

Leggett & Platt

2023 SUSTAINABILITY REPORT

Leggett & Platt®



ENVIRONMENTAL | SOCIAL | GOVERNANCE

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CEO LETTER

At Leggett & Platt, our mission is to enhance lives – by delivering quality products, offering empowering and rewarding careers, and doing our part to bring about a better future. We innovate comfort and convenience, and this has been the hallmark of our business since its inception 140 years ago.

Our commitment to corporate sustainability reflects and reinforces our culture and our values. We strive to advance sustainable solutions for our customers, to maintain the highest standards of ethical conduct, to demonstrate our strong environmental stewardship and safety performance, to enable a culture of inclusion and employee development at all levels of the Company, and to embrace our supply chain responsibilities.

I am pleased to share with you Leggett & Platt's 2023 Sustainability Report. We have always held ourselves to a high standard, and we continue to build upon that high standard by placing an emphasis on the coordination, management, and reporting of our environmental, social, and governance (ESG) practices and our accountability to them.

Our **VALUES** are the foundation

At Leggett & Platt, our values are at the very core of what we do. As a global company, we come from many backgrounds, with different cultures, ethnicities, and political systems. What matters most is not our various cultures or politics, but how we work together and treat each other. This was never more evident than during the challenges of the last few years. These values helped us navigate many recent obstacles and will help us to capitalize on opportunities in the future. I believe they will remain foundational for many years to come and are actively driving our ESG and sustainability initiatives.

Putting People First

In this report, you'll read about the many ways our employees are working together to create a safe, inclusive, and rewarding employee experience. We want our employees to feel valued, involved, trusted, and heard in their day-to-day work experiences. You'll also learn about the significant investments we continue to make as we grow our capabilities to support our people. We are finding new ways to care for the health and wellness of our employees and their families, attract and retain talent, develop our employees to their fullest potential, and advance our inclusion, diversity, and equity (ID&E) efforts.

The continued success of our company is built upon the culture and values of our nearly 20,000 employees who are dedicated to creating innovative and sustainable solutions for our customers, ensuring a safe and inclusive workplace, and driving value for our shareholders.

Doing the Right Thing

We take pride in the products we manufacture and continue to focus on providing innovative, sustainable solutions for our customers and the end consumer.

- In our U.S. bedding businesses, 92% of the steel used in our innersprings was produced from scrap steel and our specialty foam products meet the highest standards for safety with CertiPUR-US® certification.
- Our Automotive business designs and engineers lightweight components that reduce overall vehicle weight, improve fuel efficiency, and reduce noise to help our customers meet stricter consumer demands and regulatory requirements.
- In our Flooring Products business, we manufacture carpet cushion products that are certified by the Carpet and Rug Institute (CRI) Green Label Plus and help customers achieve Leadership in Energy and Environmental Design (LEED) green building certification.



- Our Geo Components business produces geotextile products, such as erosion-control blankets and silt fencing, that help our customers address the challenges of land at risk of natural or human-caused erosion.

Doing Great Work Together

In 2022, we conducted our first materiality assessment to identify ESG-related opportunities that will drive the most value for our company and those we serve. We engaged a broad variety of our stakeholders to get their input on which ESG topics were of the highest importance to them. We also assessed our ability to make a positive business impact in these same ESG areas. Together, this information is helping to better inform us as we prioritize and advance our ESG strategies. We expect to share the results of the materiality assessment and key ESG objectives, goals, and targets later this year or in the first half of 2024.

We also continue to invest in tools and technology to more efficiently support our ESG efforts. Examples include:

- Implementing a platform to monitor our supply chain for key social, labor, and cyber risks.
- Launching a technology solution to more efficiently and consistently gather ESG data so we can better assess performance, establish goals and targets, and support communication of progress in these areas.

Taking Ownership and Raising the Bar

We're proud of the progress we have made in modernizing our businesses, building critical infrastructure, and advancing our culture. Thanks to the skills and dedicated efforts of our teams, we are making significant progress in bringing these capabilities to life.

As we move through 2023 and into 2024, our key ESG initiatives include:

- Developing and communicating ESG goals, including climate-related targets.
- Establishing a roadmap of actions that will support us in meeting our ESG goals and targets.
- Obtaining third-party limited assurance of our greenhouse gas (GHG) emissions data and publicly reporting our data.
- Advancing our ID&E efforts as outlined in more detail in this report.
- Building upon our management systems to improve data collection and contribute to broader companywide sustainability advancements.
- Continuing to enhance our supplier assessment process, including a heightened emphasis on labor and social standards and cybersecurity controls.
- Maintaining our commitment to transparency and continuing to share our corporate sustainability approach and performance.

I hope the information on the pages that follow is valuable and welcome your feedback as we continue to build and report on our sustainable practices.

Sincerely,



Mitch Dolloff
President & CEO



ABOUT OUR COMPANY



Leggett & Platt enhances people's lives worldwide by designing and manufacturing a broad variety of engineered components and products that can be found in many homes and automobiles. The Company has been headquartered in Carthage, Missouri, since its founding in 1883.

We share an aligned vision for the future of Leggett & Platt. We are committed to creating shareholder value, and the best way to do that is to build businesses and a culture that are sustainable for generations to come.

Our company values are shared with our employees globally and guide us in all activities. At Leggett & Platt, our values include putting people first, doing the right thing, doing great work together, and taking ownership and raising the bar.

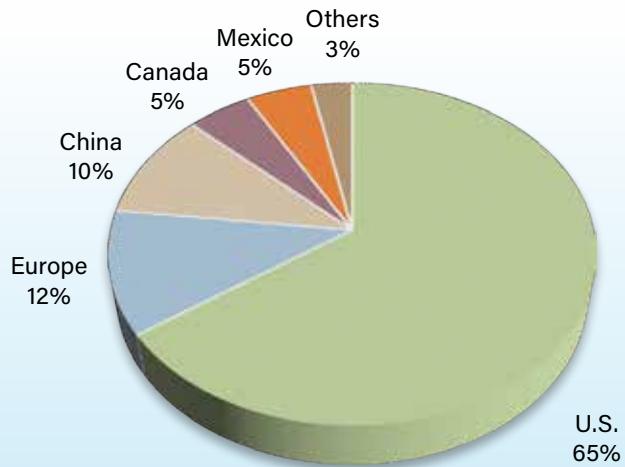
"We are guided by a mission to develop sustainable practices and help our communities prosper. From attracting and retaining the highest level of diverse talent to achieving the best results for our shareholders, we have the opportunity to create a tremendous amount of positive change."

- Mitch Dolloff

Our Operations

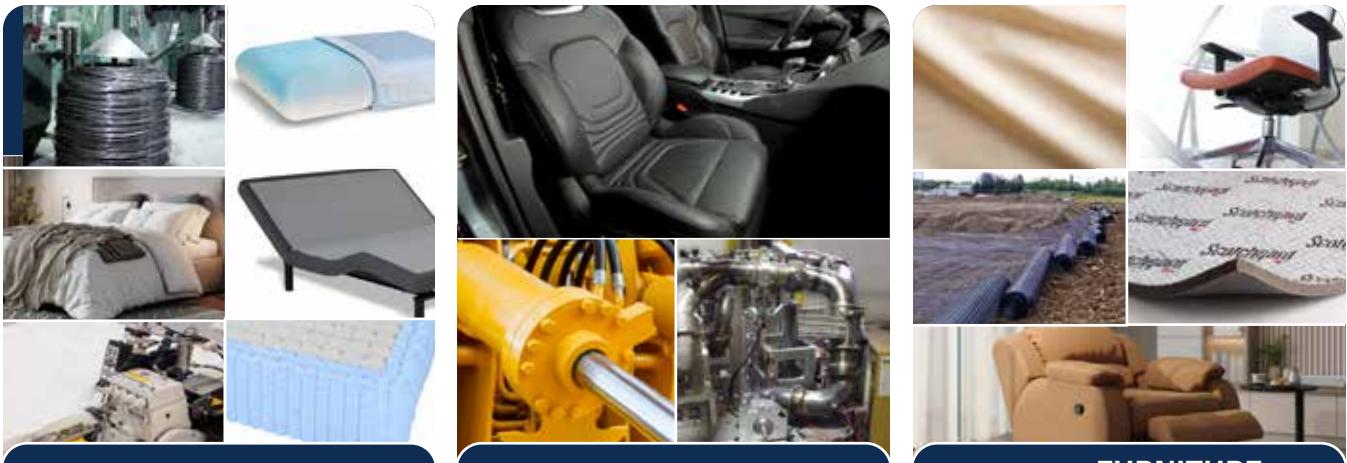
As of December 31, 2022, we had 135 manufacturing facilities in 18 countries.

**Geographic Split of Trade Sales
(based on area of manufacture)**



Fortune Magazine recognized Leggett & Platt as one of the World's Most Admired Companies in 2023.

Our operations are organized into 15 business units, which are divided under our three segments: **Bedding Products; Specialized Products; and Furniture, Flooring & Textile Products.**



46% BEDDING PRODUCTS

Steel Rod

Drawn Wire

U.S. Spring

- Innersprings
- Static foundations

Specialty Foam

- Private label finished mattresses
- Mattress toppers and pillows
- Specialty foam

Adjustable Bed

International Bedding

- Innersprings
- Finished mattresses
- Specialty foam
- Wire-coiling machines

Machinery

- Sewing and quilting machines
- Mattress packaging and glue-drying equipment

22% SPECIALIZED PRODUCTS

Automotive

- Auto seat support and lumbar systems
- Motors, actuators, and cables

Aerospace Products

- Welded and seamless tubing
- Formed tube and tube assemblies
- Flexible joint components

Hydraulic Cylinders

- Engineered hydraulic cylinders primarily for material handling and heavy construction equipment

32% FURNITURE, FLOORING & TEXTILE PRODUCTS

Home Furniture

- Steel mechanisms and motion hardware for reclining and lift chairs, sofas, and sleeper sofas

Work Furniture

- Components and private label finished goods for collaborate soft seating
- Controls, bases, and frames for office chairs

Flooring Products

- Carpet cushion
- Hard surface flooring underlayment

Fabric Converting

- Structural fabrics for bedding, upholstered furniture, home furnishing accessories, and industrial uses

Geo Components

- Synthetic fabrics and other products used in ground stabilization, drainage protection, and erosion control

Percentage of 2022 net trade sales

Visit our Businesses webpage here.

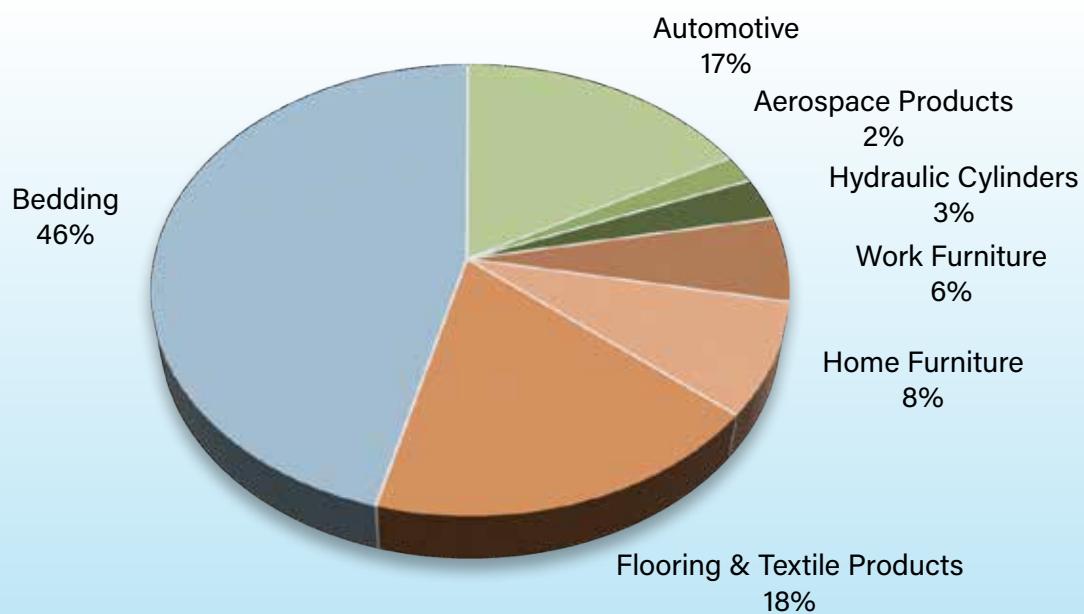
Innovation

Innovative proprietary products have helped to make Leggett & Platt the largest U.S.-based manufacturer in many of our markets. As of December 31, 2022, we had 1,239 patents issued, 506 patents in process, 1,131 trademarks registered, and 40 trademarks in process.

Some of our most significant trademarks include:

- Comfort Core®, Mira-Coil®, VertiCoil®, Quantum®, NanoCoil®, Softech®, Lura-Flex®, Superlastic®, and Active Support Technology® (mattress innersprings)
- Energex®, Coolflow®, ThermaGel®, and EcoFlowTM (specialty foam products)
- Semi-Flex® (box spring components and foundations)
- Spühl® and Fides® (mattress innerspring manufacturing machines)
- Wallhugger® (recliner chair mechanisms)
- No-Sag® (wire forms used in seating)
- LP Sense® (capacitive sensing)
- Hanes® (fabric materials)
- Schukra® (automotive seating products)
- Gribetz® and Porter® (quilting and sewing machines)

*Product Mix
(based on 2022 net trade sales)*



Visit our Businesses webpage here.



ABOUT THIS REPORT

This is our third annual Sustainability Report, covering key ESG matters most important to our business.

Our ESG Approach and Priorities

Our sustainability strategy continues to evolve. During 2022, we conducted a materiality assessment that will help us develop ESG strategies, goals, and targets. We asked investors, customers, suppliers, and employees what ESG topics were of highest importance to them. Additionally, we evaluated the business impact our company can drive within these ESG-related areas. Our executive leadership team was directly involved in this important exercise, and our Board of Directors oversaw the materiality assessment. We are currently using the information obtained from the materiality assessment to help set our long-term ESG strategy. We expect to communicate our top ESG priorities, goals, and targets later this year or in the first half of 2024.

As we work to enhance our sustainability strategy, we continue to focus on core elements that are important to our overall business success, including:

- Investing in our people to attract, retain, and develop talent for long-term success
- Developing innovative products that deliver positive sustainability impact for our customers and end consumers
- Focusing on resource efficiency, waste reduction, and renewables to protect the environment and reduce costs



Key enhancements to this report include:

- New and updated policies that govern our practices, including an enhanced Environmental, Health, Safety, and Sustainability Policy and updated Supplier Code of Conduct
- Expanded chemical management disclosures related to our products and processes
- Expanded human capital and ID&E initiatives
- Overview of climate-related activities, including our GHG emissions inventory, which is underway

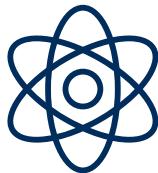
This report includes data and financials for the 2022 calendar year, and unless otherwise stated, programs and initiatives for 2023. Disclosures in this report were informed by the recommendations of the Sustainability Accounting Standards Board (SASB) building products and furnishing standard, as shown below.

We continue to monitor the evolving ESG landscape to ensure we are reporting on the matters most important to our business and our various stakeholders and where we believe we can create a meaningful business impact. In support of this, we continue to work to expand our disclosures in future reports associated with the Task Force for Climate-related Financial Disclosures (TCFD) and the Global Reporting Initiative (GRI) frameworks. We are also monitoring the International Sustainability Standards Board (ISSB) for new guidance on potential additional disclosures we may consider in future reports.



**Energy management
in manufacturing**

[See Resource
Conservation →](#)



**Management of
chemicals in products**

[See Chemical
Management and
Chemical Management
in Products →](#)



**Product lifecycle
environmental impacts**

[See Product
Stewardship →](#)



**Wood supply
chain management**

[See Responsible Use
of Raw Materials →](#)



BUSINESS ETHICS AND GOVERNANCE

BOARD LEADERSHIP AND OVERSIGHT

In 2022, our Board of Directors (Board) consisted of 10 independent and two executive directors. The Board believes that its structure and composition of highly experienced and engaged independent directors and executive directors provide effective oversight of the Company's management.

The Board actively supervises our overall strategies, conducts an annual review of our corporate governance practices and our ESG strategy, and oversees our ID&E efforts.

The Board's Nominating, Governance and Sustainability Committee oversees the Company's corporate responsibility and sustainability policies and programs, including ESG matters, reviews the sustainability report and any sustainability targets, and annually reviews political and charitable contributions.

The Board's Human Resources and Compensation Committee oversees ID&E efforts, Human Resources policies and programs, compensation arrangements, executive succession planning, and leadership development.

Our management team, subject to Board and Committee oversight, structures, monitors, and adjusts our sustainability efforts in a manner that best serves the interests of the Company and its many stakeholders. Senior management reviews the long-range plans of our businesses on an ongoing basis. These plans consider long-term sustainability implications and the ability to meet customer needs.

ESG Governance Structure



BUSINESS ETHICS, TRANSPARENCY, AND REPORTING

We are committed to ensuring a culture of good governance and high ethical standards within our businesses. Rigorous corporate governance contributes positively to long-term shareholder value, and our dedication to ethics instills integrity in all aspects of our business. We are focused on maintaining strong governance and ethics standards, and this focus starts at the top. Our efforts are led by the Chief Compliance Officer, who is also the Senior Vice President – General Counsel & Secretary, with oversight by the Board and senior leaders.

We are committed to ethical business practices, which are premised on our company values. Our Board reviews evolving corporate governance best practices, changing regulatory requirements, and shareholder feedback and makes changes it believes are in the best interest of Leggett & Platt and its stakeholders. The Board and the Audit Committee monitor our enterprise risk management process and our controls, compliance, and ethics. The Nominating, Governance and Sustainability Committee has direct oversight of ESG matters unless otherwise retained by the full Board. The Human Resources and Compensation Committee oversees HR policies and programs and various compensation plans.

We also maintain good governance and effective operations through written policies and auditing programs throughout the Company. Our written policies, procedures, and controls set the standards that guide our actions and ensure the highest levels of responsibility, integrity, and legal compliance across our businesses. We strive to ensure compliance with these standards through ongoing review, monitoring, and auditing of our procedures and controls, including regular anti-bribery, antitrust, and anti-corruption risk assessments. We assess substantially all our operations for anti-bribery, antitrust, and anti-corruption risk. Our internal audit team proactively consults with and surveys a sample of employees regarding potential ethical concerns.

Our governance structure supports our sustainability and accountability:

- *Annually elected directors*
- *Majority voting and 3/3/20/20 proxy access*
- *Diverse board and management team in 2022*
 - *7 of our 10 independent directors are diverse by race/ethnicity or gender*
 - *4 of our 10 corporate executive officers are diverse by race/ethnicity or gender*
- *Policies supporting the integrity of our operations*
[Code of Business Conduct and Ethics](#)
[Financial Code of Ethics](#)
[Governance Guidelines](#)
[Human Rights](#)
[Global Anti-Corruption](#)
[Supplier Code of Conduct](#)
[Environmental, Health, Safety, and Sustainability](#)
[Conflict Minerals](#)
[Human Trafficking and Slavery](#)

[Visit our Governance webpage here.](#)

ANTI-CORRUPTION AND BRIBERY

Companies are known by the reputation their employees and directors earn. Through the years, we have set a high standard for honesty, integrity, and ethical conduct. We work hard to fight all forms of corruption, including bribery and extortion. In addition to continuously promoting an atmosphere of ethical conduct, we have adopted a Code of Business Conduct and Ethics that applies to all directors, officers, and employees, and a Financial Code of Ethics for our Chief Executive Officer, Chief Financial Officer, and Chief Accounting Officer.

Alongside these important policies, we have also adopted a Business Policies Manual; Global Antitrust Policy; Global Anti-Corruption Policy; Insider Trading Policy; Environmental, Health, Safety, and Sustainability Policy; Electronic Communications and Data Security Policy; Conflict Minerals Policy; as well as other policies, to help our employees understand our commitment to ethical business practices and support our culture of honesty, integrity, and ethical conduct. These policies guide our compliance efforts and address several important topics, including, but not limited to, bribery and corruption, antitrust and fair competition, conflicts of interest, gifts and entertainment, privacy and data protection, social responsibility, health and safety, insider trading, equal opportunity, and whistleblower retaliation protection.

All directors and executive officers must attest annually that they will comply with the Code of Business Conduct and Ethics. Our senior financial officers adhere to both this and the supplemental Financial Code of Ethics, to which they also must certify annually. We circulate our Business Policies Manual, Global Antitrust Policy, and Global Anti-Corruption Policy globally to substantially all employees with a company email address to confirm their continued compliance and provide sign-off each year. Substantially all our salaried employees and certain categories of employees in focus countries receive online training on our Global Anti-Corruption Policy, while certain categories of employees also receive training on our Global Antitrust Policy. We communicate our Global Anti-Corruption Policy to the Board annually, as well as to substantially all our suppliers designated as critical Tier 1 suppliers periodically. Moreover, we have a dedicated legal department and a network of trusted attorneys worldwide assisting with any compliance or regulatory issue that may arise at any location, facility, or place where we either do business or where our products are sold.

Third parties who do business on behalf of Leggett & Platt are expected to comply with all laws and regulations and abide by the core principles described in our Global Anti-Corruption Policy.

Every Leggett & Platt employee is expected to:

- *Comply with all laws, regulations, and company policies*
- *Maintain ethical behavior*
- *Follow common privacy principles when dealing with personal information*
- *Report any suspected misconduct, illegal activity, fraud, abuse of company assets, or other violation of ethical standards*

Whistleblower Program

Employees, suppliers, and customers are all empowered, without fear of punishment, to raise questions or concerns about our operations and business practices and are encouraged to report behaviors that they believe may violate the law or Company policy. Various laws provide legal protection to certain types of whistleblowers. In addition, we strictly prohibit any form of discrimination, retaliation, or harassment against any employee, who, in good faith, reports or participates in an investigation, or reports complaints of questionable or illicit conduct either within Leggett & Platt or to any governmental agency or commission. This helps foster an ethical workplace and a culture of integrity.

The Ethics Hotline is a telephone- and email-based reporting mechanism that is available 24 hours a day, seven days a week, 365 days a year. Information about the Ethics Hotline is translated into 14 different languages, and callers can utilize the designated phone number for their particular country, or a universal email address. We use external law firms to translate reports where necessary. Information about the Ethics Hotline is available on Leggett & Platt's website and employee intranet sites, incorporated into certain terms and conditions with third parties, included in various internal- and external-facing policies and procedures, and posted in multiple high-traffic areas in each of our facilities worldwide. Every employee is also provided written reminders of the Ethics Hotline semi-annually. All reports into the Ethics Hotline are treated confidentially to the fullest extent reasonably practicable and allowed by law. Designated personnel are trained to handle reports in a way that maintains the integrity of the program. Employees and others making reports are encouraged to identify themselves and make themselves available to provide additional information, but they may choose to remain anonymous. Each report is fully investigated and shared only with the specific personnel designated to handle the issue, as well as management and Board members with oversight responsibilities.

We have a robust Ethics Hotline reporting process. Any potential violation of law or Company policy that is reported through our Ethics Hotline is immediately brought to the attention of certain members of the Board, senior leaders, the Chief Compliance Officer, and the Vice President of Internal Audit. Certain types of reports are also communicated to our Audit Committee and external auditors. All allegations received are promptly investigated, and appropriate action is taken based on the findings.

In 2022, 171 allegations were received through the Ethics Hotline, and 100% of these allegations were (or are currently being) investigated.

Jointly led by our Chief Compliance Officer and the Vice President of Internal Audit, the personnel who manage the Ethics Hotline process are qualified to conduct investigations into potential violations and have the appropriate authority and expertise to administer, review, investigate, and evaluate such reports. If needed, external resources are also available to assist in investigations.



Data Privacy and Cybersecurity Programs

We respect the privacy of the personal information entrusted to us by our employees, customers, vendors, shareholders, and visitors. This means not only focusing on complying with applicable privacy and data protection laws, but on reinforcing a culture that incorporates fundamental privacy principles, such as transparency, data minimization, and purpose limitation, into our data practices. Our Chief Privacy Officer and Data Protection Officer work closely with contacts throughout the company to assess and guide our personal data practices, provide training, policy support, and subject matter expertise. Individuals are encouraged to read about our privacy practices, and we make it easy to contact us. For example, our posted Privacy Notices are easy to find and describe what personal information we collect, use, and share and why, and include contact information for raising questions or concerns.

We also understand the interplay between data privacy and data security and how fundamental an effective cybersecurity program is to privacy and data protection. Our cybersecurity program, led by our Chief Information Security Officer, is based on industry-recognized frameworks and takes a multifaceted approach to protecting our network, systems, and data, including personal information. We deploy a wide range of protective security technologies and tools including, but not limited to, encryption, firewalls, endpoint detection and response, security information and event management, multi-factor authentication, and threat intelligence feeds. In addition, we use an information security risk management approach that includes monitoring security threats and trends in the industry, analyzing potential security risks that could impact the business, partnering with industry-recognized security organizations, and coordinating an appropriate response should the need arise. The program is regularly evaluated and assessed through internal and external audits or reviews. We follow generally accepted security standards in our operations to help protect the confidentiality, integrity, and availability of our data and environments, and we require that our vendors and partners maintain a similar level of safeguards. We also know that there is a human element to effective cybersecurity programs and regularly train our employees to promote good cyber hygiene habits.

We take seriously any complaints or concerns related to privacy, data, and information security and prioritize their prompt investigation and proper resolution, including regulatory reporting and individual notifications as appropriate. If there is concern about the privacy or security of personal data, including suspected data breaches or misuse of data, employees are trained on reporting it so that it can be timely investigated and appropriate action taken. As part of our process, we have a documented framework our security team uses to timely and accurately remediate security incidents. To maintain the effectiveness of this framework, we conduct periodic real-world simulation exercises to test, educate, promote awareness, and identify any refinements needed.



[Visit our Privacy and Data Protection webpage here.](#)

Political and Public Policy Process

Because public policy issues have the potential to significantly impact our business, people, and communities, we participate in the legislative and regulatory process legally, responsibly, and ethically to advance policies that are consistent with the sustainability of our business and serve the best interests of our shareholders, employees, and other stakeholders. These efforts include education and advocacy across all levels of government. We maintain internal procedures and guidelines to govern these activities and are committed to complying with all applicable rules pertaining to lobbying and disclosures. Further information about our Political Contribution Policy, political action committee, and oversight of all political spending and activity can be found at our [**Political Contributions**](#) webpage.





OUR PEOPLE



People are the heart of Leggett & Platt. We have always cared deeply about our employees, and an important element of a successful future is a continued commitment to a culture of development and engagement by ensuring all employees have the tools and resources they need to succeed. Our employees are encouraged to actively develop their skills and take ownership in the Company's success.

The Board's Human Resources and Compensation Committee oversees our human capital management, including our HR policies and programs, compensation plans, officer and director compensation, executive succession planning, and senior management leadership development. This oversight is designed to support our business objectives, to attract, retain, and develop high-quality leadership, and to link compensation with business performance.

At year-end 2022, Leggett & Platt employed approximately 20,000 employees in the following geographies:



Attracting and Retaining Talent

A core element of our human capital strategy is our ability to attract, inform, and engage talented jobseekers. Although we operate in competitive labor markets, we attract, recruit, and retain employees with a compelling employee value proposition that includes competitive compensation and benefit programs, learning and development opportunities that support career growth and advancement opportunities, and employee engagement initiatives that foster a strong, inclusive company culture.

Our talent acquisition team works closely with our business leaders and shared services to maintain a reliable, efficient, and trackable process for identifying and attracting the best candidates. In doing so, we seek to honor and demonstrate our commitment to ID&E. Our recruitment methods, service providers, and strategic partners support our efforts to reach every population of jobseekers.

Social Media

To offer potential employees relevant insight into our culture, we maintain a comprehensive social media strategy. Via the [Life@Leggett](#) blog and supported by a variety of social media channels (Facebook, LinkedIn, Instagram, Glassdoor), we regularly publish content from all corners of our company.

In 2022, the [Life@Leggett](#) blog featured 129 articles showcasing our people, company history, product advancements, cultural events, and community engagement. We put a spotlight on the careers and achievements of around 40 employees by writing articles about their professional accomplishments, long-tenured service anniversaries, and efforts to give back within their communities. To honor observances like Veterans Day and National Hispanic Heritage Month, we shared employee stories and highlighted some of their unique experiences at Leggett & Platt. We also sought to educate and

[Visit our Careers webpage here.](#)

raise awareness through content we developed during multicultural observances like Black History Month, Disability Pride Month, World Mental Health Day, Pride Month, Juneteenth, Diwali, and International Women's Day.



Compensation and Benefits

We offer market-competitive compensation and benefits to attract and retain the talent we need to help ensure our business objectives are met.

While specific compensation and benefits vary worldwide and are based on regional practices, part of our employee value proposition includes competitive compensation and benefit programs for our employees and their family members in all geographies where we conduct business.

In the U.S., common features of our comprehensive rewards package include health, wealth, and wellness benefits such as:

- Health, dental, and vision benefits
- Flexible spending and health savings accounts
- Retirement savings plan with company matching contributions
- Income protection benefits including short-term and long-term disability
- Critical illness, accident, and travel insurance programs
- Basic and dependent life insurance
- Wellbeing and employee assistance programs
- Paid time for vacation, personal time, and holidays

In addition, all employees in the U.S. and Canada are eligible to participate in our discount stock ownership plan. We have also implemented several policies to support the work-life balance of employees, including part-time jobs, flexible hours, paid leave benefits, and remote and hybrid working, where applicable.

We did not experience any material work stoppages related to labor contract negotiations during 2022 for collective bargaining or related to employees represented by works councils.



Diverse Talent Recruitment

We continue to foster a culture in which everyone is respected, valued, and has an equal opportunity to contribute, thrive, and advance. Our commitment is unwavering, and we are steadfast in maintaining our focus on building a workforce that represents the many customers we serve and the communities in which we operate around the world.

Our talent acquisition strategy is dedicated to identifying opportunities to position ourselves as an employer of choice by externally connecting to diverse talent pools, sharing about our inclusive culture, and intentional efforts to attract diverse talent to join our teams.

In 2022, our Corporate Talent Acquisition Team proactively participated in 38 unique recruitment activities in the U.S. At each university we partner with, we commit to targeted outreach to diversity-rich student clubs and associations to encourage diverse candidates to learn more about Leggett & Platt and apply to open internships and full-time positions.

In 2022, we announced our partnership with North Carolina A&T – a Historically Black College/University (HBCU). A partnership with this university offers an opportunity to build relationships with their historically diverse student population in business, engineering, and more.



Leggett & Platt welcomed students from the University of Missouri's (MU) Cornell Leadership Program to our corporate headquarters in Carthage, Missouri, to learn about our company and from our leaders. The Cornell Leadership Program was established by a financial gift from Harry M. Cornell, Jr., our CEO from 1960 to 1999, and gives students at MU's Trulaske College of Business an opportunity to build leadership and business skills. During the two-day visit, students toured our research and development center and Machine Products facility and enjoyed discussions, presentations, and Q&A panels with company leaders.

Talent Development

Our value of putting people first prioritizes growth and developmental opportunities at all levels. As an organization, we're committed to fostering a learning culture where employees have access to learning resources and thrive in their careers. In 2022, we introduced the Leggett Learning and Leadership internal site with tools and resources for employee growth and career development. We also partnered with an external learning platform, Mindtools, for dynamic leadership content within the site, all of which will continuously evolve as part of our resource library.

We believe all employees should have access to learning and the opportunity to learn at their own pace, with development that is right for their careers and professional growth. Historically, we offered mostly traditional in-person training, which made access to learning limited. To broaden the benefits of the learning experience, Leggett Learning and Leadership serves as a single learning platform that offers online, on-demand content through interactive courses on a variety of topics.

In 2022, we created and facilitated 15 Leadership Essentials Experience (LEX) courses for over 350 employees. These virtual, instructor-led courses are designed to offer impactful learning through lecture and discussion on topics such as communication, conflict management, coaching, feedback, and influence. Through LEX, we're focused on creating an environment where our employees can realize their aspiration to grow.

Succession Development

Succession planning is of key importance to us. We take seriously the responsibility and diligence to ensure the sustainability and future growth of our company by preparing future leaders to take on additional and greater responsibilities.

Our commitment to having strong leadership in critical roles across the company continues to serve us well. Our values and culture guide our

talent initiatives to create a pipeline of strong, high-performing leadership candidates to serve in progressively important roles throughout the company. Our internal promotion rate over the last three years for corporate officer positions was 88%. We are building on our success in these areas and continue to progress our succession development processes to new levels to allow us to adapt and grow.



Engagement and Satisfaction

Our HR team leads efforts to take employee engagement to the next level. Crucial to our success are a data-driven approach and a focus on doing the right things to enhance human capital.

Employee satisfaction, feedback, and turnover data is analyzed to identify improvement opportunities. Examples include targeted employee surveys, employee focus groups, and turnover analysis. Action plans are developed based on specific needs and implemented in collaboration with local management.

We build on the basis of optimal working conditions to create sustainable employee engagement. Current initiatives to continue to drive engagement and satisfaction include:

- Revamped onboarding process
- Increased employee development and training
- Re-envisioned mentorship programs
- Role-based remote, hybrid, and other flexible working initiatives
- Employee spotlight and recognition events

Engagement efforts are facilitated through regular, ongoing communication with employees at all levels. This includes weekly “toolbox talks,” operating site-specific “state of the business” meetings, the company’s biannual magazine, InVision, and various other broad employee communications shared with employees.



Intern Program

We are focused on the next generation of Leggett & Platt leaders. Our internship program, Doors, helps interns learn, grow, and contribute. Doors allows students to gain real-life experience in their field of study through immersive leadership workshops. Over the years, interns have contributed to our information technology, engineering, marketing, HR, and finance teams at Leggett & Platt.

In 2022, we hosted 27 interns from college campuses across the country. Through virtual workshops, our interns worked on goalsetting, networking, personal branding, and communication in the workplace. Interns wrapped up the summer by presenting projects to company leaders and celebrating their achievements at a luncheon.

Internships are a critical element in our talent pipeline in terms of our ability to recruit professionals early in their career. To ensure our internship program remains relevant and valuable, we track retention of interns into full-time positions along with encouraging multi-year internship experiences across Leggett & Platt. Over the last five years, we have hosted approximately 100 interns through the Doors program.



Intern Spotlights



Jacob Gulick
is a mechanical engineering student at Missouri University of Science and Technology. As an intern, Jacob was tasked with designing

a machine to automate the assembly process of a sleeper sofa. His leaders encouraged him to take full ownership of the project, creating the mechanical design from scratch with the guidance of other engineers in his group. "I've loved innovating solutions to challenging problems and being able to experience my engineering career for the first time," said Jacob. "The most valuable thing I've learned this summer is how the engineering design process is utilized and applied in industry."



Karen Vasquez
is an accounting student at Missouri Southern State University. Karen spent her summer as a tax intern and put her knowledge

of accounting to the test, learning the aspects of the job. However, Karen credits time management as the most valuable skill she has learned this summer. "As a student with a family – learning to manage my time spent on a project, to managing my personal life with my children, housework, and school has been so important," said Karen. "This internship was a great way to get back into the workforce, meet new people, and put my skills to use."



INCLUSION, DIVERSITY, AND EQUITY

We are focused on building a diverse and innovative company that reflects the customers we serve and the communities in which we operate, as well as honors the voices of our employees around the world. The more we embrace the unique backgrounds and perspectives each of us brings, the more connected, collaborative, and innovative we are. We continue to champion a culture of ID&E, where everyone is respected and valued, with equitable opportunities to contribute, grow, and advance. Our ID&E initiatives are intentionally designed to cultivate team environments that empower all employees to realize their full potential.



Our Purpose with ID&E



Motivate employees and increase engagement



Attract and retain top talent



Enhance innovation through diverse perspectives



Enrich customer experience



Advance L&P's global brand



Improve business results

ID&E Strategy

Grounded in our company values and employee feedback, and fueled by our business strategy, ID&E has become instrumental in the way we do business. Our ID&E vision defines the impact we aspire to make:

ID&E Vision

Inclusion is fully integrated into our culture, anchored by our values and demonstrated through our actions.

We are on a journey to create significant value and meaningful change in our company, with our stakeholders, and in the communities where we live, work, and play.

Our mission guides our annual priorities and actions:

ID&E Mission

To foster a culture that thrives on diverse perspectives and nurtures a welcoming environment where all voices are heard and valued.

We will ensure equitable treatment and opportunities for learning, growth, and advancement.

We believe diverse teams generate better ideas and make better decisions, and that companies who lead in inclusion and diversity also lead financially. We are making tangible progress in the following strategic areas:

- Fostering a culture of inclusion and belonging through awareness, education, and feedback
- Attracting and retaining diverse talent through partnerships, diverse candidate pools, and enhancing our inclusive leadership skills
- Building policy frameworks and processes for equity, internally and with suppliers
- Creating metrics, goals, and accountability with our leaders

Representation

The demographic makeup of our workforce is one important measure of our diversity. The following table shows our gender representation in 2022 for U.S. employees.

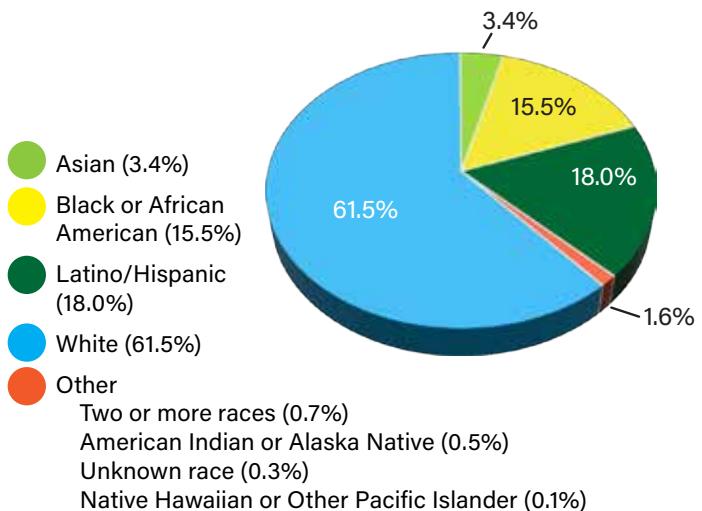
U.S. Gender

	Total	Salaried Roles	Hourly Roles
Female	28.3%	32.5%	27.0%
Male	71.7%	67.5%	73.0%

Currently, 28.3% of the U.S. workforce identify as female, which is just below the manufacturing industry average of 29% (based on 2021 data in the 2022 Bureau of Labor Statistics). However, women make up about 49% of the U.S. workforce nationally. We are committed to increasing our representation of women throughout the organization and especially in leadership roles. Several key initiatives are underway to engage women and their allies to improve workplace equity.

The above data is currently limited to the U.S., but we're making infrastructure investments that will help us to report global workforce data.

U.S. Race and Ethnicity

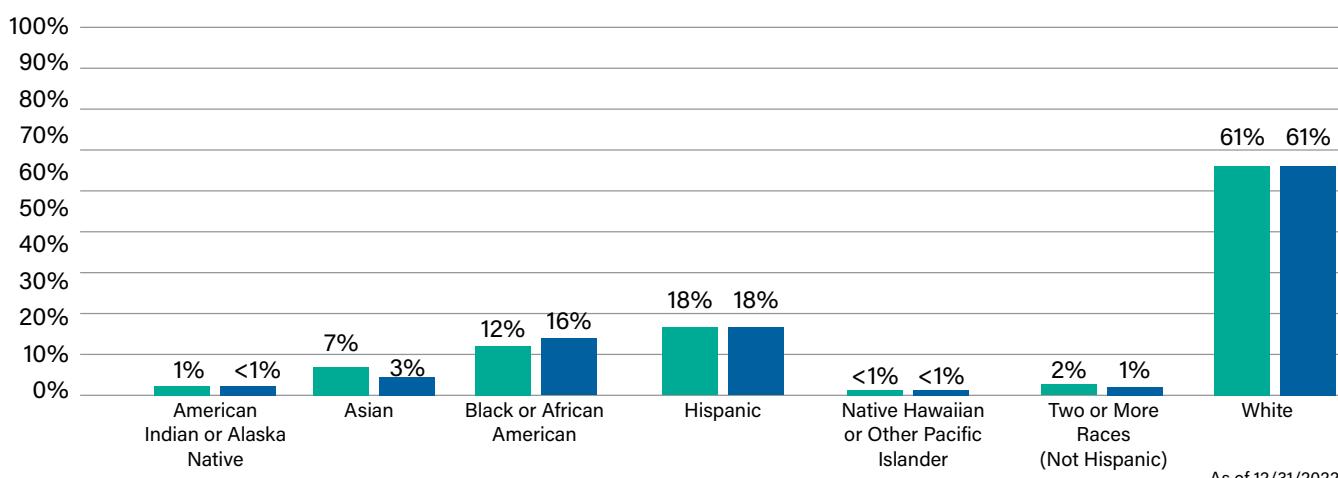


When we compare our race/ethnic makeup with 2022 census data, our racial diversity overall is comparable to national statistics. Overall, 38.2% of our U.S. employees identify with historically underrepresented race/ethnic groups while 61.5% identify as white. Growing our diversity, especially in leadership roles, is a priority for us. For example, we are taking several steps to attract, retain, and develop candidates and employees who identify with one or more underrepresented groups, including diversifying our talent pipelines, building our inclusive leadership skills, and establishing employee resource groups (ERGs).

Racial diversity of our U.S. workforce **overall** is comparable to national statistics.

U.S. Labor Force per 2021 Bureau of Labor Statistics Report

L&P U.S. Workforce



Board of Directors Representation

Leggett & Platt recognizes the value of cultivating a Board with a diverse mix of opinions, perspectives, skills, experiences, and backgrounds which, we believe, enhances the decision-making processes and achievement of our long-term strategy. In 2022, seven of our ten independent director nominees (70%) were diverse, with four women and four members who self-identify as racial or ethnic minorities.

Communities of Action

Actions speak even louder than words. Our ID&E efforts are led by three cross-functional groups that seek to drive awareness, engagement, and accountability in inclusion, diversity, and equity.

ID&E Global Executive Council. Established in early 2023, our executive team and senior leaders actively champion this effort and ensure it is a business imperative. This team provides oversight and strategic guidance on global priorities and leadership accountability.

ID&E Pillar Action Teams. This team is comprised of a broad group of employees from a variety of departments, locations, and levels within L&P. The team establishes and delivers long-term strategies and action plans designed to:

- Ensure that we have a safe and inclusive workplace.
- Equip our people to attract, develop, retain, and reward a diverse and inclusive workforce.
- Be an inclusive and equitable corporate citizen.
- Hold ourselves accountable and leverage data to foster tangible improvements in inclusion, representation, and equity.
- Enhance our business results.

Local communities. Local communities are our grassroots efforts to bring ID&E into every location, department, and team. These communities of action drive engagement, inclusion, and business results across Leggett & Platt.



Driving Progress

In 2022, we made progress in the following areas:

- Employee voice, trust, and transparency
 - We initiated an employee voice survey and followed up with sharing results broadly and taking action.
 - We established a diversity calendar of multicultural observances and utilized employee storytelling to highlight those observances.
- Inclusive leadership development at all levels
 - We launched our People First learning program to 3,000 U.S. employees and plan to expand to all employees globally. People First promotes more creative, connected, and collaborative teams. The first module helps us build inclusion in our everyday lives through three habits: Find Common Ground, Lift People Up, and Help Create Clarity.
- Driving local action through employee-led communities
 - We began our first ERG – a Women's ERG. In 2022, L&P established a cross-functional team to lead an ERG for women and their allies. We have a robust schedule of events planned to engage employees in 2023.

Women's ERG Vision

Enhancing the Leggett & Platt culture where women thrive.

Women's ERG Vision

Raise the visibility of women, celebrate their unique contributions and perspectives, foster personal and professional development, broaden their support network, build allyship, and influence positive change.

- We developed a People First Champion Network of employees who facilitate conversations around our values and inclusive leadership habits.
- We launched our Supplier Diversity Council whose mission is to measurably develop innovative, high-value supplier relationships and engage with supplier diversity partners to support our overall mission and positively impact all our stakeholder communities.
- Clear company goals and priorities
 - We were deliberate with follow-through on the CEO Action for Diversity and Inclusion pledge made by our CEO.
 - We gathered and analyzed workforce data.
 - We benchmarked data with companies to identify opportunities.
 - We clarified ID&E key performance metrics (top ten) and metrics to watch.
- Fair and equitable people processes
 - We ensured consistent and equitable job posting processes.
 - We increased diversity within our applicant pools and established a partnership with North Carolina A&T, an HBCU.
 - We enhanced our benefits to be more accessible and relevant for all employees, especially those from marginalized identities.
 - We improved opportunities for workplace flexibility. L&P has made significant strides in broadening the way we work to better attract and retain talent. Remote working, hybrid schedules, and more flexibility in some manufacturing roles and schedules are making L&P more accessible to more people.

ID&E Goals

Looking ahead, we anticipate expanding our People First leadership learning series to all employees, at all levels and locations. We also plan to grow and expand our ERG membership, create ID&E-specific learning opportunities for leaders and teams, and continue to incorporate our values and ID&E principles and best practices into our talent and HR practices and processes. We also recognize the importance of improving our data, analysis, reporting, and transparency.

*Our CEO, Mitch Dolloff, continues our commitment to the [**CEO Action Pledge for Diversity and Inclusion**](#). In doing so, Leggett & Platt joined more than 2,400 global companies in committing to advance diversity and inclusion in four ways (all of which are represented in our strategy):*

- Making our workplace a trusting environment in which we can have ongoing conversations about diversity and inclusion.*
- Expanding our awareness and understanding of implicit bias.*
- Sharing our best – and unsuccessful – practices with others.*
- Engaging our Board in discussing and prioritizing strategies and actions that grow our inclusive culture.*

EMPLOYEE HEALTH, SAFETY, AND WELLBEING

We have an established record of strong safety performance. Our dedication to the safety and welfare of all employees and our commitment to the efficient use of resources are evidenced by our companywide Environmental, Health, Safety, and Sustainability (EHSS) Policy, and by the management systems, operational practices, and ongoing health and safety initiatives that drive continual improvement.

Our CEO maintains overall oversight of our environmental, health, and safety (EHS) programs. To ensure ongoing, effective EHS risk management, our Executive Vice President of Business Support Services, who reports to the CEO, maintains management-level oversight of our EHS management systems and programs.

Our company health and safety management is led by key policies and documents including:

- [Environmental, Health, Safety, and Sustainability \(EHSS\) Policy](#)*
 - [SafeGuard Safety Program](#)*
 - [Business Policies Manual](#)*
-

Our EHS programs support our goals to reduce and eliminate workplace injuries. Our EHS programs provide all manufacturing locations environmental, health, and safety standards required to ensure the welfare of our team members, as well as tools and resources to effectively implement the programs:

- Incident/accident notification procedures and reporting requirements*
- Best practices associated with environmental and sustainability initiatives*
- Compliance assessments, government inspections, and corrective action systems that drive continual improvement*
- Regulations for energy efficiency, chemical use and storage, spill prevention, waste, and wastewater*

Employee Health and Safety

We are dedicated to the safety and welfare of all employees through education, awareness, and prevention. Our goal is to reduce and eliminate workplace injuries through process safety and to continuously improve from lessons learned through accident investigations. We are committed to a culture where employees are protecting employees every day and we strive for zero injuries.

We have developed and implemented a comprehensive health and safety program called SafeGuard to support workplace safety. Our Senior Director of Environmental, Health, and Safety has direct ownership of and responsibility for SafeGuard. Furthermore, we have a dedicated staff of safety professionals that supports safety management at all our manufacturing facilities, including ongoing oversight of SafeGuard.



Safety Performance Data for U.S. Locations

	2020			2021			2022		
	Employee	Contractor	Total	Employee	Contractor	Total	Employee	Contractor	Total
Incident Rate ¹	3.44	2.14	3.24	3.25	2.94	3.20	2.66	2.19	2.61
DART Rate ²	1.75	1.14	1.66	1.53	1.72	1.56	1.79	1.19	1.73
Lost Work Days Incident Rate ³	0.84	0.43	0.78	0.63	0.79	0.65	0.62	0.30	0.59

¹ Incident Rate defined as significant work-related injuries or illnesses beyond first aid, calculated per OSHA formula (Number of incidents x 200,000/total number of hours worked in a year)

² DART defined as serious work-related injuries or illnesses that result in one or more lost work days, restricted duty, or job transfer, calculated per OSHA formula (Total number of incidents or illnesses resulting in either the worker missing work, being on restricted duty, or being transferred to another job within the organization x 200,000/total number of hours worked in a year)

³ Lost Work Days Incident Rate defined as number of lost work day cases, calculated per OSHA formula (Number of days lost due to injury/illness x 200,000/total number of hours worked in a year)



Health and Safety Management System

Under the SafeGuard program, all facilities globally are required to meet stringent health and safety requirements. It applies to all employees, including permanent, temporary, and contracted, working at our manufacturing facilities. This program facilitates the development of relevant

job hazard analysis, which must be undertaken on all processes and is used to develop comprehensive job procedures. Job-specific health and safety practices are implemented across the business. Emergency response plans and business continuity planning are required elements for our manufacturing facilities under SafeGuard.

Production employees and contracted employees receive the following health and safety training:

- New-hire safety training
- Annual refresher safety training
- Weekly Toolbox Talks covering a wide range of topics including workplace hazards, building a safety culture, habits for staying healthy and well, applying first aid, and correctly and safely operating manufacturing equipment

- Job-specific safety training, based on job hazard analysis
- COVID-19 Work Procedures Handbook training

All manufacturing employees' and contracted employees' training is logged at each of our facilities. Every manufacturing employee and contracted manufacturing employee receives safety training at least annually. As part of SafeGuard, we have developed an accident tracking and investigation platform. The platform is used to analyze safety data and drive continual improvement of safety performance. We use reported safety data and industry-average safety performance data to set safety targets for our operations.

Compliance with SafeGuard is confirmed through EHS assessment process. A risk-based approach is used to identify the type and scope of assessments to be conducted. Assessments are completed by either a facility self-assessment, internal EHS team assessment, or third-party EHS consultant. Based on risk assessments, more complex facilities are audited more frequently as needed. The scorecard tracks facility compliance and engagement with all required program elements. Where necessary, the risk management team supports local team members to develop timely corrective action plans and monitors progress against those plans.

Six facilities have achieved ISO 45001 certification and two have achieved ISO 18001 certification, all primarily within our Automotive business.



INVESTING IN OUR COMMUNITIES

Leggett & Platt has a long-standing commitment to support the communities where we live and work. Through financial support, donations of products, employee contributions, fundraising, and other community investments, we are making positive impacts across the world – including over \$10 million in giving since 2001.

L&P Gives

In 2022, the Company contributed nearly \$700,000 in cash and \$30,000 in-kind donations to more than 125 agencies working to provide vital resources and programs to those in need around the world.

Our corporate giving promotes three primary goals that support our corporate values:

- **Inspiring Our Future.** We support programs that are inclusive and create pathways to a better future through education, including science, technology, engineering, and mathematics (STEM) programs; scholarship programs; technical vocational; college-access and career-readiness programs; and community-based arts and music programming.

- **Elevating Our Communities.** We give to organizations that strengthen the fabric of our communities, preserve and protect resources, and aid those facing financial hardship and instability, including programs that address homelessness and hunger, support economic mobility, and protect victims of violence.
- **Helping Communities in Crisis.** We seek to assist in disaster relief and humanitarian work around the world with financial or in-kind contributions to those in need.

We have always believed in doing the right thing, and we extend that expectation to the agencies and causes we support. We expect good stewardship of resources and a commitment to maintaining the ideals that are most important to us, and we seek out agencies and projects that promote positive community outcomes for long-term impact.

Giving Back in Times of Need

Giving back starts at home with We Rise – an employee and company-funded program that has helped satisfy the emergency needs of 174 employees in the aftermath of catastrophic events and natural disasters since 2011.

In 2022, our employees donated more than \$50,000 to aid 13 employees in rebuilding from flooding, hurricanes, and other disasters. Leggett & Platt further supported those employees with donations of mattresses for impacted family members.



Jeffrey Reed



Joshua Shepherd

We Rise by Lifting Others

In July, unprecedented flooding devastated Eastern Kentucky and impacted team members at one of our Bedding facilities. Funds from We Rise helped two of our employees, Joshua Shepherd and Jeffrey Reed. Joshua lost both of his vehicles to the flood waters and sustained damage to his home. Jeffrey and his family had to evacuate to higher ground and were rescued by a boat crew. They lost everything.

Through the generosity of our employees and We Rise, Joshua and Jeffrey received funds to aid in their recovery. "Some items, like pictures, will never be able to be replaced, but the money given has helped my family try and bring back a normal life," said Jeffrey. "I'm proud to work for a company that values us as employees and is here in our time of need," said Joshua. "It's a good feeling knowing fellow employees are here to donate and volunteer their time to help our L&P families."





Living United

Leggett & Platt is a long-standing partner with United Way. In 2022, employees raised more than \$100,000 to fund hundreds of organizations through local United Way agencies – a gift that was more than matched with a \$135,000 corporate donation to United Way agencies around the world.



Volunteerism

Our commitment to our communities starts with our people. Our employees donate their own time and resources to address local needs and build a brighter future for neighborhoods around the world.



Leggett & Platt®

THE ENVIRONMENT

As a global manufacturing company of diverse products, we are committed to demonstrating strong environmental stewardship. Our EHSS Policy outlines our high standard of responsibility.



We produce high-quality products while striving to reduce the impact on the environment. To meet our high standard of responsibility, we strive to:

- Advance environmental protection and use of natural resources more efficiently in our operations.
- Comply with environmental regulations everywhere we operate.
- Support environmental awareness and involve employees in the development and implementation of sustainability and environmental programs.
- Train employees on compliance and best practices associated with environmental and sustainability initiatives.
- Enforce site-specific compliance requirements through audits, compliance reviews, and corrective action systems that drive continual improvement.
- Use a risk-based approach to identify which locations will receive formal audits. Other locations receive more targeted environmental compliance reviews. Corrective action systems are in place to address findings.
- Reduce our energy consumption by using energy-efficiency strategies and encouraging energy management programs.

ENVIRONMENTAL MANAGEMENT AND OPERATIONAL EFFICIENCY

Our environmental management and compliance programs are guided by policies including our EHSS Policy and Business Policies Manual.

We maintain companywide environmental management programs to ensure we are compliant with environmental regulations everywhere we operate and to drive continual improvement in environmental management. Our Senior Director of EHS provides day-to-day oversight of our environmental management and compliance programs.

Our environmental program supports our goal to serve as good stewards of the environment and the communities where we live and work. The environmental program provides all manufacturing facilities with the environmental, health, and safety standards required to ensure the welfare of our team members and the sustainability of our environment. Topics addressed in our programs include:

- Incident/accident notification procedures and reporting requirements.
- Best practices associated with environmental and sustainability initiatives.
- Compliance assessments, government inspections, and corrective action systems that drive continual improvement.
- Regulations for energy efficiency, chemical use and storage, spill prevention, waste, and wastewater.



Committed to a culture of safety and sustainability

Our dedication to workplace safety and environmental sustainability is evidenced by our companywide Environmental, Health, Safety, and Sustainability (EHSS) Policy.



At Leggett & Platt, we are committed to protecting the health and safety of our employees and being responsible stewards of the environment. Our EHSS Policy outlines our high standard of responsibility: "We are dedicated to the safety and welfare of all employees through education, awareness, and prevention. Our goal is to reduce and eliminate workplace injuries through process safety and to continuously improve our employee safety. We aggressively pursue resource conservation opportunities throughout our operations. We use best practices to produce high-quality products while striving to reduce the impact on the environment."

Environmental Compliance Program

Compliance with environmental regulations in every country in which we operate is mandatory at all of our facilities. Globally, environmental compliance programs are in place that address site-specific compliance requirements. Each manufacturing location will either receive a formal audit or a more targeted environmental compliance review based on environmental compliance risk factors and risk ranking of each facility. Regular EHS compliance assessments provide a good opportunity to:

- Identify and eliminate EHS risk.
- Measure a facility's compliance with applicable EHS regulations, permits, compliance plans, and training requirements.
- Increase EHS awareness.
- Detect and correct potential non-compliance situations.
- Identify training opportunities.

In addition to internal assessments, some of our manufacturing locations undergo various environmental audits. ISO environmental management system certification has been a core focus of our environmental commitments in some of our businesses. We have 22 facilities certified to ISO 14001, primarily within our Automotive and Hydraulic Cylinders businesses. These locations receive external audits verifying adherence to the ISO 14001 requirements.

Our EHS team provides training to facility environmental managers and offers business-specific workshops. Business unit EHS managers also provide environmental manager training. In 2022, we conducted new hire and refresher training on specific opportunities in addition to all training required by country and/or permit-specific regulations.

ENVIRONMENTAL SUSTAINABILITY



Waste Management and Recycling

Our waste management programs focus on the appropriate handling of hazardous and non-hazardous waste. Reducing, reusing, recycling, and diverting waste from landfill disposal are additional areas of focus in our manufacturing facilities. Our environmental programs include requirements of our manufacturing locations to conduct waste evaluations, quantify the waste generated, identify the applicable waste-handling regulations, and develop regulations protocol for industrial, hazardous, or non-hazardous wastes.

We recycle steel, urethane foam, paper, cardboard, chemicals, and lubricants, and use a significant amount of recycled materials in our manufacturing processes. Other onsite waste-related policies include an electronic waste policy, providing guidelines for electronic waste recycling.

2022 waste management and recycling examples include:

- Our U.S. locations diverted approximately 800 tons of business materials from landfills.
- Our rod mill used approximately 360,000 tons of recycled scrap steel in our production process.
- Over 15,000 tons of slag/ladle debris from our rod mill's electric arc furnace (EAF) was sent to a local landfill where it is accepted as a beneficial reuse material. The landfill uses the slag/ladle debris as road-building material within the active landfill areas as an alternative to natural-quarried local limestone.

- Dust created from the EAF at our rod mill is redirected from landfill disposal to processing in a kiln where zinc and heavy metals are recovered. Approximately 1,600 tons of zinc was reclaimed, and the remaining kiln by-product is used by the cement industry as a raw material, thereby eliminating a hazardous waste that previously required disposal.
- We incorporate several hundred million pounds of recycled urethane foam in our annual production of bonded carpet cushion.
- Acid used in our wire-drawing operations is processed in acid-recovery systems, allowing for acid reuse.

Reducing our waste is an important area of focus for our sustainability program. Gathering and understanding our waste footprint, highlighting and sharing best practices among manufacturing locations, training, and tracking data will be key areas of work moving forward. We are actively investing in technology solutions to efficiently meet these objectives.



Increasing Recycling and Reducing Landfill Waste Disposal in the UK

Our Aerospace facility located in Dunstable, UK, has made great strides in reducing the non-hazardous waste generated for over a decade. From 2011 to 2022, the total tons of non-hazardous waste the facility generated reduced by 28%. Since 2017, the tons of hazardous waste generation have declined by 73%. Efforts to recycle hazardous waste and increase the volumes of non-hazardous scrap metal, timber, mixed recycling, and cardboard recycled, coupled with diverting the remaining non-recyclable waste to a waste-to-energy facility, have resulted in our facility disposing zero waste in a landfill for the past seven years.

Water Resources Management

Our businesses use water from multiple sources in a variety of manufacturing and production processes. Understanding our water footprint is our first step to evaluating opportunities across our business to be good stewards of water.

The majority of our U.S. water withdrawals are from public water supplies such as a utility or municipality. However, a small number of facilities are served by groundwater wells. The quality of water used is important for all operations. As needed, water pretreatment systems are installed to achieve the desired water quality parameters.



Industrial Wastewater

A large number of our U.S. water discharges are to publicly owned wastewater treatment facilities and comply with effluent requirements. A small number of facilities use septic tanks or have onsite wastewater treatment systems. Our environmental programs provide guidance and requirements that all facilities are required to follow related to onsite effluent management. Risk management planning and spill prevention control and countermeasure procedures are designed to prevent chemicals from ending up in wastewater or waste.

For our U.S. locations, annual chemical release information is publicly available through the U.S. Environmental Protection Agency Section 313 Form R reports and chemical storage information is reported on Tier II reports.

In 2023, we are compiling a water inventory to gather a more complete picture of our water withdrawals and discharges from all facilities. This will provide information about our impact on water management issues, assist in identifying areas for improvement, and support development of short- and long-term goals related to water management. Identification of opportunities to implement maintenance, operational, or technological strategies to reduce water waste, increase water reuse, and reduce our overall risk associated with water resources is an important sustainability priority.

Chemical Management

We use a variety of chemicals in the production and manufacturing of bedding, furniture, and flooring products, with the largest use in our Specialty Foam business. We are committed to the safe use and storage of chemicals and ensuring compliance with chemical regulations. Chemical use and storage procedures are required of all facilities and are outlined in our environmental programs.

We are committed to the protection of human health and the environment and minimizing risks from chemical substances. There are various operational processes we use to phase out or substitute chemicals considered to be high-risk. Multiple product certifications, such as CertiPUR-US® and the Carpet and Rug Institute Green Label-plus certification, demonstrate a commitment to limiting chemical risks to human health and the environment.

Onsite chemicals are managed according to federal, state, and local regulations and through a risk-based approach.

All facilities are required to follow our environmental programs related to the management of chemicals used during product manufacturing. These requirements include processes such as maintenance of Safety Data Sheets (SDS), chemical tracking systems, yearly formal assessments for selected facilities, and corrective action procedures.

Additionally, Risk Management Plans, spill prevention control and countermeasure, and hazardous waste identification and disposal are implemented per federal and state regulations, where applicable. These procedures minimize the risk of chemicals making their way into the natural environment. Coordinating with suppliers to obtain chemical information, reviewing chemical usage and SDS, implementation of hazardous waste contingency and minimization plans, Stormwater Pollution Prevention Plans, and employee training are important steps in our process to minimize risk.



CLIMATE CHANGE AND GREENHOUSE GAS EMISSIONS REDUCTION

We appreciate the importance of doing our part to reduce carbon emissions. We have compiled our first greenhouse gas (GHG) emissions inventory covering 2019 through 2021 and are in the process of completing the 2022 inventory. We aim to publish the results in late 2023 or the first half of 2024, and we have engaged a third party to perform a limited assurance review of this data. Our emissions inventory includes Scope 1 and Scope 2 (location and market-based) carbon dioxide-equivalent emissions. Our inventory was prepared consistent with the GHG Protocol Corporate Accounting and Reporting Standard.

Gaining an understanding of our emissions profile will help us develop short- and long-term reduction strategies. The detailed measurement of our emission sources will help us identify available

carbon reduction and mitigation opportunities so that we may develop a roadmap to reduce our carbon footprint. Evaluating opportunities to reduce our carbon footprint, setting goals for carbon reduction, and measuring performance in achieving those goals are part of our ESG strategy moving forward. In late 2023 or the first half of 2024, we expect to set emission reduction goals and other operational and efficiency targets.

Climate-Related Risk Governance

Understanding the climate-related risks and opportunities to our business is important in making future business decisions. In addition to the responsibilities stated in the Governance Section, the Board and the Nominating, Governance and Sustainability Committee actively supervise our overall strategies, including climate-related risks and opportunities. The governance mechanisms into which climate-related issues are integrated include reviewing and guiding strategy, assessing major action plans, monitoring implementation and performance of objectives, and monitoring and overseeing progress toward goals and targets for addressing climate-related issues.

Our management team, subject to Board and Committee oversight, structures, monitors, and adjusts our climate-related efforts in a manner that best serves the interests of the Company and its many stakeholders. Senior management reviews the long-range plans of our business units on an ongoing basis. These plans consider long-term climate-related implications and the ability to meet customer needs related to sustainability topics. Our CEO is the highest management-level position with responsibility for climate-related issues.

Understanding Our Climate-Related Risk

Although our diverse geographical manufacturing footprint and our broad geographical customer base mitigate the potential physical risks of any local or regional climate change weather-related event having a material effect on our operations and results, the increased frequency and severity

of such weather-related events could pose a risk to our operations and results. However, in the future, depending on whether severe weather-related events increase in frequency and severity, such events could result in potential damage to our physical assets, local infrastructure, transportation systems, water delivery systems, our customers' or suppliers' operations, as well as prolonged disruptions in our manufacturing operations (including, but not limited to, our steel rod mill), all of which could harm our business, results of operations, and financial condition.

A discussion of potential direct and indirect effects of climate change is included in the 2022 10-K Climate Change Disclosure.

To continue improving our climate-related risk assessment processes, we use technology-based tools to evaluate our property portfolio's exposure to 12 natural catastrophic events. We also initiated integration of climate-related risk into our Enterprise Risk Management process to improve our internal processes for identifying, assessing, and managing climate-related risks.

Resource Conservation

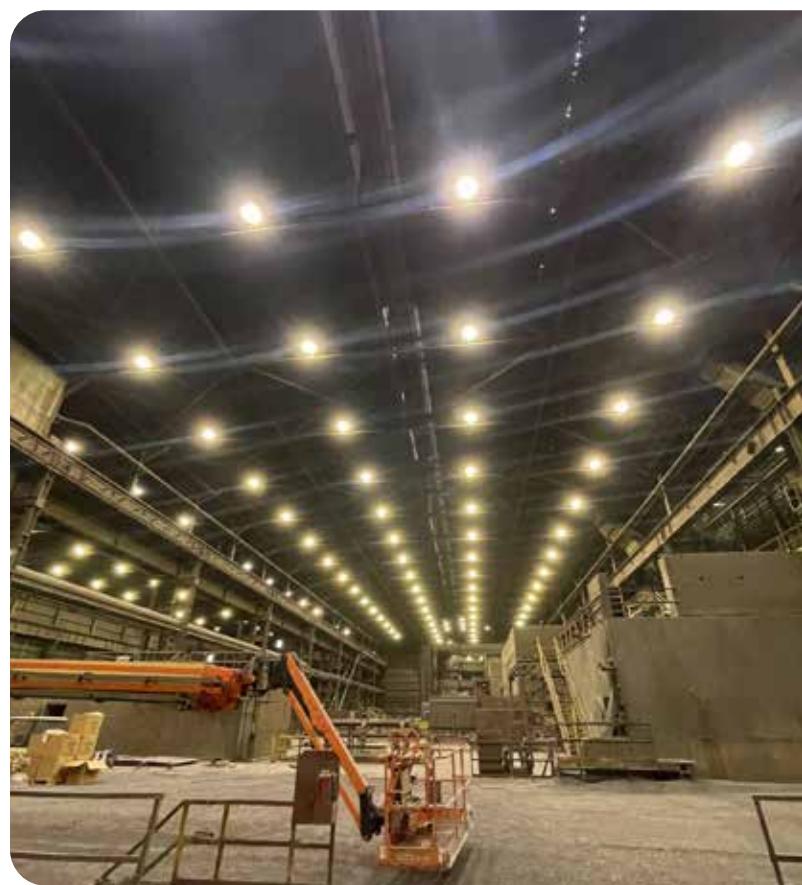
We aggressively pursue resource conservation opportunities throughout our operations. Reducing energy consumption across global production facilities is an important part of our carbon reduction objective as well as a cost saving opportunity. Striving to use water efficiently and find opportunities to reduce our waste footprint are additional resource conservation goals. Another key area of focus is evaluating opportunities to reduce gasoline and diesel usage in our fleet of over 750 vehicles.

Several important actions were initiated in 2022 to begin understanding our resource conservation opportunities, including, but not limited to:

- Conducting various surveys of our facilities to gather energy and water data and understand individual facility-level goals, initiatives, and significant energy uses, in addition to other data points.

- Analyzing our energy, water, and waste costs and trends since 2019 and identifying potential locations to spend additional time researching opportunities to further reduce our energy, water, and waste consumption.
- Engaging monthly with the Department of Energy (DOE) Better Plants program to further our participation, gather required data, and perform initial energy intensity benchmarking.
- Identifying gaps and opportunities to improve our data collection.
- Making enhancements that will build additional sustainability considerations into our capital expenditure process.

These initiatives are helping to build a foundation of information on our existing impact. They will also inform process improvements as we work to implement a sustainability roadmap to reach our ESG goals.



Reducing Energy and Electricity Consumption

In 2022, we worked to reduce energy consumption in some of our manufacturing facilities by implementing energy and electricity reduction strategies. These programs and projects, in the aggregate, are not expected to have a material impact on our financial statements, but indicate specific actions that contribute to reducing energy consumption, including, but not limited to:

- Completing lighting improvement projects at nine U.S. facilities, which is projected to save 2.8 million kilowatt hours (kWh) annually, a reduction of approximately 1,100 annual metric tons of carbon dioxide equivalents. We will continue implementing LED lighting retrofits throughout 2023, completing a project at our steel rod mill that is estimated to save approximately 3.1 million kWh, an approximate reduction of 1,400 annual metric tons of carbon dioxide equivalents.
- Identifying compressed air as a significant energy system for further evaluation based on survey data. Many of our facilities use compressed air systems in their production processes. This common industrial manufacturing system could be a focus area as we move forward with future energy reduction and energy-efficiency initiatives.
- Focusing on the use of electric forklifts as an avenue to reduce our fossil-fuel energy consumption.
- Applying for and being awarded an In-Plant Energy Training event to be conducted by the DOE Better Plants program for our bedding facility in Carthage, Missouri. This training will be held in 2023 and will train participants how to identify, implement, and replicate energy-saving projects.
- Initiating data collection to establish an energy use and energy intensity baseline for four manufacturing locations as part of our participation in the DOE Better Plants program.



Rising Cost of Energy Leads to Energy and Emissions Reduction

In our Automotive business, one of our European manufacturing facilities has experienced rising costs of electricity and natural gas. Through the implementation of energy efficiency and operational changes in 2021 and 2022, they reduced their natural gas use by 62% when comparing the fourth quarter of 2021 to the fourth quarter of 2022. Examples of the projects they implemented to achieve this reduction include using waste heat for heating the plant floor, reducing the heated office space by sharing offices, and replacing hot air curtains with plastic curtains. This energy reduction resulted in cost savings and is contributing to a reduction of carbon dioxide emissions at this location.



Our Commitment to the U.S. Department of Energy Better Plants Program

We are committed to continuous improvement in energy efficiency as a partner in the U.S. Department of Energy Better Plants program. The program is a national initiative to significantly improve energy efficiency across U.S. industries. Manufacturers in the program work to reduce energy intensity throughout all of their U.S. manufacturing operations. Since joining the program in 2018, we have hosted two In-Plant Training events to identify energy-saving projects. Through these onsite trainings, various opportunities have been identified. We plan to host a third onsite training in 2023 to identify energy saving projects in one of our Bedding manufacturing facilities. In addition to this event, we are providing data and working toward establishing an energy use and energy intensity baseline for four facilities. This information will inform the development of energy management plans and further energy reduction initiatives over time. In 2023, we aim to further engage in the Better Plants program and take advantage of the vast tools, resources, and expertise available. View our [**Better Plants partner profile**](#).

Renewable Energy

As we advance in our understanding of our carbon footprint and establish GHG reduction goals, renewable energy could be an important strategy. We have a facility that purchases renewable electricity and others that are exploring renewable onsite technologies. This is assisting, or could assist, these individual facilities in reducing their fossil fuel-based energy consumption. As we develop our ESG goals and specific carbon reduction targets, renewable energy mechanisms will be assessed as potential strategies to include in our carbon reduction roadmap.



Reducing Carbon Emissions through Cooperative Solar Installation

In 2020, one of our UK-based Automotive manufacturing facilities engaged with a third-party rooftop solar cooperative to install solar photovoltaic panels. The third-party cooperative develops rooftop solar energy on sites including schools, community buildings, and businesses.

In return for hosting an onsite 200kW rooftop solar energy system for the third-party cooperative, the third party sells us electricity produced by the system at a discounted rate for a pre-negotiated time period. Since installation in early 2020, this project has resulted in over 450 MWh of electricity produced and avoided carbon dioxide emissions. We're excited to do our part in saving electricity costs and contributing to carbon emission reduction in the local community.

Reducing Mobile Emissions

Our logistics fleet provides freight services to many of our U.S.-based manufacturing locations in addition to serving as a common carrier for other companies. In this capacity, we maintain a fleet of over 400 units. Of this heavy-duty fleet, almost half deliver overnight to customers and our manufacturing locations. Each sleeper is equipped with an auxiliary power unit to heat, cool, and provide power to the cab so the tractor can be shut off. Trucks are equipped with predictive cruise, aerodynamic fairings, and trailer skirts to further improve fuel efficiency. Our U.S. fleet also includes approximately 350 leased passenger vehicles as of the end of 2022.

In addition to operational changes, evaluating electrification opportunities as well as other alternative fuels will be important to explore as potential ways to improve fleet fuel efficiency and support carbon footprint reductions from our fleet. These strategies will become more viable as alternative fuel infrastructure and technology continue to advance.

In 2022, we concluded a project to better understand the business purpose for each vehicle and right-sized our light-duty private passenger fleet. By September 2022, we had reduced our light-duty fleet by almost 100 vehicles across the company. This will result in an annual average reduction of approximately 55,000 gallons of gasoline fuel, or approximately 486 metric tons of carbon dioxide-equivalent emissions.





INNOVATIVE PRODUCTS

PRODUCT STEWARDSHIP

As a supplier to a variety of customers in various industries, our products are increasingly important in helping customers achieve their sustainability goals. We strive to minimize the environmental impacts of our products across their lifecycle. Our businesses are building sustainability into product development processes and designing products for improved durability, recovery, and recycling at end of life.

Examples of our products supporting sustainability goals include:

- In our Automotive business, stricter regulations are driving demand for innovative and more sustainable products that are lightweight, improve fuel efficiency, and reduce noise, enabling the ongoing vehicle electrification trend.

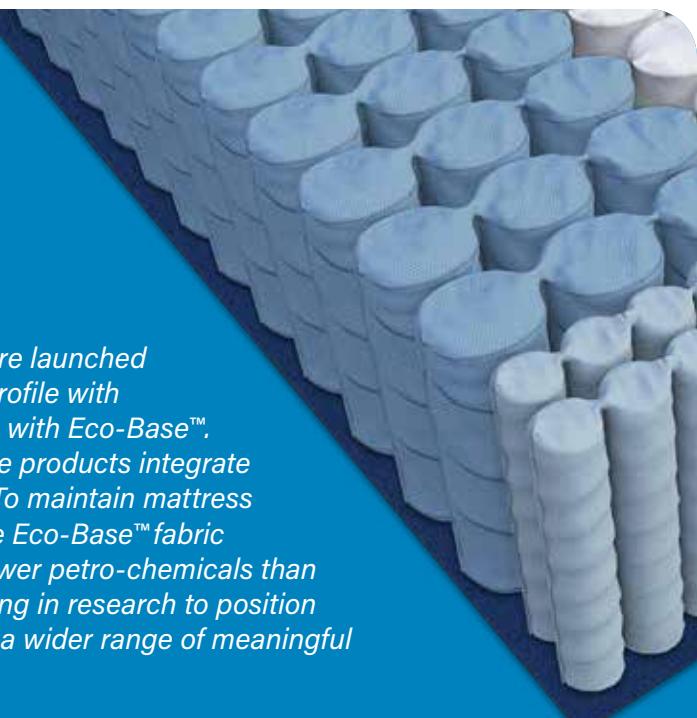
- Our Flooring Products business manufactures carpet underlayment products that make a direct contribution towards LEED green building certification for our customers. All products can be 100% recycled at the end of their useful life and all products exceed the CRI Green Label Plus test program. The Bonded/Bonded Plus carpet cushion consists of recycled foam, the Rubber XD/Rubber Plus carpet cushion contains pre-consumer recycled material, and the fiber carpet cushion is composed of industry-derived recycled fibers.
- Our Geo Components business produces geotextile products, such as erosion-control blankets and silt fencing, that help our customers address the challenges of land at risk of natural or human-caused erosion.



New Bedding Products Reduce Product Weight and Petro-Chemical Use

In our Bedding business, two new products were launched in 2022 called the Quantum Edge® Enhanced Profile with Eco-Base™ and Caliber Edge® Enhanced Profile with Eco-Base™. Developed with a more mindful approach, these products integrate a robust fabric scrim that replaces base foam. To maintain mattress profile, coil height is increased by one inch. The Eco-Base™ fabric scrim is up to 80% lighter and contains 80% fewer petro-chemicals than base poly foam. Looking ahead, we are investing in research to position our Eco-Base™ technology so that it addresses a wider range of meaningful sustainability elements.*

*compared with 1.0" 1.8 lb commodity poly base foam (60" x 80" size)



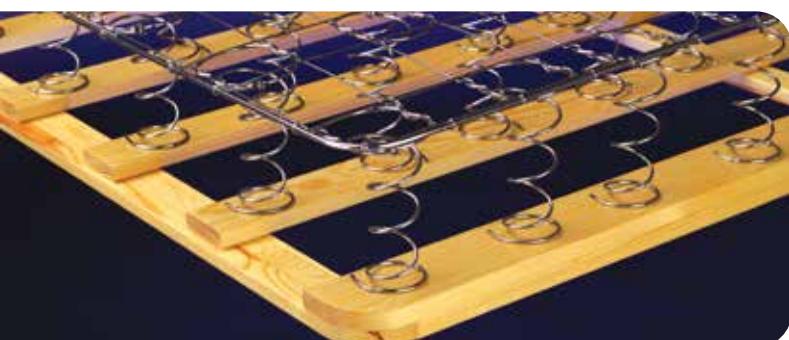
[Visit our Eco-Base™ webpage here.](#)

Responsible Use of Raw Materials

We use a variety of raw materials in our various products. Several of our key raw materials include steel, wood, plastic, chemicals, and foam scrap. Here are a few examples of how our use of recycled and certified raw materials and product design are supporting the reduction of a product's environmental impacts:



The wire we produce from steel rod is used in various products, including mattress innersprings. 92% of the steel rod we produced is from steel scrap, of which the majority is post-consumer scrap.



We use wood in various bedding products, including foundations. In 2022, our U.S. Spring business's spend with Forest Stewardship Council® (FSC®)-certified sources increased by approximately 4% to 76%, compared to 2021. We are also increasing the use of FSC®-certified wood products in our Work Furniture business to help our customers achieve their sustainability goals.



In our Automotive business, post-consumer-grade recycled nylon and plastic are used to manufacture components. An operation in our Work Furniture business uses more than 420 tons of 100% post-consumer plastics and post-industrial waste each year to create high-quality structural components.



In our Flooring Products business, the bonded carpet cushion we produce is primarily from repurposed foam that is sourced from foam manufacturers across the U.S., including our Specialty Foam business.



Product Design

In our Automotive business, evolution in product design has resulted in the use of ferrite magnets instead of rare earth magnets, thereby reducing the use of rare earth minerals. Product design innovation has also led to the reduction of raw materials and weight, contributing to vehicles that are lighter and more fuel efficient during their use.

In our Specialty Foam business, EcoFlow™ eco-friendly foam technologies include renewable bio-polyols, plant-based bio-gels, and bio-based phase-change materials, all of which are natural materials.

In our Machinery business, the XT90 Stitch Bridge offers mattress manufacturers an alternative to the use of adhesives and lamination machinery. The machine stitches together the mattress comfort layers without the use of glue, providing several benefits including faster production times, reduced chemical components (i.e., glue), and easier disassembly and recycling at end of life.

Chemical Management in Products

Many of our products contain multiple components that are made of a variety of chemical substances. These include, but are not limited to, foam, plastics, and fabrics. Managing chemicals throughout the product's lifecycle is important to minimize and prevent environmental impacts and harm to human health.

We comply with the European Union's Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS) Directive and REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals) in addition to other regulatory chemical lists. When requested by our customers, we review products against common chemical lists of concern, including REACH, RoHS, and California's Proposition 65 requirements to determine any appropriate disclosure.

Throughout our business, we closely follow regulations, research, and industry guidance to determine what chemicals should be considered for elimination from our products. Various inputs drive chemical substitutions and evaluation of alternatives in finished products. Prohibiting the use of specific chemicals due to existing or anticipated regulations, permit requirements, customer compliance requirements, or customer requests are examples of opportunities we take to limit our use of specific chemicals. Phase-out plans to eliminate specific chemicals, such as tin catalysts and fiberglass, are currently underway in our Specialty Foam business due to increasing regulations and due to the growing concern of the human and environmental impact of these chemicals.

Our Specialty Foam and Flooring Products businesses have developed capabilities to replace petrochemicals by processing specific renewable raw materials into foam formulations. These renewable raw materials include bulk chemicals, which comprise most of our formulations known as polyols. Historically, these polyols were based on petrochemical sources. We have partnered with several bio-based chemical companies to incorporate, in part, a substitute polyol source known as natural oil polyol (NOP), derived from raw materials based on crops such as soy and castor.

Product Testing

Based on customer request and other identified needs, we test our products to ensure they comply with specific chemical content requirements. Tests which have been performed on some of our products, as appropriate based upon the type of product, include:

- Flammability standards
- Lead and phthalates testing
- California TB 117-2013
- California Proposition 65
- Consumer Product Safety

Our specialty foam products meet the highest standards for safety with CertiPUR-US® certification. CertiPUR-US emissions and analysis methods are compatible with other standards such as Ecolabel (EU), LGA (Germany), OEKO-TEX 100 (Class IV Mattress), EUI, Blue Angel (Germany), IKEA, AQS Green Label, and BIFMA criteria. Products meeting CertiPUR-US requirements meet strict limits for materials such as:

- Ozone Depleting Compounds
- PBDEs, TDCPP, or TCEP ("Tris") flame retardants
- Mercury, lead, and other heavy metals
- Formaldehyde
- Phthalates

In our Flooring Products business, all carpet cushion products are CRI Green Label Plus-certified. Green Label Plus is an independent testing program that identifies carpet, adhesive, and cushion products with very low volatile organic compounds emissions to help improve indoor air quality and helps our customers achieve LEED green building certification.

Our procedures for product information and labeling focus on providing guidance to our operations on how to comply with applicable laws.



Our environmental programs contain information on chemical content in our products and safe use of products containing certain regulated substances. In accordance with our procedures, we provide relevant information and instructions to our customers on chemicals in products when required to allow for safe use. For example, certain of our subsidiaries are subject to the EU's or UK's REACH Regulation. When applicable, REACH requires our EU and UK subsidiaries to communicate information on substances listed on the Candidate List when they are contained in any article of a product in a concentration above 0.1% weight by weight to allow for safe use. In addition, we provide Safety Data Sheets on products when required by applicable laws. This facilitates the safe handling and use of our products in accordance with regulatory requirements to the extent applicable to our operations.

PRODUCT QUALITY AND SAFETY MANAGEMENT

At Leggett & Platt, quality is more than just a word. It is at the very core of our business. We are committed to providing quality products to our customers around the world. Our goal is to meet or exceed our customers' requirements and expectations. To do this, we focus on fundamentals, such as safety, quality, compliance, continuous improvement, and training.

The design, manufacture, and sale of safe products are matters we take very seriously. All products are designed, produced, and marketed to eliminate or minimize hazards that may cause injury. We are committed to providing products that comply with all laws and regulations applicable to our manufacture, sale, and import of products.

Education and training are essential to our success. Training is provided to employees – including full-time, part-time, and temporary employees – who perform tasks that impact product quality and promote safety. All personnel within the company are responsible for the quality of their work.

Strategic initiatives are considered during quality planning and reviews to help drive alignment with quality systems and business strategy. We are dedicated to continuous improvement in everything that we do. We strive to continuously improve our product offerings in the markets we serve.

Quality Management Systems and Certification

Our commitment to superior quality product development is documented and implemented within our Quality Statement, Quality Policy Manuals, and QMS. These systems help ensure that our design, development, manufacturing, and distribution activities produce consistently high-quality products that meet or exceed customer requirements, achieved through the monitoring, measurement, analysis, and evaluation of our systems.

QMS is in place at 101 manufacturing and warehouse operations. This represents approximately 15,000 employees globally and a significant percentage of our manufacturing facilities.

The systems in place at these operations include standards such as IATF 16949, AS 9100, ISO 9001 and LP9000 (an internal standard based on ISO 9001 requirements). Several locations also hold certifications to laboratory, environmental, health, and safety standards such as ISO/IEC 17025, ISO 14001, and ISO 45001.

In January 2023, we began the process of transitioning many of our internally certified LP9000 sites to ISO 9001 systems, which will be certified by a third party. This transition process will include approximately 40 sites and is expected to be completed by the end of 2025.

Management Responsibility

Our Segment Presidents, Business Unit Leaders, and Branch Managers are accountable and responsible for the implementation, maintenance, and improvement of QMS at our facilities.

Quality metrics are distributed quarterly to Segment Presidents and Business Unit Leaders as a key indicator of quality performance. QMS audits are performed annually, and audit reports are distributed to Branch Managers for action and Business Unit Leaders for oversight.



Risk Assessment and Product Testing

We apply industry- and product-specific quality and safety processes and systems, including Failure Mode Effects Analysis (FMEA), Production Part Approval Process, and other tools.

Our Design FMEA considers safety implications and mitigation strategies for identified risks of our proposed offerings. Appropriate design changes to enhance product safety as identified in the Design FMEA are incorporated in the final design. Our Process FMEA evaluates the potential failures of relevant processes, establishes the potential impact of any failure, and identifies and prioritizes action items with the goal of alleviating risk. The analysis is initiated prior to the production process and maintained throughout the product's lifecycle. Other tools such as Design for Six Sigma are also being applied to improve and control products.

When required by laws applicable to the manufacture and sale of our products, industry standards, our internal procedures, or as otherwise required by our customers, products are tested from time to time internally in our laboratories, and/or by external, independent third parties.

As part of our quality management process, we perform specific product testing as appropriate based upon the type of product. Testing is conducted by personnel with specific knowledge of applicable regulations. The following are some of the regulations and requirements that we perform product testing for and/or comply to:

- Flammability standards
- Lead and phthalates testing
- California TB 117-2013
- California Proposition 65
- EU REACH
- EU RoHS
- Consumer Product Safety

Incident Investigation and Corrective Action

In the event of a product quality incident issue or nonconformity, including those arising from complaints, we will address the nonconformity, and as applicable:

- Evaluate the need for action to eliminate the cause(s) of the nonconformity
- Implement appropriate corrective actions
- Review the effectiveness of corrective actions taken to prevent recurrence
- Update risk and opportunities determined
- Make changes to the QMS

Incident Investigation

Our product incident investigation process is vital to our success and is regularly reviewed. In March 2022, the process was enhanced to include updated steps to complete in the event of a product incident, such as quarantine, recall, agency notification, and/or legal hold as appropriate. Providing routine communication to our employees on improvements and associated tools and resources is an important step in providing safe, high-quality products.

In the event of an incident of noncompliance with regulations and/or voluntary codes concerning product information and labeling, we review and address such noncompliance and engage in corrective actions as appropriate to correct any errors.

Reporting

We are subject to various consumer product regulations that require that certain product quality or safety incidents are reported. For example, we follow the reporting requirements outlined in Sections 15(b) and 37 of the Consumer Product Safety Act of 1972. We also follow the early warning reporting and additional reporting requirements of the National Traffic and Motor Vehicle Safety Act.

We have protocols in place to identify incidents of noncompliance with regulations and/or voluntary codes concerning the health and safety impacts of our products, and to disclose such incidents to the applicable regulatory agencies. In 2022, there were no consumer impacts from our products resulting from such noncompliance that required disclosure in our reports filed with the Securities and Exchange Commission (SEC).

Objectives and Targets

Our Cost of Quality metric is used to set quality-related goals and drive continuous quality improvement for most business units and/or production facilities operating under our QMS. A critical part of the Cost of Quality is the cost of failure or nonconformance. The metric is comprised of factors such as scrap, rework, customer credits, and warranty costs as well as internal inspection and prevention expenses. Cost of Quality reports are generated and distributed quarterly to certain members of our Executive Leadership Team and Business Unit Leaders to assess quality levels and drive improvement activities.

Compliance and Audit

Our QMS team conducts internal quality system audits once a year at all facilities that are internally certified. Audit scores and audit reports are collected and shared with Business Unit Leaders and Branch Management.



External audits are conducted annually at all IATF-, AS-, and ISO-registered facilities by accredited third-party certification bodies. Reports are collected, scored, and reviewed by the Corporate Director of QMS to ensure they are accurate, fair, and consistent.

Branch Management is responsible for correcting and resolving nonconformities identified during audits in accordance with QMS procedures.

Training

As required in our QMS procedures, we ensure that personnel receive the necessary education and training for their positions. Training is provided to all employees, including full-time, part-time, and temporary employees, who perform work affecting the quality of our products.

Our QMS training program offers a range of quality-related courses on compliance and improvement topics. Topics are reviewed based on trend analysis and audit results to ensure that we target key initiatives to drive improvement. Audit results are reviewed to help identify areas for needed training and improvement. We also utilize external resources on quality-related training topics for appropriate personnel.

Customer Satisfaction

Our Quality Management Systems establish processes to collect and analyze customer-related information to drive performance improvements.

The following are some of the data reviewed and methods used:

- Customer and user surveys
- Feedback on aspects of product
- Customer-quality portals
- Customer needs
- Service-delivery data
- Customer meetings

The results of the analysis are used to evaluate conformity of products and services, the degree of customer satisfaction, and the performance and effectiveness of the Quality Management Systems.



SUPPLY CHAIN

We rely on thousands of suppliers to provide the materials, goods, and services that our company needs to manufacture products for customers around the world. We strive to ensure our suppliers operate according to our high ethical standards including the health, safety, and welfare of their employees, and protection and preservation of the environment.

In 2022, we engaged a third-party service provider to further strengthen our supplier risk management and assessment processes. Through this relationship, we have broadened the number of suppliers we are able to assess and the breadth of sustainability topics monitored. We asked all our critical Tier 1 suppliers to complete assessments on the new platform. Critical Tier 1 suppliers represent over 55% of our total spend. This deepening of supply chain intelligence allows us to further strengthen our relationships with key suppliers and ensure alignment of expectations.

ESG and sustainability-related assessments rolled out via the new platform in late 2022 include:

- Anti-Bribery & Anti-Corruption
- Environmental Protection
- Human Rights & Labor
- Health & Safety
- Supply Chain Responsibility
- Trading Partner Security
- Quality Management
- Energy Management
- Business Continuity
- Management & Owners
- Conflicts of Interest
- Cyber Security
- Data Protection (GDPR)
- Inclusion, Diversity, and Equity
- Carbon Footprint
- Living Wages
- L&P Supplier Code of Conduct

We are pleased with the level of supplier engagement and assessments completed so far. As we move forward, we anticipate this system will support our ability to improve future ESG disclosures.

SOCIAL STANDARDS AND COMPLIANCE

The Leggett & Platt Supplier [Code of Conduct](#), along with our standard purchase order terms and conditions, serve as the foundation for ensuring our suppliers operate according to our high ethical standards. In 2022, we enhanced our Supplier Code of Conduct to include additional topics that help ensure our suppliers operate their businesses in a way that is consistent with our values. We have now included, or enhanced, our expectations for suppliers in the areas of ethical business dealings; environment, health, and safety; product regulatory compliance; labor and human rights; ID&E; data privacy and cybersecurity; accurate books and records; and violation reporting. The enhanced Supplier Code of Conduct is now included in our purchase order terms and conditions and was published on our website (www.Leggett.com) in February 2023.

In addition to these enhancements, we have initiated a process to have all our critical Tier 1 suppliers acknowledge the Code through our new assessment platform mentioned previously. Furthermore, the Code requires that suppliers not engage in corruption and that they commit to fully complying with all applicable anti-corruption laws and regulations of the countries in which they operate.

[Visit our Supplier Information webpage here.](#)

In addition to our Supplier Code of Conduct and standard purchase order terms and conditions, we also utilize a multi-layered risk-based approach to help ensure prospective and current suppliers can meet our standards and their obligations.

Elements of our process include:

- Automated risk monitoring of public data sources related to suppliers' physical/geographic locations.
- Automated risk monitoring of relevant news related to suppliers (reputable global news outlets as well as social media monitoring).
- Financial Risk Assessments – Conducted during onboarding of new suppliers as well as on an ongoing basis for critical suppliers and those with spend greater than \$1 million annually.
- Office of Foreign Assets Control (OFAC) Denied Party Screening – Conducted during sourcing, onboarding of new suppliers and customers, and ongoing for all suppliers and customers.
- Sustainability Assessments – As mentioned, we are currently in the process of implementing this with all critical Tier 1 suppliers.
- Supplier Assessments – Onsite, virtual, and self-assessments.

International U.S. import suppliers are subject to onsite assessments. Assessments cover, among other things, compliance with Leggett & Platt policies.

For new U.S. import suppliers, detailed assessment reports are produced and shared with management and the relevant Business Unit management. A determination is made whether the supplier can move to "Qualified" status and if an improvement plan needs to be implemented. If required, an improvement plan will be conducted following an initial onsite assessment. We work with the supplier to prioritize the corrective actions and develop a timeline for implementation.

Following the initial onsite assessment, renewals are scheduled based on annual spend with the supplier. Our largest U.S. import suppliers are assessed onsite annually while most other suppliers are subject to renewals at least every three years. Suppliers with which we have minimal spending levels must submit an annual supply chain security survey and are subject to initial agreement re-execution every four years.

Since 2018, we have undertaken a total of 246 onsite assessments at both international and domestic suppliers. Over the past three years, we have taken a more targeted approach to onsite assessments and conducted some activities virtually.

These processes, and all relevant documentation, are described and confirmed in our Supplier Qualification Standards.

Customs Trade Partnership Against Terrorism (C-TPAT)

Leggett & Platt is a long-standing, fully certified, and validated member of the C-TPAT program. We are both a domestic and foreign manufacturer member of the C-TPAT program and have been participating in the program since its inception. Through this program, U.S. Customs and Border Protection (CBP) works with the entire trade community to strengthen international supply chains and improve United States border security. C-TPAT is a voluntary public-private sector partnership program which recognizes that CBP can provide the highest level of cargo security only through close cooperation with all the principal stakeholders of the international supply chain such as importers, carriers, consolidators, licensed customs brokers, and manufacturers.

We greatly value our membership in this program and gain many benefits in terms of supply chain privileges. Through our continuing relationship with CBP, we have engrained sound supply chain security concepts into our normal business processes. Membership in this program is administered centrally by the Corporate

Procurement Department and adhered to within both applicable Leggett & Platt operations and their respective supply chains.

Conflict Minerals

We are committed to the responsible sourcing of tin, tantalum, tungsten, and gold (Conflict Minerals) in our products. We work diligently with our suppliers to ensure compliance with the SEC's Conflict Minerals Rule.

We prohibit human rights abuses associated with the extraction, transport, or trade of Conflict Minerals. We also prohibit any direct or indirect support to armed groups or security forces that illegally control or tax mine sites, transport routes, trade points, or any upstream actors in our supply chain. Similarly, we have no tolerance for corruption, money laundering, and bribery.

Consistent with our commitment to the responsible sourcing of Conflict Minerals, we expect our suppliers to:

- Determine the source and country of origin of any necessary Conflict Minerals in any parts or materials that are supplied to us and provide that information to us on the Responsible Minerals Initiative's Conflict Minerals Reporting Template to support our due diligence and reporting obligations under the SEC's Conflict Minerals Rule.
- Agree not to knowingly supply us any product containing Conflict Minerals originating from the Democratic Republic of the Congo and adjoining countries (Covered Countries), unless the Conflict Minerals were processed by a facility listed as conformant pursuant to the Responsible Minerals Initiative (RMI) Responsible Minerals Assurance Process (RMAP).
- Encourage all smelters or refiners in our supply chain to be audited pursuant to RMAP and receive a "conflict-free" designation.

We execute corrective action plans for suppliers who indicated that Conflict Minerals contained in the parts or materials supplied to us may have originated from the Covered Countries from

facilities that are not listed as conformant or active by RMAP. We also execute corrective action plans for all non-responsive suppliers. To the extent that suppliers remain non-responsive, we categorize them into three classes:

- **Class 1**—continue trade with the supplier with risk mitigation efforts.
- **Class 2**—temporarily suspend trade with the supplier with risk mitigation efforts (3–6-month suspension period after notice of potential suspension and affirmative refusal of the supplier to cooperate).
- **Class 3**—terminate the supplier relationship after notice of potential termination, if necessary, and affirmative refusal of the supplier to cooperate.

Suppliers are categorized by Business Unit personnel and reviewed by our CEO and the applicable Segment President.

We regularly participate in multi-stakeholder initiatives designed to improve regulatory compliance and responsible sourcing associated with Conflict Minerals. We are a member of the Responsible Minerals Initiative (RMI), which is a multi-stakeholder collaboration that provides its members with tools and resources to address issues associated with responsible minerals sourcing in their supply chains. We support RMAP through our membership in RMI and participate in RMI's Due Diligence Practices Team. We leverage RMI's independent audits of smelters and refiners in accordance with RMAP and cross-check whether smelters and refiners in our supply chain have been validated as being conformant with the protocols. In addition, we are also a member of the Automotive Industry Action Group, an automotive industry group whose members include original equipment manufacturers and their suppliers. We annually review eight informational modules designed to assist suppliers with the responsible sourcing of Conflict Minerals.

Our cross-functional internal management team consists of representatives from our businesses, the International Supply Chain Compliance Group, the Legal Department, and senior management. With senior management supervision and

oversight, our cross-functional team implements, coordinates, and manages our Conflict Minerals compliance efforts and directly engages our supply chain on responsible sourcing practices associated with Conflict Minerals.

Our CEO and other senior executives participate in the review of our Conflict Minerals due diligence process, our risk management plan, our [Conflict Minerals Policy](#), and our purchase order terms. Our CEO and SVP – General Counsel & Secretary participate annually in the review of our Conflict Minerals Report.

Human Trafficking and Slavery

We have taken the following steps to attempt to identify and mitigate risks of [human trafficking and slavery](#) within our business and supply chains:

- We evaluate and address the risks of human trafficking and slavery by conducting due diligence through our sourcing evaluation process, which includes, for example, supplier verification that human trafficking and slavery is not part of the supplier's chain. This due diligence process is typically conducted by Leggett & Platt and not by a third party, although we may utilize third parties and other resources to assist with our due diligence when appropriate.
- We conduct onsite and/or remote audits of selected suppliers to evaluate compliance with our standards and policies, including our policy on human trafficking and slavery.
- Standard purchase order terms and conditions require our direct suppliers to ensure that the products we purchase will be produced in full compliance with all applicable laws regarding human trafficking and slavery and include procedures for suppliers failing to meet our standards.
- Our Business Policies Manual includes accountability standards for our employees regarding human trafficking and slavery.
- Training is provided annually to employees who have direct responsibility for supply chain management. In 2022, training materials, company policies, and information on human trafficking and slavery were distributed to employees of our Corporate Procurement Department and management with direct responsibility for our supply chain.

In addition, to mitigate the risk of slavery, forced labor, or child labor occurring within our supply chain, we also distributed an assessment to substantially all our critical Tier 1 suppliers. This assessment asks such suppliers to confirm, among other things, that: (1) they have measures in place to prevent any kind of slavery and forced labor; (2) they comply with local legislation on the minimum age of employees; and (3) they do not violate the ILO Forced Labor Convention (No. 29), the ILO Abolition of Forced Labor Convention (No. 105), or the ILO Worst Forms of Child Labor Convention (No. 182).



INFORMATION ABOUT THIS REPORT



Forward-Looking Statements

This report may contain "forward-looking" statements within the meaning of the United States federal securities laws, including, but not limited to, our ability to share the results of the materiality assessment and our key ESG priorities, objectives, goals, and targets, and other operational and efficiency goals later in 2023 or in the first half of 2024; the reduction of energy and electricity consumption not having a material impact on our financial statements; the transition of 40 internally certified LP9000 sites to ISO 9001 systems by the end of 2025; our suppliers' commitment to responsible conflict minerals sourcing; our suppliers' ethical conduct; expanding our People First leadership learning series to all employees; our ability to provide disclosures in accordance with GRI standards; the amount of kWh savings at our rod mill from LED lighting retrofits; engagement of employees through expanded ERGs in 2023; the creation of ID&E-specific learning opportunities for leaders and teams; the incorporation of our values and ID&E principles and best practices into our talent and HR practices and processes; the improvement of our processes for identifying, assessing, and responding to climate-related risks and opportunities over the short and long term; our hosting an onsite training in 2023 to identify energy saving projects; our further engagement in the Better Plants program; the increase in female management and leadership roles; the implementation of a strategic and comprehensive energy reduction plan; and the underlying assumptions relating to forward-looking statements. These statements are identified either by the context in which they appear or by use of words such as "anticipate," "believe," "estimate," "expect," "future," "intend," "may," "plan," "project," "should," or the like. All such forward-looking statements are expressly qualified by the cautionary statements described in this provision.

Any forward-looking statement reflects only the beliefs of Leggett & Platt or its management at the time the statement is made. Because all forward-looking statements deal with the future, they are subject to risks, uncertainties, and developments, which might cause actual events or results to differ materially from those envisioned or reflected in any forward-looking statement. Moreover, we do not have, and do not undertake any duty to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement was made. For all of these reasons, forward-looking statements should not be relied upon as a prediction of actual future events, objectives, strategies, trends, or results. Listed below are some important risks, uncertainties, and contingencies that could cause actual events or results to differ materially from forward-looking statements. It is not possible to anticipate and list all of the risks, uncertainties, and contingencies which could cause actual events or results to differ from forward-looking statements. However, some of these risks and uncertainties include the following: inability to, or delay in, conducting an ESG materiality assessment to further define the ESG opportunities that provide greatest value to our stakeholders and are the most meaningful to our Company; our ability to measure and report greenhouse gas emissions data; our ability to utilize representation data on our workforce to serve as a baseline for future goals, metrics, and actions for our ID&E programs; our ability to grow our inclusive leadership skills; our ability to identify and communicate our ID&E company goals; our ability to enhance our supplier diversity strategy and goals; our ability to partner with colleges, universities, and associations and historically black colleges and universities to attract our next generation of talent; our ability to incorporate our learnings into global and local changes in human



resources, talent, performance, promotion, and recruiting policies and practices; our ability to improve key management systems to improve data collection (including human capital, energy usage, and other data); our ability to improve employee development training; our ability to make charitable gifts focused on our primary goals; the legal compliance of our employees and third parties who do business with and on behalf of Leggett; the impacts of our suppliers' conflict minerals compliance; the effectiveness of our risk management plans ensuring that chemicals do not end up in wastewater or waste; our ability to enhance our supplier assessment process, including a heightened emphasis on labor and social standards and cybersecurity controls; our ability to utilize ESG frameworks like TCFD, GRI, and SDGs; our ability to successfully manage the Company's environmental compliance; our ability to implement energy efficient upgrades and improvements, including LED retrofits; factors that could adversely impact our trade sales, earnings, liquidity, cash flow, and financial condition, all of which could impact the funding available to carry out our sustainability efforts; our ability to maintain the proper functioning of our internal business processes and information systems through technology failures or otherwise; our ability to avoid modification or interruption of our information systems and industrial control systems through cybersecurity breaches; and other risk factors in our Form 10-K filed with the SEC on February 24, 2023, and subsequent Form 10-Qs.

Other Important Information

The inclusion of information in this 2023 Sustainability Report should not be construed as a characterization regarding the materiality or financial impact of that information. For additional information that is material to Leggett & Platt, Incorporated, including information on the factors that could impact our ability to execute our ESG strategies and other material risks to our business, please see our filings with the SEC, including our annual report on Form 10-K filed February 24, 2023, and subsequent quarterly reports on Form 10-Q. Uncertainties are inherent in collecting data from a wide range of operations in a global company such as Leggett & Platt. We believe the data included in this report to be materially accurate, but such data has not been externally audited. We expect our data collection systems to evolve, and we seek to continually improve our processes for collecting and disclosing accurate, meaningful, and consistent ESG data.

