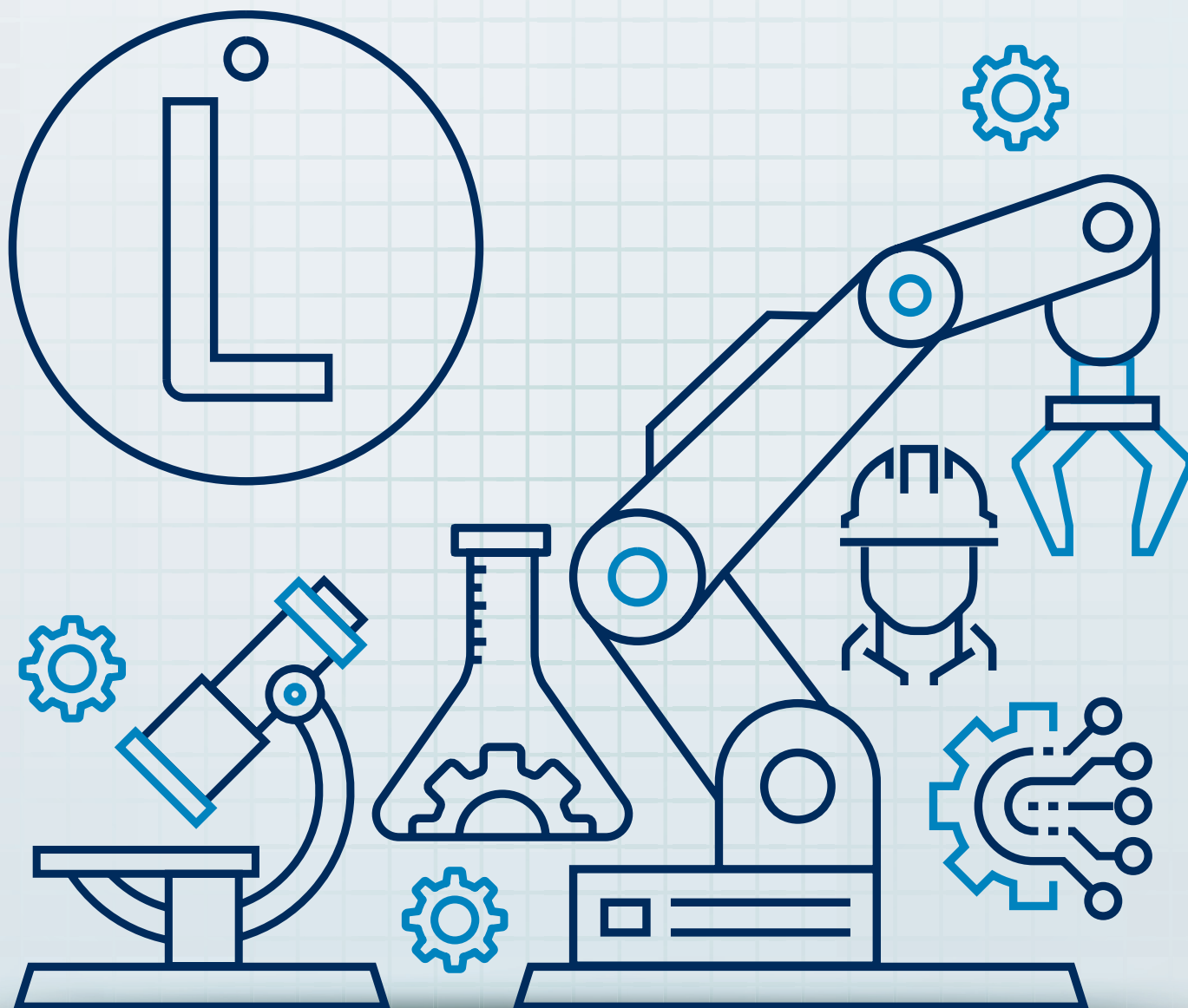


InVision

A look **inside**.
A look **ahead**.



Capitalizing on Our Capabilities



GEARING UP FOR FUTURE SUCCESS

Today's business environment is increasingly complex and unpredictable. At L&P, we have seen global macroeconomic conditions and shifting consumer focus drive slow but relatively consistent demand in our residential end markets while also experiencing continued improvements in our industrial end markets.

We find ourselves facing continued uncertainty and volatility going into 2024. While it is challenging, we are also presented with opportunities. By controlling what we can control, focusing on continuous improvement, and leveraging our capabilities, we can continue to position L&P for future success.

As you read this issue of InVision, you'll learn about new ventures in specialty foam – from a new foam pouring operation with process and geographic advantages to how we're developing more sustainable foam products for our customers. You'll also read about how advanced technology solutions at Pullmaflex and Spühl are supporting our global businesses, and how Home Furniture's renewed strategy is bringing about a shared vision for the future.

These are just a few of the ways that we, as a company, are investing in capabilities that will positively impact our future.

But let's not forget about our individual capabilities. Agility, creativity, collaboration, and dedication are powerful skills to harness – and I see them every day in our employees around the world.

The actions you're taking today are preparing us for tomorrow. Even the smallest solutions and simplest improvements can accumulate on a global scale and make big impacts for our company. Our teams are doing an excellent job engaging with our customers on new product opportunities and driving operational efficiency and strong cash management. We'll continue aligning our costs, managing our inventory, and driving cash flow. And we've been finding day-to-day solutions to the many challenges we encounter.

I have great confidence that we'll continue doing so. Because across the company, we're capitalizing on our capabilities – together. Even through some of the most challenging days, we are building upon our foundation to ensure a bright and rewarding future.

Mitch Dolloff
President & CEO



Expanding Our ECS Footprint: A New Foam Pouring Operation in Maryland

In business, location can be key, and that couldn't be truer for Elite Comfort Solutions (ECS). ECS is a leader in foam technology for the bedding, furniture, automotive, medical, and packaging industries. This past July, ECS opened a new foam pouring operation in Havre de Grace, Maryland – the first of its kind for Leggett & Platt in the Northeastern United States.

Meeting Business Needs

ECS was formed in 2016 through the consolidation of four companies: Pacific Urethanes, Elite Foam, Peterson Chemical Technology, and Hickory Springs. Each of these companies brought specific knowledge and decades of experience in the bedding industry. In 2019, Leggett & Platt acquired ECS, and this partnership combined Leggett's expertise in bedding components with ECS's expertise in foam technology, opening Leggett to a new market of possibilities.

With those possibilities also came the need to expand the ECS footprint. "We have foam pouring and fabrication facilities, but they are across the Southern United States, stretching from the West Coast to the East Coast," explains Grant Dennis, Vice President – Commercial Specialty Foam. "There's a huge population in the Northeastern US, the most densely populated part of the country. In business, you have to be close to your customers to stay competitive."

The idea for a foam pouring facility in the Northeastern United States was a long time in the making. Even before ECS partnered with L&P, leadership recognized the need to expand north. Because of the pandemic, momentum slowed, but the plan continued. Finally, in July, the facility was up and running. The team began to pour foam, and the first trade customer shipment left the facility.



The pouring line inside the facility.



From Chemicals to Finished Foam

The Maryland operation is 615,000 square feet of foam pouring and fabrication under one roof. Being located close to the port of Baltimore and accessible by rail makes it logistically favorable for procuring raw materials. Tim Landers, Vice President of Sales for ECS, describes the facility as impressive. "This is a great place to take a customer because you can see the entire operation from start to finish. At one end of the building, the chemicals are poured. Then, we move over to the cutting operation and then to final fabrication. Whether it's a topper or a mattress, it gets assembled here."



A few of the team members at the Maryland operation.

Having the entire production process under one roof also has cost benefits and quality advantages because the materials are not transported between facilities for fabrication. "It's typical to have a foam pouring plant where we pour the foam into buns (where the mixed chemicals cure into solid foam), cut them, and then put them on trucks to ship to a topper or mattress plant," explains Tim. "With this new facility, everything happens right here. Since we're without the expense of hauling materials to different facilities, there is less handling and less risk for damage."

Tapping into Capabilities

One major capability of the operation is its state-of-the-art, high-efficiency equipment, which automates the foam pouring and fabrication process. Scott Reading, Vice President of Operations – Specialty Foam, explains, "The type of machine we have at this facility is the best technology available. It uses high pressure to improve the consistency of the foam. The flat top system improves the dimensions of the foam buns, which allows a much higher bun yield than any other foam pouring system in the ECS fleet."

With production just beginning, the operations team is starting to tap into the facility's capabilities and penetrate the Northeast customer base. "It is very impressive when you see the size and the scale of this operation," says Grant. "It's also a testament to the strong nucleus of people, past and present, who have come together to make this production a reality. It's been a team effort, and we can't wait to see what's next."

Pioneers in Foam: A Closer Look at Peterson Chemical Technology



The Future of Foam

In the ever-changing foam industry, there has been a need to produce more sustainable foam and bed products. PCT addressed this challenge by developing a new family of products under the trade name EcoFlow®.



Courtney Hironaka, Director of Commercial Development at PCT, examines foam under a microscope for differences not visible to the naked eye.

"With a keen focus on sustainable solutions, we are now able to produce high-performance specialty foams with up to 50% replacement of oil-based polymers (polyols) with sustainable plant-based polymers," explains Bruce. "This new technology has been coupled with bio-based gels and coatings to provide our customers with complete eco-friendly specialty foam solutions for furniture and bedding."

PCT is looking toward the future and focusing on hybrid bed designs, especially in the BIB market, where about 90% of the mattresses are all foam. "L&P has tremendous strengths and synergies within springs, foam manufacturing, and chemistry to bring forward the best technologies to address the growing interest in hybrid beds," adds Bruce. "Our path to success will be to continue to lead in technology development and to have our customers value us as their preferred partner and supplier."

In 2019, Leggett & Platt acquired Elite Comfort Solutions (ECS) and Peterson Chemical Technology (PCT) to expand our capabilities in the bedding industry with the leaders in foam technology. After witnessing the growth potential in the hybrid mattress and Bed-In-Box (BIB) market, L&P combined its expertise in innerspring design with ECS and PCT's advancements in foam, continuing our mission to perfect sleep comfort technology.

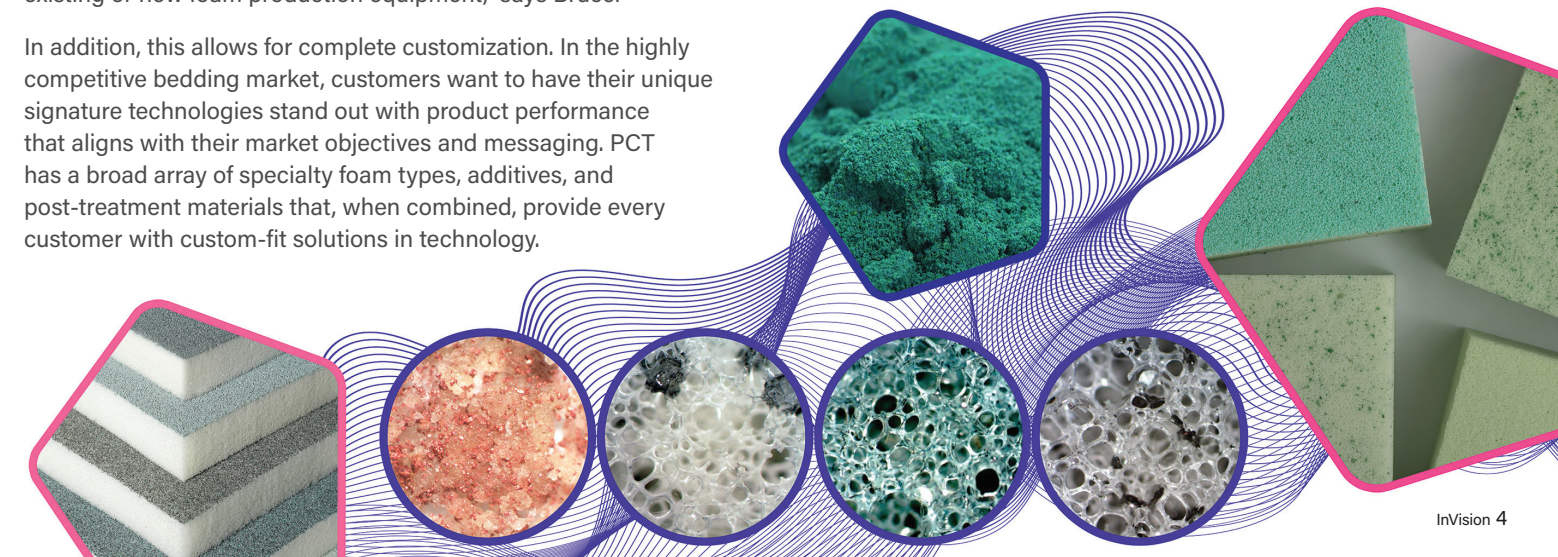
PCT develops advanced polyols, additives, and foam types for the polyurethane foam industry, with an emphasis on specialty foam for bedding and top-of-bed applications. PCT was formed with the mission of improving traditional memory foam. For example, one of its first inventions, CoolFlow®, revolutionized foam technology. CoolFlow® introduced naturally breathable foam that is extremely durable and ideally suited for compressed packaging, making it perfect for the BIB market.

Innovating for the Consumer

PCT houses a team of chemists and engineers dedicated to developing solutions with the consumer in mind. Bruce Peterson, founder and President of PCT, has observed many recent changes in the foam market. "There has been a greater emphasis on value with consumers and a strong push by our customers to offset inflation by reducing foam and other component costs," says Bruce. "With that in mind, we are focusing on producing lower-density foam to achieve smaller, more efficient packaging and to reduce cost."

Bruce credits the ability to design and manufacture chemicals and additives in-house at its 80,000-square-foot facility in Fort Smith, Arkansas, as an advantage in the specialty foam industry. At the facility, engineers and fabrication specialists assist in procuring, designing, and implementing new equipment or process changes necessary to support customers. "Our equipment group has focused on reducing the barriers for customers to use our products by building storage, blending, and metering systems to integrate our chemicals and additives into existing or new foam production equipment," says Bruce.

In addition, this allows for complete customization. In the highly competitive bedding market, customers want to have their unique signature technologies stand out with product performance that aligns with their market objectives and messaging. PCT has a broad array of specialty foam types, additives, and post-treatment materials that, when combined, provide every customer with custom-fit solutions in technology.



Turning Possibility into Reality: Machine-Building Capabilities at Pullmaflex



Every product at L&P starts with an idea – a vision for how to make something that improves someone's day-to-day life. In today's rapidly evolving world, turning a great idea into reality is often possible with the help of technology.

Leggett & Platt Automotive's (LPA) Pullmaflex branch in Wevelgem, Belgium, aims to ensure that any branch at L&P has the capability to do just that – turn great ideas into reality. Custom machinery that enhances the production process and creates quality products helps Pullmaflex to secure L&P's future success.

Global Support from Start to Finish

Pullmaflex builds machines that support L&P's manufacturing processes. But unlike most external machine and service providers, the team offers start-to-finish support. This includes everything from the design, development, and build of machinery to the programming, testing, and installation.



Members of the Machine Building Team at Pullmaflex.

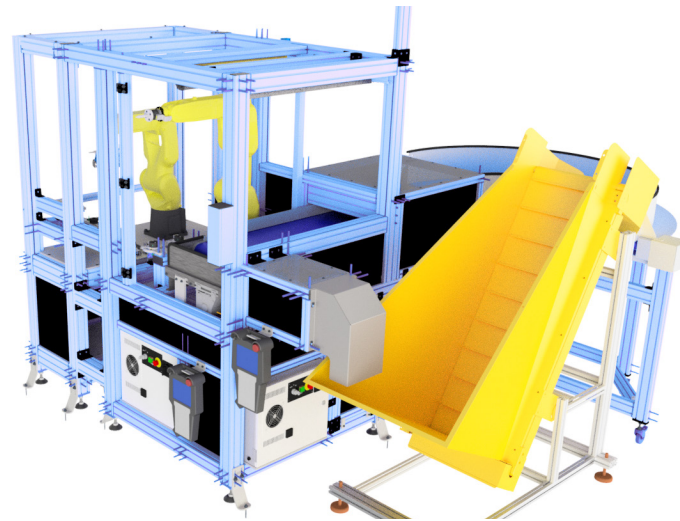
The Pullmaflex team has provided custom machines for L&P locations across the globe: Austria, Belgium, Canada, China, Hungary, India, South Korea, United States, and Wales. They collaborate with Leggett & Platt Machine Products Croatia for the build of some specialty parts, which are shipped to Pullmaflex to be assembled, programmed, and tested.

According to Filip Synhaeve, Branch Manager of Pullmaflex: "We're proud to support the growth of L&P branches globally, and working with other regions and cultures has enriched and strengthened our team. They're highly trained and skilled, which enables us to create the best and most cost-effective solutions to lead L&P's transition to industry 4.0, or the revolution of the manufacturing industry through advanced technology."

Paving the Way with Advanced Technology

The team prioritizes quality and safety in the design and development of their machines. They incorporate advanced technology to ensure consistent quality and streamline and perfect any manufacturing process, no matter the product. They've helped make production line processes easier and faster using robotic automation, overmolding automation, and even vision inspection automation.

Floris Heistercamp, Machine Building and Facility Manager at Pullmaflex, says, "Implementing automated vision inspection provides the opportunity to detect imperfections or defects that are difficult for a human operator to see. More importantly, automation reduces risk of operator error and provides improved safety, as well as consistent and greater quality and efficiency." Some other capabilities include developing prototype tools and testing tools, building assembly cells, and capturing and analyzing process data.



A drawing of an actuator assembly line station developed by the team.

Doing Great Work Together

There is no one-size-fits-all approach to what Pullmaflex offers; they work with branches on an individual basis to determine their needs and how they can help them achieve their goals.

Floris adds, "We work one-on-one with each branch and have a clear line of communication, which always starts with listening so that we understand their requirements. We also offer remote support as a key feature to help branches across the world solve issues quickly."

Since L&P provides an enormous variety of products to customers globally, having a branch like Pullmaflex to support L&P teams across business units allows us to dream bigger. It proves that when we do great work together, we can turn possibility into reality.

If you would like to learn more about what the Pullmaflex Machine Building Team has to offer, you can email machineeng.pub@leggett.com.

Get to Know Spühl: Innovating for the Future



Since the invention of the first bedspring by J.P. Leggett and C.B. Platt in 1883, our mission has been to enhance people's lives through our products. In 1997, Leggett & Platt acquired Spühl, a Swiss company that produces high-performance machines to manufacture innerspring units. Today, Spühl has more than 500 machines at L&P locations worldwide!

History of Spühl

Heinrich Spühl founded Spühl in 1877 and was called "the Edison of St. Fiden" for his numerous inventions, including a machine that produces innerspring units for furniture. In 1935, Heinrich's sons invented and patented the first pocket spring machine. In 1977 – exactly 100 years after the company's inception – the company had registered over 100 patents and 40 inventions in 15 countries. Today, Spühl is one of the world's market leaders in spring machine production.

Joining Forces to Foster Innovation

For our Bedding business, Spühl has become the center for innovative machines and solution development. The team of design engineers at L&P identifies a business need and begins the process of brainstorming for product development. Once the team finalizes a product, the machine design engineers from Spühl design the corresponding equipment. "When product ideas from L&P meet design ideas for machines from Spühl, we foster innovation," says Thomas Boltshauser, President of Spühl. "It is a great example of one of our values: *do great work together*."

The Combination Pocket

The most recent collaborative effort is the invention of a machine that produces the combination pocket. The combination pocket is a new type of ComfortCore® combining innerspring technology with comfortable foam topping the coils. A traditional innerspring unit is made of springs sitting in a fabric-encased pocket. One or more foam layers are then placed and attached to the top of the innerspring unit, close to the body, providing comfort. This process is time-consuming, labor-intensive, and costly.

"The combination pocket automates this process," explains Thomas. "The machine puts a piece of foam on top of each innerspring within the pocket and encases both with fabric. Therefore, the final product is an almost-finished mattress since the foam layer responsible for the comfort is already built in."

This past August, two combination pocket machines arrived at Carthage Spring in Carthage, Missouri. Ben Johnson, Operation Specialist, traveled to Switzerland and accompanied the project in its final phase. He reflected on the experience: "It was a great opportunity to collaborate on a new machine and product while seeing everyone's vision finally come together."

A "Smart" Future

The Spühl team is already thinking about ways to help advance L&P's success and hopes to partner with more businesses in the future. Sabine Forter, Management and Marketing Assistant at Spühl, says, "We've had research and development projects with Automotive in the past and would be thrilled to partner with other business units on upcoming projects."



The project team at Spühl in front of the PF-270 combination pocket machine.

Sabine describes the team's next vision: a self-correcting and learning machine. "With our digital services, we can provide our Bedding business with solutions to connect machines and generate essential data. This will save a significant share of costs during the production process by reducing scrap and saving energy. At the same time, it helps to increase sustainability and reduce the CO2 footprint."

With these ideas and collaborations on the horizon, the future is exciting for L&P and Spühl.



The finished combination pocket strand.

Home Furniture Strategy: Focused Partnership and Innovation



From 2018 to late 2020, our Home Furniture business, which specializes in the manufacture, assembly, and distribution of high-quality components used in upholstered furniture, worked hard to rebound after tough economic times. Today, the Home Furniture team faces a difficult demand environment, but they're strengthened by a new strategy that stems from unity and innovation and has everyone energized for what's ahead.

A Foundation for the Future

In early 2021, Leggett & Platt Home Furniture was ready to lay a fresh foundation and build a new strategy. Where each branch or division operated like a single business with limited cross-organizational teamwork, the teams saw an opportunity to unite from a branch-focused approach to a global one. With hundreds of customers around the world, eliminating divisional identity and bringing sales, innovation, and operations under a global leadership made sense.

"Our new strategy is centered on being one business—we are Leggett & Platt Home Furniture," said Sam Smith, President of Home Furniture. "We're all on the same team, and we're focused on growing our business together."

Focused Partnerships and Innovation

With a shared vision for the future, Home Furniture's strategy became leveraging strong technical partnerships and developing full-package solutions for trendsetting customers. Home furniture trendsetters set the standard for their industry, so sharing a broader range of products with these targeted customers will ultimately lead to an expanded reach of Home Furniture's products.

To implement this strategy, the team is focusing on five key areas of work—building their organization, evolving development and sales processes, strengthening intellectual property, refining their operational footprint, and driving values-based cultural change. Communicating often and across different areas of the business is helping the team foster collaboration and innovation.

"Our biggest strength is our people," said Brooks Hamilton, Vice President of Home Furniture Operations. "We have a fantastic team that has been transforming our business since 2018. I can't say enough good things about how well they work together and how they're striving to put people first."

Energized for What's Ahead

Innovating how they present products at places like tradeshows helps customers build confidence in Home Furniture's capabilities and encourages partnership. The team packages products as sleek, finished pieces of furniture that are eye-catching to highlight the full package of internal components L&P offers. At a recent Interzum tradeshow, customers requested more than 230 samples of Home Furniture's products so they could see them in action at their own businesses.

To help strengthen partnerships, the Home Furniture team gives trendsetting customers exclusive access to new products via private rooms at tradeshows like Interzum. These trendsetters are responding to the special showings by engaging more and voicing their readiness to grow their businesses with Leggett & Platt Home Furniture.

"The team is excited from the energy coming from customers, and our success at Interzum was an indication that this new strategy is working," said Sam Smith. "By changing how we share our products, we've changed the way our customers see us. We have to differentiate ourselves, and this partnership and innovation strategy is showing that. There's a lot to be thankful for and a lot of hope on the horizon."



Building the Organization



Evolving Development and Sales Processes



Strengthening Intellectual Property



Refining the Operational Footprint



Driving Values-Based Cultural Change