



# Governance

## **IN THIS SECTION**

[ESG Governance Structure](#)

[Enterprise Risk Management](#)

[Climate-Related Risk Management](#)

[Internal Controls for ESG Data](#)

[Our Commitment to Compliance and Ethics](#)

[Information Security and Data Privacy](#)



Our Board and management team are focused on the alignment of our business and ESG strategy, while assessing and addressing related material risks in the short-term and long-term through our enterprise risk management process. Our corporate compliance and business continuity programs support key risks identified and our Company culture.

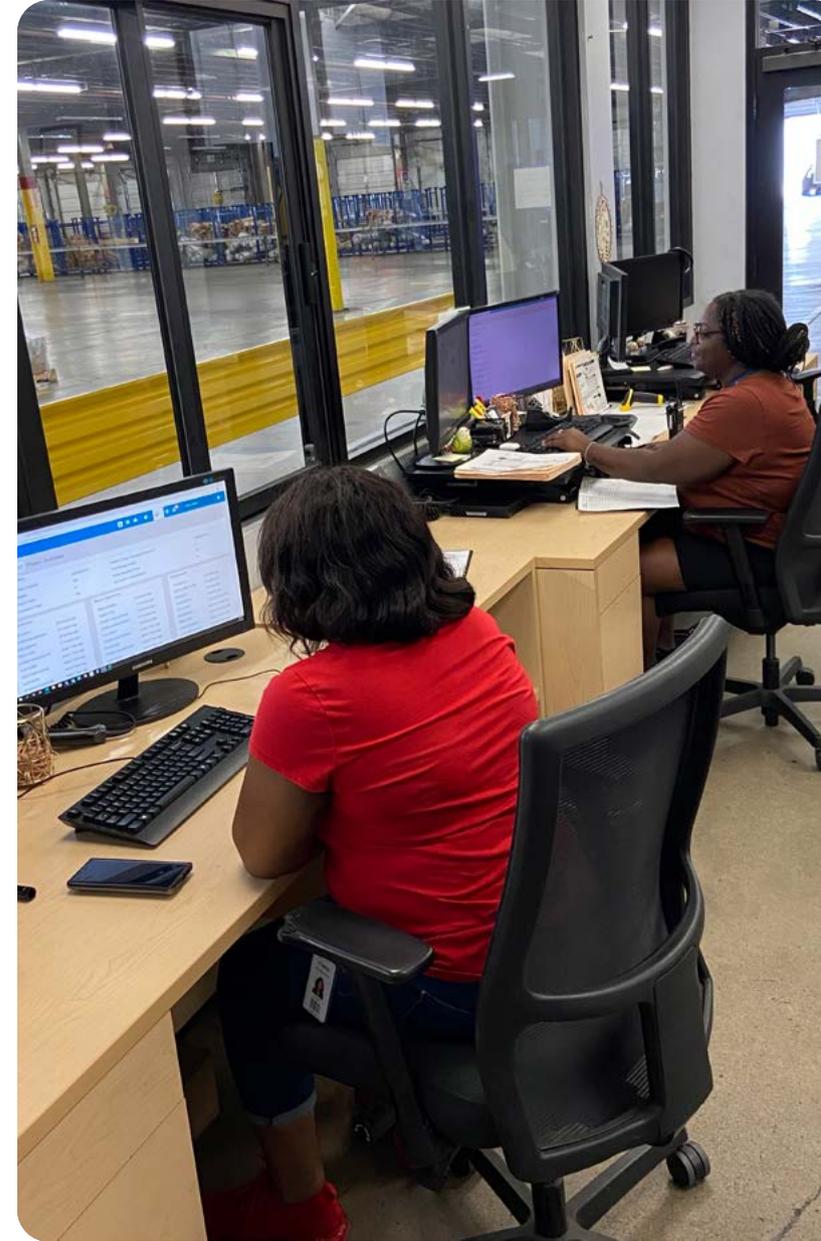
In fiscal year 2023, we established our ESG governance structure to oversee the development and initial implementation of our ESG Roadmap, strategic focus areas and initiatives. We also are continuing to enhance our monitoring processes and controls regarding data collection and reporting. Further, we undertook our first climate risk

assessment to better understand physical and transition risks that may impact our operations and stakeholders, which also served to support our initial reporting in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) framework in addition to the continuation of disclosures under the SASB framework in this report. We also have developed a corporate compliance program that emphasizes legal compliance and our core value of **Do the Right Thing**.

**“The Audit and Risk Management Committee serves to oversee that At Home’s initiatives are aligned with core business strategies and serve to mitigate identified risks. We must also track and assess the initiatives using KPIs based on accurate data supported within a strong control framework.”**



**Gary Bischooping**  
Director and Chair of the Audit and Risk Management Committee



# ESG Governance Structure

In fiscal year 2023, we established our ESG governance structure and implemented reporting and control formalities to guide us as we move forward on our journey.

## ESG Board Governance



The Audit and Risk Management Committee of the Board was delegated the responsibility to provide primary oversight of our ESG Roadmap, strategies, performance metrics, reporting and policies. In addition, such Committee also oversees other key topics in the ordinary course that can impact our ESG-related activities, including internal controls, cybersecurity and data privacy, financial reporting, enterprise

## ESG Management Governance



risk management and compliance and ethics. Lee Bird and Mary Jane Broussard, our Chief Administration Officer, General Counsel and Corporate Secretary who serves as our executive ESG sponsor, together with other executive leaders provide such Committee with quarterly updates and discussion topics that are aligned with our ESG Roadmap. The Compensation and Human Capital Committee of the Board serves the critical role of overseeing human capital management, including DEI, recruitment, retention and talent development. Such Committee's ESG-related activities include a review of a team member diversity dashboard on a quarterly basis, as well as inclusion survey results and action plans as applicable. The Board supports our overall ESG efforts through its oversight of operations and strategy and approval of the annual budget. In addition to receiving quarterly Committee reports on

ESG responsibilities, the Board has an annual strategic discussion on our ESG Roadmap and implementation activities. At the time of publication of this report, our Board consists of seven directors, including four directors selected by or affiliated with Hellman & Friedman, our majority stockholder (Erik Ragatz, Sameer Narang, Gary Bischooping and Caroline Sohr), our Chairman of the Board & Chief Executive Officer Lee Bird and independent directors, Diane Sullivan and John Butcher.

Our management governance is led by our ESG Executive Steering Committee, which consists of the following senior leaders:

- Chief Executive Officer (current Board Liaison)
- General Counsel and Chief Administrative Officer (current Executive ESG sponsor)
- VP Compliance Officer, Associate General Counsel (ESG Group lead; ESG Executive Steering Committee liaison)
- Chief Operating Officer
- Chief Merchandising Officer
- Chief Financial Officer
- Chief People Officer
- Chief Information Officer
- Chief Development Officer
- Chief Supply Chain Officer
- SVP Marketing
- SVP Direct Sourcing
- SVP Chief Digital Office
- SVP General Merchandising Manager
- SVP Stores



Our ESG Executive Steering Committee reviews strategic objectives, provides leadership regarding initiatives and ensures alignment across the Company. It meets quarterly just prior to the quarterly Audit and Risk Management Committee meetings. Our ESG Group is accountable for managing our ESG program on a day-to-day basis, while overseeing our ESG Strategic Initiative Teams that utilize subject-matter expertise to develop and implement the initiatives, support data collection and reporting and track related KPIs. Our ESG Group is established within our Legal department and is accountable for managing all ESG activities, creating policies, monitoring performance, overseeing stakeholder communications, drafting this report and tracking market trends. Each of the eight ESG Strategic Initiative Teams (consisting of the seven strategic focus areas and the Communications Group) meet monthly with the ESG Group to discuss ongoing and planned activities, as well as long-term strategic considerations.

We also have engaged various third-party advisors to support our internal teams, including to provide software tools and guidance for

our GHG inventory and related control system, to serve as independent consultants to lead the materiality and climate risk assessments, to enhance our understanding of market trends and best practices and to develop and implement project and process management principles.

Noteworthy governance achievements in fiscal year 2023 and year-to-date fiscal year 2024 include:

- Establishing our ESG governance structure among the Board, management and department leaders
- Attending and leading a session at the annual ESG leadership summit of Hellman & Friedman’s portfolio companies
- Collaborating with our ESG counterparts within the Hellman & Friedman portfolio, participating in the Hellman & Friedman ESG Deep Dive Series of hosted virtual learning sessions and utilizing the expertise of internal Hellman & Friedman ESG leaders through various meetings and access

- Expanding the ESG Group to include additional legal and ethical sourcing team members and to enhance partnerships with external advisors (some of whom serve as formal group members)
- Transforming the ESG strategic focus areas into specific, tailored initiatives tracked by KPIs and developing a detailed reporting structure to implement and track initiatives individually and in aggregate
- Implementing kickoff meetings with the Board and management teams to ensure alignment of the overall scope of our ESG Roadmap with the Company’s operations and other strategies and establishing a meeting cadence amongst applicable groups to drive accountability and support oversight
- Coordinating enhanced data collection and controls through a new carbon accounting tool, following a comprehensive analysis of software providers
- Coordinating the climate risk assessment and mitigation considerations
- Enhancing communication to and training for team members, including through newsletters, a redesigned ESG microsite and more regular communications coordinated with existing Company-wide events and activities
- Implementing significant project management and process improvement principles to optimize ESG team resource utilization, improve training and bolster operational organization around repeatable, scalable processes memorialized in playbooks, internal reporting frameworks and an annual calendar

# Enterprise Risk Management

Effective assessment and management of risk, overseen by our Audit and Risk Management Committee, is foundational to our culture and critical to our success. Our enterprise risk management structure is based on the Committee of Sponsoring Organization's Enterprise Risk Management Integrated Framework and risk assessment guidance. Our enterprise risk management process is designed to identify, assess, prioritize and address material risks and potential significant events where there may be opportunities to improve our operations or risks that could prevent us from achieving our strategic objectives. Risks are identified through frequent meetings of senior management and executive leadership, a fraud risk assessment by our Internal Audit Group and the annual audit of our financial statements, among other things. Risks are assessed based on their likelihood of occurring and their potential impact to the business against financial, brand, legal, or operational factors. Executive leadership aligns on the top operational, financial and strategic risks through a heat map exercise, and executives are assigned leadership roles relating to the Company's response and mitigation plans based on the category of risk. Each of the Company's top enterprise business risks is assigned an executive risk owner that oversees monitoring and mitigation plans and provides periodic updates to the Executive Team and Audit and Risk Management Committee. Enterprise risks and mitigation activities are relayed to the Audit Committee at least annually.



## TEAM MEMBER SPOTLIGHT

**Karen Martinez**  
Head of Internal Audit

### **How long have you worked with At Home? What are the key activities in your current role?**

I joined At Home in December 2017, after approximately 20 years serving in a variety internal audit roles across industries. I joined when At Home was a public company and spent the first few years evolving the Internal Audit function to address a myriad of ordinary course SEC compliance matters, assisting the Audit Committee (now the Audit and Risk Management Committee) in its oversight role, and partnering with EY on audit-related matters. Although we are a private company now, Hellman & Friedman and management have elected to continue many of the foundational elements of our Internal Audit department. In fiscal year 2023, Internal Audit's time was equally split between SOX compliance and operational audits for stores.

### **What is your role in the Enterprise Risk Management program?**

While we no longer file SEC reports that include our key risks and mitigating activities, our Enterprise Risk Management program continues to be a critical project for me and my team. On an annual basis, I meet individually with each member of the executive leadership team to discuss historical and new risks that keep them up at night relevant to their area and responsibilities. I present the results to the full executive leadership team and lead an interactive discussion around each risk that includes collectively ranking or prioritizing them. The result is a list of six to eight high-level risks and a similar number of watchlist risks. Each high-level risk has an executive risk owner assigned to monitor, create a formal mitigation plan, and then report periodically on such matters to the Audit and Risk Management Committee. Watchlist risks are monitored periodically by the executive leadership team.

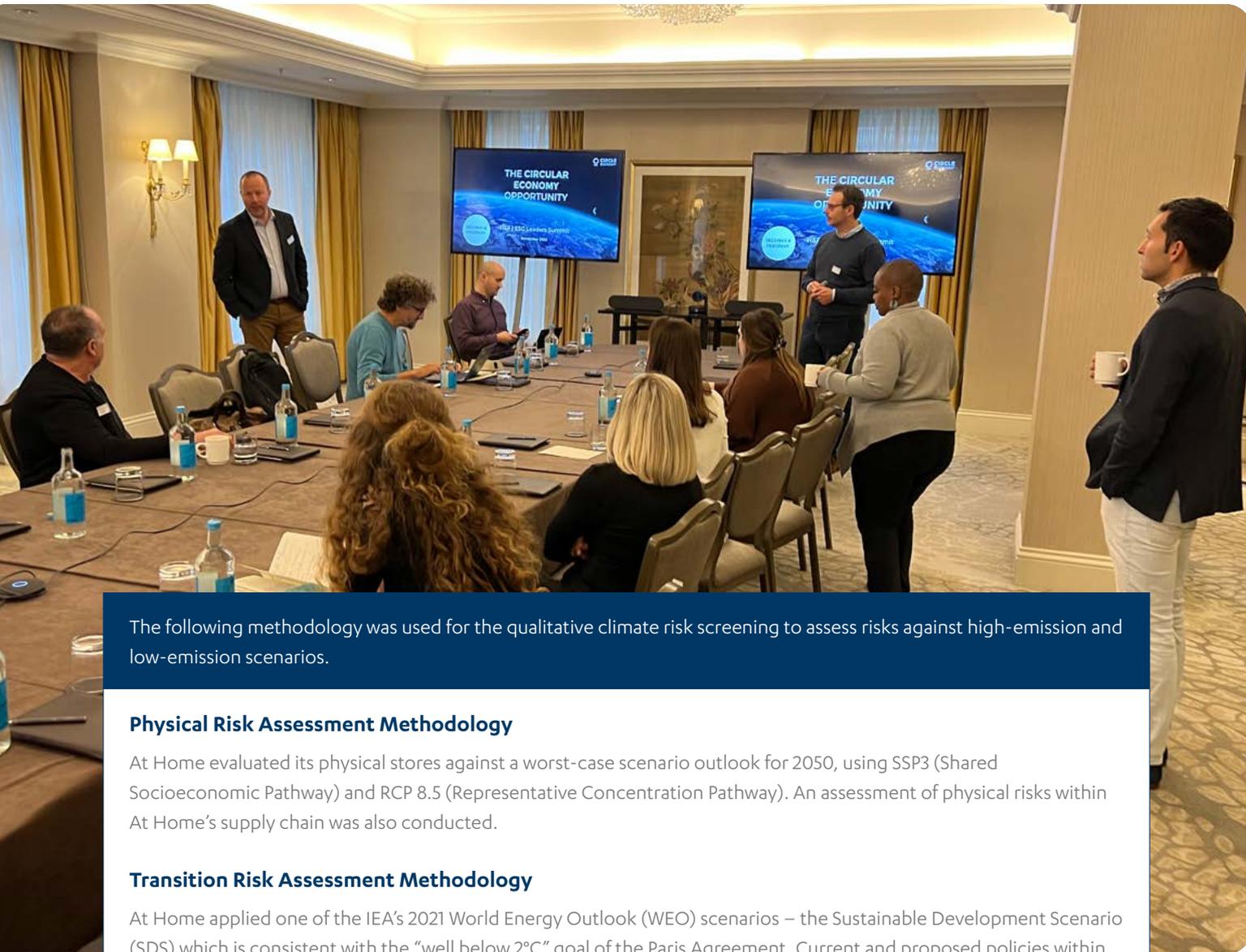
In the fourth quarter, we present the Enterprise Risk Assessment to the Audit and Risk Management Committee and lead a discussion of key matters. Thereafter, the executive risk owner will lead reporting and activities around the high-level risks. Almost every Audit and Risk Management Committee meeting includes an update on one or more risks and a discussion of ongoing mitigation strategies, including presentations from executive risk owners.

### **You recently assisted in the Company's first climate risk assessment. How will climate risk be integrated into the Enterprise Risk Management program?**

As an Internal Auditor, I welcome the opportunity to broaden the scope of our review of strategic business risks. Climate risks impact our business today, and we need to consider how they may impact current and future operational strategies, both from a defensive and offensive perspective. While the two processes remain independent, one or more climate-risks may become high-level or watchlist risks in a given year, and we'll address those in the same strategic way we do for other key risks. I see my role as helping to connect the dots throughout the organization since I am involved in so many integrated activities across departments and teams.

### **As At Home continues its ESG journey, what is another opportunity you see for Internal Audit over time?**

It's important to have robust, reliable controls around ESG data. As we enhance our data gathering and reporting in the coming years, it will be critical to establish and maintain an effective system of internal control over sustainability reporting. I expect Internal Audit will partner with management and the Audit and Risk Management Committee to identify risks and establish controls over ESG data and reporting, which is currently being done through a more manual and early-stage process. We will leverage the Committee of Sponsoring Organizations' Internal Control-Integrated Framework and guidance recently issued for sustainability reporting to assist with this process. Internal Audit will provide objective assurance regarding the effectiveness of internal controls over sustainability reporting, which will position us to obtain assurance on certain sustainability information from an independent auditor.



# Climate-related Risk Management

In fiscal year 2023, we completed our initial climate risk assessment. Through detailed interviews of senior leaders by an independent consultant, we evaluated physical and transition risks in the near-term and long-term and reviewed resulting material risks and opportunities that are likely to impact our business and strategy. In the scenario of a high-carbon future and therefore strong physical disruptions from extreme weather and higher supply chain risks, we reviewed event-based and ongoing physical impacts related to temperature, sea level rise and floods, roof age, tornadoes, earthquakes and volcanoes. In the scenario of a low-carbon future, and therefore significant policy change and prioritization of low-carbon alternatives, we reviewed transition risks including regulatory and legal, technology, market and reputational risks. We also conducted a supplementary high-level review of similar impacts on the materials used in our supply chain. The foregoing initial screening assessment will be supplemented in the future through an evaluation of the financial impacts of identified risks, as well as mitigating actions through a cost-benefit lens.

The following methodology was used for the qualitative climate risk screening to assess risks against high-emission and low-emission scenarios.

## Physical Risk Assessment Methodology

At Home evaluated its physical stores against a worst-case scenario outlook for 2050, using SSP3 (Shared Socioeconomic Pathway) and RCP 8.5 (Representative Concentration Pathway). An assessment of physical risks within At Home's supply chain was also conducted.

## Transition Risk Assessment Methodology

At Home applied one of the IEA's 2021 World Energy Outlook (WEO) scenarios – the Sustainable Development Scenario (SDS) which is consistent with the “well below 2°C” goal of the Paris Agreement. Current and proposed policies within the U.S. and At Home's global supply chain were also considered.

See the table below for a representative selection of climate-related risks relevant to At Home and its current mitigation activities. At Home is prepared to respond promptly to external climate-related risks such as changes in regulation, costs, or consumer sentiment, and intends to conduct deeper analyses on critical risks and further explore opportunities to effectively manage and mitigate them.

Risk Type	Example Risk Description	Relevancy	Impacts	Current Mitigation Activities
Physical	Ever-increasing risk of extreme heat, drought, precipitation, high winds and more. In recent years, At Home has experienced store disruptions from extreme weather events that were the first of their kind for the last 100-200 years.	Short, Medium and Long	Extreme weather affects At Home’s ability to operate (e.g., store closures), its capital expenditures (e.g., repairs and renovations) and its supply chain (e.g., delays in product arrival or high cost due to scarcity), to name a few.	At Home has invested in weather-predicting technology to support emergency response and disaster preparedness. The software will alert the Company to extreme weather events early and will track patterns to inform future mitigation strategies (e.g., site selection, building specifications, etc.).
Regulatory	Current and proposed carbon pricing mechanisms, energy portfolio standards, building standards and even product regulations at the federal and state level.	Medium and Long	Current and proposed regulation in support of a low-carbon economy may increase At Home’s operating costs (e.g., renewable energy sourcing, carbon credits or taxation) and product prices if new standards require premium materials or processing activities.	At Home monitors emerging regulation related to product guidelines, building standards, carbon pricing and more. The Company is also a member of RILA (Retail Industry Leaders Association) which enables At Home to stay alert to industry regulations and disruptions.
Technology	Advancements in low-carbon technology will require At Home to invest in new assets; however, investment levels for key emission-reducing technologies (solar PV, heat pumps, sustainable fuel) may remain high due to demand.	Medium and Long	Current assets may decrease in value and/or be retired early in favor of more efficient equipment. Investments in low-carbon fuel may increase cost of equipment operation and product transportation.	At Home replaces its current assets with newer, efficient options when equipment needs replacing and continues to evaluate options for low-carbon alternatives. The Company is also optimizing its freight flow from supplier to distribution center to store and end customer.
Market	Energy costs may fluctuate as the energy sector transitions away from fossil fuel and the cost of renewable energy gradually decreases.	Medium and Long	Higher expected cost of fuel and electricity, as well as demand for low-carbon products, may increase At Home’s operational spend.	At Home has invested in energy management software for its stores to actively monitor usage and address hot spots. In addition to the Company’s newly built corporate office, At Home has deployed several energy reduction initiatives across its stores and distribution centers to manage against price increases.
Reputational	Current and prospective employees may perceive At Home’s ESG efforts and the Company’s management of climate impacts as less than industry peers.	Short, Medium and Long	Lower perception may impact the Company’s ability to attract and retain talent as team member preferences trend towards values-driven companies.	At Home has increased its ESG and climate programming in recent fiscal years and continues to undertake peer reviews to enhance its understanding of market practice. At Home intends to build upon these foundations and further engage team member in the Company’s progress.
Opportunity	Consumer trends towards responsible companies may attract new customers with a strategy that aligns with changing consumer expectations.	Medium and Long	A proactive ESG strategy may increase At Home’s probability of capturing market share within a certain customer segment.	At Home is proactively developing its ESG program and publicly communicating its goals and progress.



### Investing in Our Roofs

At Home increased its capital expenditures on roof replacements in fiscal year 2023, helping to protect our people, product and stores as aging roofs and changing precipitation patterns combine to create new demands on operations in certain regions. One Colorado roof that was replaced in fiscal year 2023, for example, also registered as one of the top three stores at risk for future rain and snowfall in the climate risk screening. With many locations across the southeastern United States, At Home is aware of extreme weather events rising in both frequency and intensity. Our Chief Development Officer collaborates with the Senior Vice President of Stores and our operations and facilities teams to identify high-risk locations requiring upgrades such as roof replacements. These teams prioritize a select number of upgrades each year, balancing capital cost against potential risk and other factors, then propose the budget and justification to the Board.

## Internal Controls for ESG Data

In fiscal year 2023, we also took steps to assess and enhance internal controls regarding data collection and monitoring processes. We implemented a carbon accounting tool from Persefoni to enhance our data collection and reporting accuracy, completeness, timeliness and controls. The continued utilization of this software and related processes will enable us to set KPIs that we can track, meet regulatory requirements and stakeholder expectations over time and eventually facilitate auditing and assurance of our data and control framework. GHG inventory data that is consistent and complete also will improve our ability to do relevant peer benchmarking and, if desired,

would enhance our confidence in establishing targets and creating performance-based compensation goals for ESG matters. Any reduction targets would intend to position the Company to remain competitive in a low carbon economy and to reduce our exposure to certain climate-related risks.

In addition, we continue to implement project and process management techniques to document the most efficient methods of data collection and allow us to increase reporting consistency and reliability, as well as our ability to obtain and analyze third-party data instead of spend-based estimated data. All of the foregoing will improve the Board's and management's decision-making, resource allocation and value-creation and transformational strategies on ESG matters.

# Our Commitment to Compliance and Ethics

Our corporate compliance program is designed to ensure our policies, processes and activities support ethical action and help prevent and detect violations of laws and regulations as well as our own Code of Business Principles. We seek to **Do the Right Thing** for our team members, customers, product partners and our communities and to live our core values every day. We also are committed to providing a safe and healthy work environment, maintaining a respectful and inclusive workplace and providing equitable opportunities for our team members. Therefore, we provide our team members with the resources, training and support that allow them to align with our core values. Our policies are intended to familiarize our team members and other stakeholders with key regulations that impact our operations and establish clarity regarding discipline for violations of our policies.

Our ESG-related policies that we have implemented include:

- **Code of Business Principles** – This policy reflects our strong commitment to ethics, integrity and compliance with applicable laws, including our prohibition of discrimination, harassment and retaliation for all conduct affecting a team member’s work, and provides guidance on how to operate our business aligned with our principles.
- **Ethical Sourcing Policy** – This policy is based on core ILO conventions, the internationally recognized ETI base code, Social Accountability International’s SA8000 standard, as well as the UN Guiding Principles on Business and Human Rights. Our Ethical Sourcing Policy outlines the minimum compliance standards we require from our contracted product



partners with At Home and for their own supply chains. The policy requires, among other things, 100% voluntary labor, safe, humane and hygienic working conditions, zero child labor and living wages.

- **Human Rights Policy** – This policy reflects our commitment to the human rights of our team members, the employees of our product partners and others in our supply chain and our customers. This policy is informed by our support for internationally recognized principles and policies, including the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.
- **Anti-Bribery and Anti-Corruption Policy** – This policy confirms our mandate to comply with all applicable laws in the conduct of our business, including the U.S. Foreign Corrupt Practices Act and similar anti-corruption laws and the strict prohibition of corrupt and illegal practices, including the offering, payment of or receipt of bribes from public officials or any other person or any facilitation of such activities. Further, the policy states that our books and records must be prepared and maintained in a manner that is complete, accurate and timely, including following policies and procedures underlying our system of internal controls.
- **Sanctions and Export Controls Compliance Policy** – This policy addresses our commitment to conduct our business in full compliance with all economic sanctions, export controls and anti-boycott laws and regulations in any jurisdiction in which we operate.
- **California Transparency in Supply Chain Act Disclosure** – This policy addresses our product partner requirements regarding compliance with applicable law, ethics and our policies, appropriate training regarding such matters and our right to terminate business relationships due to failure of compliance or to certify as to such compliance.

All new team members review and agree to adhere to our Code of Business Principles and Team Member Handbook. Throughout the fiscal year, we utilize certain trainings and certifications to promote the standards and values set forth in our Code of Business Principles, Team Member Handbook and other important safety and compliance policies including those policies described in this report.

#### ***Speak Up Integrity Hotline—Reporting Concerns***

At Home values compliance, fairness and transparency. We encourage our team members to share their concerns and feedback, including anonymously or confidentially, and we provide avenues for doing so.

Our Code of Business Principles specifies that team members have an obligation to promptly report possible non-compliance with applicable laws or our policies, any questionable accounting, internal controls or auditing matters and any retaliation against team members or other persons who make, in good faith, any allegation of such matters. We maintain our Speak Up Integrity Hotline, which promotes anonymous and confidential reporting (to the extent permitted by applicable law and consistent with our policies) via phone call, text, or web portal that can be used 24 hours a day, seven days a week. We advertise this hotline through permanent displays in conspicuous locations in all of our facilities. Speak Up reports are timely and thoughtfully responded to by appropriate persons. We also provide additional methods of reporting violations, including raising concerns to different levels of supervisors, our Legal Department, or our Human Resources Department. Additionally, At Home has an “open door” culture that reassures team members at all levels that they can share concerns in good faith with their supervisor or Company leaders without fear of reprisal. We do not tolerate intimidation, disadvantage or reprisal against any team member who makes a report in good faith.



At Home leadership and the Audit and Risk Management Committee of our Board regularly review the issues raised in these reports as part of their engagement and oversight of At Home’s corporate compliance program. Communications made through the confidential hotline and certain communications to the Board to the extent relating to accounting, internal accounting controls, or auditing matters will be reviewed by the Audit and Risk Management Committee in accordance with its established procedures. Such Committee also receives regular updates regarding the use of the hotline, including analytical data regarding the number of reports and the types of matters reported.

# Information Security and Data Privacy

Information security and data privacy are integral parts of our ESG commitment. Our cybersecurity policy describes how we collect, use and disclose personal information. We prioritize the protection of sensitive data, manage risks and continuously enhance our security posture. Information security is overseen by our Chief Information Officer & Head of Strategy and led by our Director of Information Security. Our Audit and Risk Management Committee receives quarterly updates on ongoing initiatives, market trends, risks and threats and training. We continue to make significant investments in our IT systems, including cyber security solutions, security training, applications for finance and accounting functions, supply chain management, data warehouse management systems and automation for our distribution centers.

Our information security and privacy program is updated periodically to comply with the evolving data security and privacy laws and industry frameworks, including with the Payment Card Industry Data Security Standards, the Sarbanes Oxley Act and state privacy laws, such as the California Consumer Privacy Act. Our team of both in-house and third-party experts use a variety of methodologies to continuously monitor for threats and enhance our business continuity plan and processes. They conduct regular security scans, trainings and perform annual penetration tests to uncover potential weaknesses or gaps. The combination of these activities lowers risk by allowing us to both protect critical data and remove potential vulnerabilities before an incident occurs.

In fiscal year 2023, we augmented our information security governance risk and compliance program and identity and access management program through security trainings, phishing campaign simulations, identity access management enhancements and ongoing cybersecurity policy enhancements. The continuous improvement and expansion of these programs will progress in lockstep with At Home's business growth as we pursue our goal of increasing cyber-resiliency and reducing risk to the Company and our customers.

