company's website for public access.

3. Committee Meetings

Each Committee shall meet at such times and with such frequency as the

Committee deems appropriate to meet its responsibilities and accomplish its purpose.

4. Committee Membership and Leadership

Each of the Company's independent directors shall serve on all of the Committees, except that if an independent director was formerly employed by the Company such individual shall not serve on the Compensation Committee.

The Board shall annually appoint a chair of each Committee.

5. Committee Self-Assessment and Charter Review

Each Committee shall engage in an annual self-assessment to determine whether it is functioning effectively. Each Committee shall annually review and reassess the adequacy of its charter and recommend any changes to the full Board.

6. Committee Resources

The Company shall provide each Committee with appropriate resources with which to carry out its responsibilities, including, but not limited to, sufficient funds to retain and consult with such outside technical, management, legal, financial, accounting and other experts as such Committee deems appropriate.

Board Access to Management

Directors shall have full and complete access to the CEO, the Company's chief financial officer and other members of the Company's senior management team and, as necessary and appropriate, the Company's independent advisors. Members of management shall be responsive to all requests for information from directors.

Other Resources

The Board shall have full access to the Company's books, records and facilities and shall have the power and authority, and the Company shall make available sufficient funds, to engage and compensate such independent outside financial, legal, accounting or other advisors or experts as the Board deems appropriate.

Board Self-Assessment

The Board shall conduct an annual self-assessment to determine whether it is functioning effectively.

Review of these Guidelines

These Guidelines shall be reviewed annually by the Nominating and Corporate Governance Committee and the Board.