

Pier 1 Imports, Inc.
Ethics Compliance Policies and Procedures

Policy.

The Company's policy is to comply with all financial reporting and accounting regulations applicable to the Company and to insure that the Company's associates, officers and directors comply with the Company's Code of Business Conduct and Ethics. In order to facilitate the reporting of complaints by associates, officers, directors and vendors, the Audit Committee of the Board of Directors has established procedures for (i) the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, (ii) the confidential, anonymous submission by associates of concerns regarding questionable accounting or auditing matters, and (iii) the confidential, anonymous submission of complaints regarding violations of the Company's Code of Business Conduct and Ethics by associates, officers and directors. The Company's internal auditor and the General Counsel are responsible for administering this policy and the following procedures on behalf of the Audit Committee and the Board of Directors. The Company will maintain a copy of these Ethics Compliance Policies and Procedures on its website at www.pier1.com.

Procedures.

The Company, on behalf of the Audit Committee, will retain the services of a third-party service provider to establish and maintain a dedicated toll-free "hotline" to facilitate the confidential and anonymous submission of complaints from associates, officers, directors and vendors of the Company. Upon receipt of a complaint, the third-party service provider will distribute the complaint to the Company's internal auditor and General Counsel, unless the complaint involves questionable conduct by the Chief Executive Officer, any Executive Vice President or any Director of the Company, in which case the complaint will be forwarded directly to the Chairman of the Audit Committee.

Any party investigating a complaint may consult with and obtain the assistance of any member of the Company's management who is not the subject of the complaint. Additionally, the investigating party may consult with and retain at the Company's expense independent legal, accounting or other advisors if the investigator believes such action is necessary or appropriate. Upon completion of the investigation of a complaint, the investigating party will prepare and make a response to the Chairman of the Audit Committee, and the Company will take prompt and appropriate corrective action, if warranted in the judgment of the Audit Committee.

Reporting and Retention of Complaints and Investigations.

The General Counsel will maintain a log of all complaints, tracking their receipt, investigation and resolution and periodically will provide a summary report thereof to the Audit Committee. Copies of all complaints and such log will be maintained by the Company in accordance with its records retention policy.