



## Code of Business Conduct

The board of directors has adopted this Code of Business Conduct to ensure a consistent and uniform approach to the way La-Z-Boy Incorporated conducts its business across all divisions and business units. This Code is a statement of goals and expectations for individual and business conduct, and is not intended to address all the applicable laws or encompass all the La-Z-Boy policies. It is the responsibility of each employee, officer and director of La-Z-Boy or any of its subsidiaries to be familiar with all applicable laws and policies and to act in the best interests of La-Z-Boy and our shareholders.

This Code applies to all employees, officers and directors of La-Z-Boy Incorporated and its subsidiaries and we use the phrase "La-Z-Boy personnel" to refer to all such covered individuals. In this Code, unless the context clearly requires otherwise, "La-Z-Boy" and the words "we," "us" and "our" all refer to La-Z-Boy Incorporated and our subsidiaries collectively.

La-Z-Boy and its various operating units have adopted specific policies and procedures to address various issues and concerns. Compliance with this Code and the specific policies and procedures is a requirement of employment. If there is conflict or inconsistency between this Code and any specific policy, this Code will control. If after reviewing this Code and any other relevant policies you are unable to determine the proper course of action using your own good judgment, then you should seek advice from your supervisors, and if that is not practical, confer with the Corporate Secretary or other members of senior management.

While the Corporate Secretary is responsible for the implementation and administration of this Code, all La-Z-Boy personnel are responsible for understanding and complying with this Code. Each supervisor is responsible for ensuring his or her employees understand this Code and their obligations under it. In addition to following the provisions of this Code, all La-Z-Boy personnel are obligated to report violations of this Code to management or to the La-Z-Boy Ethics hotline at 1-866-480-6136.

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 in any employee, client, supplier, competitor, shareholder or any other person or entity.

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## ***Accountability***

All La-Z-Boy personnel will be held accountable for adhering to this Code. The nature of the sanction imposed for any violation will depend on all the relevant facts and circumstances. Where appropriate, an employee may be terminated for violating this Code.

## ***Administration***

La-Z-Boy's Corporate Secretary is responsible for the overall administration of this Code and for assisting employees in conducting their business activities in a legal and ethical manner. This responsibility includes applying the Code to specific situations in which questions may arise and interpreting the Code in a particular situation. For matters related to this Code, the Corporate Secretary reports directly to the Audit Committee of the Board of Directors.

The Code is endorsed by and has the full support of La-Z-Boy's Board of Directors. The Board of Directors and management are responsible for overseeing compliance with and enforcing the Code.

## ***Antitrust & competition laws***

Antitrust and competition laws protect free enterprise. While these laws are complex and difficult to summarize, at a minimum they prohibit agreement between La-Z-Boy and our competitors that affect prices, terms or conditions of sale, or fair competition. In order to avoid creating even the appearance of improper agreements, La-Z-Boy prohibits: 1) Discussions or other contacts with competitors regarding price fixing, stabilization or discrimination; 2) Discussions or other contacts with suppliers and customers that illegally restrict trade or exclude competitors from the marketplace; 3) Agreements with competitors regarding territories or markets in which competitive products are sold, allocating markets or customers; and 4) Agreements with others to boycott customers or suppliers. U.S. antitrust laws apply to activities in other countries wherever the activities have an impact on U.S. commerce. The violation of any U.S. or foreign laws and regulations could result in serious criminal and civil sanctions for both La-Z-Boy and the individuals involved. If you are responsible for areas of the 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). The competition laws of other countries are sometimes more stringent than U.S. antitrust laws and regulate among other things, distribution agreements; patent, copyright and trademark licenses; territorial restrictions on resellers and licensees; rebates and discounts to

customers; and pricing policies generally. These laws are complex. You are expected to understand the applicable laws or ask advice before you act.

### ***Books, records and accounting principles***

La-Z-Boy expects all La-Z-Boy personnel to be responsible for the integrity and accuracy of business documents, communications and financial records they generate. All books and records of La-Z-Boy shall be kept in accordance with all applicable laws, rules, and regulations, and shall fully, fairly, and accurately reflect in appropriate detail all of La-Z-Boy's transactions, assets, liabilities, and the financial condition of La-Z-Boy. La-Z-Boy personnel shall not conceal any mistake in La-Z-Boy's financial reporting. Mistakes, unless clearly immaterial, must be promptly reported to management and appropriately resolved. La-Z-Boy personnel shall not alter or falsify information on any record or document or intentionally make a false or exaggerated or misleading entry on any record or document.

La-Z-Boy will maintain a system of internal controls to ensure reliability and adequacy of its books and records and appropriate authorization, recording and accountability of assets. La-Z-Boy personnel shall provide full access and all relevant information requested by internal auditors, independent accountants or legal counsel.

La-Z-Boy's record retention policies and procedures ensure that company records are retained in compliance with applicable legal requirements. You are expected to be familiar with the relevant requirements for your operations. Document destruction must stop immediately if you become aware of a legal request for such documents or when directed by the legal department to stop. La-Z-Boy personnel are prohibited from tampering with documents or removing or destroying them prior to the dates specified in the record retention policies.

### ***Bribery and corruption***

La-Z-Boy prohibits payments of any kind directly or indirectly, to any person, either to illegally obtain advantage in selling La-Z-Boy products or to illegally advance La-Z-Boy's interests with government authorities. Any such payment, made anywhere in the world, violates La-Z-Boy's policies.

Most countries in which we do business have laws that forbid the making, offering or promise of any payment or anything of value (directly or indirectly) to a government official (and in the U.S., to foreign political parties and candidates), particularly when the payment is intended to

influence an official act or decision to award or retain business. No payments, gifts or services intended to influence or even appearing to influence a government official's action should ever be given.

La-Z-Boy also prohibits "commercial bribery" which violates U.S. law and the laws of many countries. Commercial bribery refers to furnishing something of value to an intermediary (e.g. an employee of a customer) without his or her supervisor's knowledge, with the intent to illegally influence the supervisor's commercial conduct. La-Z-Boy prohibits any La-Z-Boy personnel, consultant, middleman or other agent acting on such individual's behalf or on behalf of La-Z-Boy from directly or indirectly engaging in commercial bribery.

### ***Compliance with laws, rules and regulations***

La-Z-Boy requires all La-Z-Boy personnel to comply with all applicable laws, rules and regulations including, but not limited to, the subjects contained within this Code. When the applicable laws, rules or regulations are ambiguous, La-Z-Boy personnel shall obtain clarification or legal advice from Corporate Counsel.

### ***Computer systems and information***

La-Z-Boy considers the use of La-Z-Boy's computer networks and information technology both a necessity and a privilege that should only be used for legitimate business purposes. La-Z-Boy personnel with access to La-Z-Boy computer networks are responsible for using the highest standards of corporate and social behavior in all of their usage and communications.

### ***Confidentiality***

La-Z-Boy owns, values and protects many intangible assets including our trade names, trademarks and trade secrets. All non-public information entrusted to La-Z-Boy personnel by La-Z-Boy or our customers that might be of use to competitors or harmful to La-Z-Boy, our employees or customers, if disclosed, shall be considered "Confidential Information" and must not be disclosed to others unless the disclosure is authorized by La-Z-Boy or legally mandated.

### ***Conflict of interest***

La-Z-Boy personnel have a duty of loyalty to La-Z-Boy and should avoid any actual or apparent conflicts of interest. La-Z-Boy personnel should not be influenced by any improper personal gains or benefit, directly or indirectly, and should avoid even the appearance of any improper personal benefits from their actions. La-Z-Boy personnel must perform their

duties objectively and effectively and should avoid situations where they may be influenced by any potential improper personal gains, including benefits that may be received by their family members. Generally, if a relationship or situation could or appears to influence your objectivity or effectiveness, you must avoid the situation. If a conflict is unavoidable, it must be disclosed immediately to the President, Corporate Secretary or Chairman of the Audit Committee.

### **Corporate assets**

La-Z-Boy provides assets and resources (i.e. materials, supplies, telephones, electronic mail, etc.) to its personnel to fulfill La-Z-Boy goals and purposes. La-Z-Boy personnel shall diligently protect any La-Z-Boy assets and resources under their control and ensure their efficient use. Theft, carelessness and waste have a direct impact on our profitability. All La-Z-Boy assets should be used only for legitimate business purposes.

### **Corporate opportunities**

La-Z-Boy personnel have a duty to advance La-Z-Boy's legitimate interests when the opportunity arises. La-Z-Boy personnel should not take for themselves opportunities discovered while performing their duties as La-Z-Boy personnel or through the use of La-Z-Boy property, information or position. La-Z-Boy personnel should not use La-Z-Boy property, information or position for personal gain nor compete, directly or indirectly, with La-Z-Boy.

### **Disclosure**

All La-Z-Boy personnel involved in any aspect of preparing reports and other documents that La-Z-Boy files with the Securities and Exchange Commission or our other public communications must take all appropriate actions to ensure that we provide full, fair, accurate, timely and understandable disclosure in those reports, documents and communications.

### **Environmental**

La-Z-Boy is committed to the goal of efficient and environmentally sound business practices and operations compatible with protecting the environment and responsible stewardship of our global environmental heritage. Our policy is to comply with all applicable laws and regulations governing the environment.

## ***Equal employment opportunity and harassment free workplace***

La-Z-Boy supports and recognizes its responsibility to provide a workplace that is free of illegal discriminatory practices and harassment. La-Z-Boy prohibits discrimination or harassment on the basis of race, gender, age, color, national origin, religion, disability that does not render employees unable to perform the essential functions of their jobs with or without reasonable accommodation, marital status or any other legally protected characteristic. Employees shall be hired, retained, compensated, trained, disciplined, and promoted without regard to any such protected characteristic.

## ***Honest & ethical dealing***

La-Z-Boy expects all La-Z-Boy personnel to deal honestly and ethically at all times and with all people and to act responsibly and ethically in all dealings with our suppliers, customers and colleagues. La-Z-Boy personnel should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unethical practice.

However, nothing in this Code is intended or should be construed to alter the legal rights or obligations of La-Z-Boy to our employees, to suppliers or customers or to alter the nature of any “at will” employment relationships.

## ***Inside information***

Trading securities based on inside information is generally both unethical and illegal, and La-Z-Boy will deal with it accordingly.

Many La-Z-Boy personnel have access to non-public or “inside” information about La-Z-Boy or other companies that is not available to people outside La-Z-Boy or generally known to the public and which may be important from an investment standpoint. La-Z-Boy personnel should not disclose such inside information to anyone (including others within La-Z-Boy) until it has been released publicly, unless the recipient’s position (within La-Z-Boy or a company doing business with La-Z-Boy) requires him/her to know. In such an event, the disclosure must only be to the extent reasonably necessary under the circumstances. La-Z-Boy personnel are prohibited from using inside information to influence their own or anyone else’s investment decisions. It is also illegal to privately disclose or “tip” material nonpublic information to another person who subsequently uses that information to trade La-Z-Boy’s (or any other company’s) securities or to otherwise profit. La-Z-Boy personnel should be careful to not knowingly or unintentionally pass inside information to

anyone, including family and friends, as these restrictions apply to your spouse, relatives and friends who receive inside information.

La-Z-Boy requires any disclosure of material financial or operating information relating to La-Z-Boy to be made only by our officers and employees specifically authorized to do so as part of their job responsibilities and that any such disclosure be broadly disseminated to the public in compliance with the securities rules and regulations.

### ***Intellectual property***

La-Z-Boy personnel must vigorously protect our intellectual property rights by documenting all product development research and using appropriate trademark and copyright notices on all correspondence, articles, manuals and other papers or documentation. La-Z-Boy personnel shall also take measures to avoid infringing on the intellectual property rights of others.

### ***International business***

La-Z-Boy does business in many foreign countries that have different laws and customs. La-Z-Boy personnel 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.

International trade controls are used to protect our national security and domestic economy, and to promote foreign policy. These controls are embodied in various laws and regulations that affect international transactions including: exports of products, technology and software; imports; and foreign boycotts the U.S. does not sanction.

La-Z-Boy personnel must comply with the international trade controls and are prohibited from engaging in any international transaction proscribed by any such controls. La-Z-Boy personnel are also prohibited from engaging in unauthorized transactions with (i) embargoed countries and individuals or entities listed on the U.S. government debarred parties lists; (ii) arms proliferation-related end users or parties named on the Department of Commerce's Entity List; (iii) any party known or believed to be acting in violation of U.S. or foreign laws and regulations; or (iv) parties known to support an unsanctioned foreign boycott.

## **Reporting violations**

All La-Z-Boy personnel have a duty to strictly adhere to this Code and all other existing La-Z-Boy policies and to be alert to any situations that could violate such standards and policies. La-Z-Boy personnel shall immediately report all violations or suspected violations of laws, rules, regulations or this Code, as well as any related issues or concerns, first to their immediate supervisor, unless otherwise stated herein. If the conduct involves your supervisor or you feel that the report is not being appropriately investigated, you should progressively escalate your concerns to your department head, the human resources department, Corporate Secretary, President or the Chairman of the Audit Committee of the Board of Directors.

You may also call the La-Z-Boy Ethics hotline at 1-866-480-6136. The La-Z-Boy Ethics hotline is a dedicated, toll-free phone line that is available to you 24 hours a day, 7 days a week, 365 days a year. It is operated by an external third-party vendor that has trained professionals to take your calls, in confidence, and report your concerns to the Corporate Secretary or the Chairman of the Audit Committee of the board for appropriate action. Your phone calls to the La-Z-Boy Ethics hotline may be made anonymously.

You may also send a letter to the Corporate Secretary at 1284 N. Telegraph, Monroe, MI 48162 or send a confidential fax to 1-734-457-2005. Letters and faxes sent to the Corporate Secretary may be submitted anonymously if you choose to do so.

If you have a concern regarding a questionable accounting or auditing matter and wish to submit the concern confidentially or anonymously, you may do so by sending an e-mail to [jim.klarr@la-z-boy.com](mailto:jim.klarr@la-z-boy.com), calling the La-Z-Boy Ethics hotline, or sending a letter or fax to the Corporate Secretary as outlined above.

La-Z-Boy will handle inquiries discreetly and make every effort to maintain, within the limits allowed by the law, the confidentiality of anyone requesting guidance or reporting a possible violation.

## **Resources for Guidance and Reporting**

It is your right and your responsibility to obtain guidance about a business practice or compliance issue when you are uncertain about what action you should take and to report possible violations of the Code.

If you need details on a specific policy, you may e-mail the Corporate Secretary at [jim.klarr@la-z-boy.com](mailto:jim.klarr@la-z-boy.com). If you need guidance regarding a business practice or compliance issue or wish to report a possible violation, talk to your immediate supervisor, another member of senior management or contact the Corporate Secretary. Also see the discussion under "Reporting Violations."

## **Retaliation**

La-Z-Boy will not tolerate retaliation against La-Z-Boy personnel who in good faith report violations (or suspected violations) of this Code or supply information to aid an investigation. La-Z-Boy personnel who deliberately submit a false accusation with the purpose of harming or retaliating against another employee or who engage in other retaliatory actions will be subject to disciplinary action up to and including termination.

## **Waivers**

Any waivers of this Code for executive officers or directors may be made only by the Audit Committee, and must be promptly disclosed to shareholders. Any other waivers of this Code may be made only by the President of La-Z-Boy Incorporated and must be disclosed to the Corporate Secretary and the Audit Committee.

This Code of Business Conduct was adopted by the board of directors on May 25, 2004 and shall be posted and maintained on the official La-Z-Boy website.