

# 2021 SUSTAINABILITY REPORT




*Leggett & Platt®*



ENVIRONMENTAL | SOCIAL | GOVERNANCE

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Dear Leggett & Platt shareholders and stakeholders,

I am pleased to share with you Leggett & Platt's inaugural sustainability report. This report provides information about our approach to and performance on the environmental, social, and governance (ESG) matters that are most important to our business.

We are committed to enhancing lives through our products, our processes, and our people. Comfort has been a hallmark of our business since its inception 138 years ago. Through the years, comfort has also informed our culture. Steeped in attributes of integrity, respect, accountability, opportunity, innovation, and safety, we strive every day to uphold that culture.

Our corporate sustainability initiatives reflect and reinforce our culture. We strive to advance sustainable solutions for our customers, to implement the highest standards for ethical conduct, to demonstrate 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.

Our commitment to enhancing lives includes creating sustainable products:

- Over 90% of the steel we use is produced from scrap steel
- Our specialty foam is CertiPUR-US®-certified
- Roughly half the wood we use in our U.S. bedding products comes from Forest Stewardship Council® (FSC®)-certified sources
- Our carpet cushion products are certified by the Carpet and Rug Institute (CRI) Green Label Plus and help customers achieve LEED green building certification

Our governance structure also supports our sustainability and accountability:

- Annually elected directors
- Majority voting and 3/3/20/20 proxy access
- Diverse board and management team
  - 6 of our 11 directors are diverse by race/ethnicity or gender
  - 4 of our 8 corporate executive officers are diverse by race/ethnicity or gender
- Policies supporting the integrity of our operations
  - Conflict minerals and human trafficking policies
  - Supplier code of conduct
  - Code of business conduct and ethics and governance guidelines

Our approximately 20,000 employees around the world make everything possible. Our investment in recruitment, education, training, talent management, safety, health and wellness, inclusion and diversity, ethics and integrity, work-life balance, and charitable initiatives not only enables our people to give their best but shows them how much they are valued. We are proud to have been recognized by Fortune Magazine as one of the World's Most Admired Companies in 2021, and every year since 2013.

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

Sincerely,



Karl Glassman  
Chairman and CEO

# ABOUT OUR COMPANY

Leggett & Platt enhances people's lives worldwide by designing and manufacturing innovative, distinctive products and components for use in bedding, furniture, homes, offices, airplanes, and automobiles.

*Leggett & Platt®*



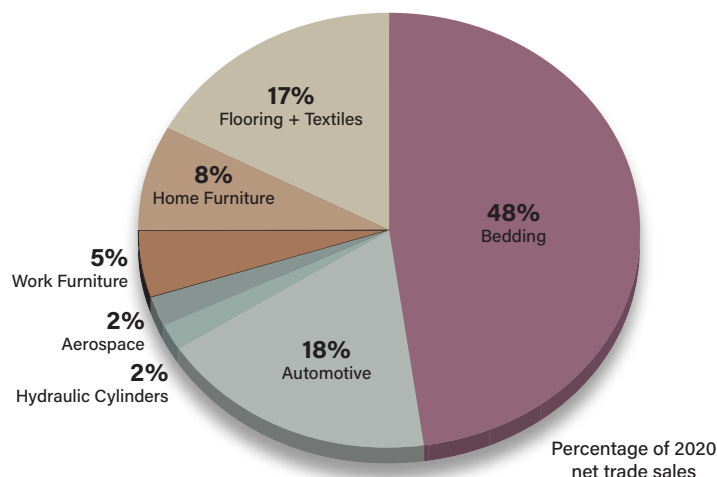


Our Executive Leadership Team shares an aligned vision for the future of Leggett & Platt. Our mission is to create shareholder value, and the best way to do that is to build businesses and a culture that are sustainable for generations to come.

*"Leggett has a rich 138-year history, and we are very proud and respectful of that history. But I promise you the future is even more exciting, and we are absolutely committed to building on our success."*

– Karl Glassman

## Product Mix



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

Major products include: (a) bedding components such as innersprings and specialty foams, as well as private label finished mattresses and adjustable foundations; (b) automotive seat support and lumbar systems, as well as electro-mechanical motors and actuators used in many comfort and convenience features; (c) components for home furniture and work furniture, as well as private label finished seating; (d) flooring underlayment; (e) industrial machinery for bedding; and (f) geotextile components.

## Innovation

Innovative proprietary products have helped make Leggett & Platt the largest U.S.-based manufacturer in many of our businesses.

As of December 31, 2020, we had 1,517 patents issued, 567 patents in process, 997 trademarks registered, and 89 trademarks in process.

Some of our most significant trademarks include:

- ComfortCore®, Mira-Coil®, VertiCoil®, Quantum®, NanoCoil®, Softech®, Lura-Flex®, Superlastic®, and Active Support Technology® (mattress innersprings)
- Energex® and Coolflow® (specialty foam products)
- Semi-Flex® (box spring components and foundations)
- Spühl® and Fides® (mattress innerspring mfg. 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)

# ABOUT THIS REPORT

Disclosures in this report were informed by the recommendations of the Sustainability Accounting Standards Board (SASB) Building Products & Furnishings Standard. SASB is an independent, private sector standards-setting organization dedicated to improving the effectiveness and comparability of corporate disclosures on environmental, social, and governance factors.



Specifically, this report provides information on the following SASB sustainability disclosure topics:



**Energy management  
in manufacturing**

See Resource Conservation Opportunities  
section of report, page 17



**Management of  
chemicals in products**

See Chemical Safety  
section of report, page 24



**Product lifecycle  
environmental impacts**

See Product Sustainability and Stewardship  
section of report, page 20



**Wood supply  
chain management**

See Responsible Use of Raw Materials  
section of report, page 22

***Board and Management Sustainability Oversight***

The Board believes that its structure and composition of highly experienced and engaged independent directors provide effective oversight of the Company’s management.

The Board has an active role in the Company’s overall strategies. The Board conducts an annual review of the Company’s corporate governance practices and periodically reviews the Company’s environmental and social strategy. The Board is responsible for overall risk oversight of the Company, which includes certain environmental, social, supply chain, and governance matters and receives periodic updates regarding the Company’s environmental and social-related initiatives and progress.

Leggett & Platt’s management team, subject to Board oversight, structures, monitors, and adjusts its 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 business units on an ongoing basis. These plans consider long-term sustainability implications and the ability to meet customer needs related to sustainability and clean technologies.



# GOVERNANCE AND ETHICS

Leggett & Platt is committed to ensuring a culture of governance and ethics 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. Our governance and ethics are strong, and they start 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 of Directors and Executive Leadership Team.





## Board and Managerial Oversight

Our Board of Directors and Executive Leadership Team 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-wide risk management process and our controls, compliance, and ethics.

We also maintain good governance and operations through written policies and auditing programs throughout the Company. Relevant documentation, including our [Code of Business Conduct and Ethics](#), can be found on the Governance page of our company website. These, and many other written policies, procedures, and controls, including the [Global Anti-Corruption Policy](#) and our new [Human Rights Policy](#), 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 corruption risk assessments. Our internal audit team proactively consults with employees regarding ethical concerns through a survey.

## Ethics and Business Conduct


Companies are known by the reputation their directors and employees earn. Through the years, Leggett & Platt has set a high standard for honesty, integrity, and ethical conduct. We work hard to fight corruption in all its forms, including bribery and extortion. In addition to continuously promoting an atmosphere of ethical conduct, the Company has 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, Leggett

& Platt has also adopted a Business Policies Manual, Global Antitrust Policy, Global Anti-Corruption Policy, Electronic Communications and Data Security 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 a number of important topics, including but not limited to bribery and corruption, antitrust and fair competition, conflicts of interest, gifts and entertainment, privacy and data protection, 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, which they also must certify to 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 also receive online training in our Global Anti-Corruption Policy, while certain categories of employees also receive training on our Global Antitrust Policy.

### Every Leggett & Platt employee is expected to:

-  Comply with all laws, regulations, and company policies
-  Maintain ethical behavior
-  Report any suspected misconduct, illegal activity, fraud, abuse of company assets, or other violation of ethical standards



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 and Supplier Code of Conduct.

### ***Whistleblower Programs***

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 federal and state laws provide legal protection to certain types of whistleblowers. In addition, Leggett & Platt strictly prohibits 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. 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 toll-free 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, 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 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, 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.

Leggett & Platt has 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 a member of the Board of Directors, our Executive Leadership Team, 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 2020, approximately 200 allegations were received, and 100% of these allegations were investigated.**

Jointly led by our Chief Compliance Officer and the Vice President of Internal Audit, the personnel who manage the Ethics Hotline process are trained on conducting investigations into potential violations and have the appropriate expertise to administer, review, investigate, and evaluate such reports.

### ***Political and Public Policy Process***

Because public policy issues have the potential to significantly impact our business, people, and communities, Leggett & Platt participates 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, workforce, and other stakeholders. These efforts include education and advocacy at the local, state, and federal government levels. We maintain internal procedures and guidelines to govern these activities and are committed to complying with all applicable state and federal rules pertaining to lobbying and disclosures.



# HUMAN CAPITAL

Our people are our greatest asset. The first step toward building Leggett & Platt's future is to enable a culture of employee development at all levels of the Company. This means ensuring our employees have the tools and resources they need to succeed.

*Fortune Magazine recognized Leggett & Platt as one of the World's Most Admired Companies in 2021. Leggett & Platt has been named to Fortune's Most Admired Companies list every year since 2013.*

At year-end 2020, we had approximately 20,400 employees, of which 15,100 were engaged in production, and 11,400 were international employees (including 5,700 in Asia and 2,600 in Europe). Also, 17% of our employees were represented by labor unions that collectively bargain for work conditions, wages, or other issues. We did not experience any material work stoppage related to labor contract negotiations during 2020.

### ***Attracting and Retaining Talent***

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.

### ***Compensation and Benefits***

We offer market-competitive compensation and benefits in order to attract and retain the talent we need across all operations and, in turn, 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 – everywhere we work.

In the U.S., where we employ approximately 9,000 people, common features of our comprehensive rewards package include health, wealth, and wellness benefits such as:

- Health insurance benefits
- Dental plan
- Vision plan
- Flexible spending plan
- Retirement savings plan with company-matching contributions
- Short-term disability insurance
- Long-term disability insurance
- Basic life insurance
- Dependent life insurance
- Well being and assistance program
- Travel accident insurance
- Paid vacation
- Paid personal time
- Paid holidays

In addition, all U.S. and Canadian employees are eligible to participate in our discount stock ownership plan.

We have also implemented a number of policies to support the work-life balance of employees, including part-time jobs where applicable, and flexible hours and remote working where applicable.



*Employees and covered family members may be eligible to get joint replacement (hip or knee), spine, or cardiac surgeries at little or no cost through the Centers of Excellence (COE) program offered by Leggett & Platt's health plan provider. COEs are recognized as being leading providers in relevant medical disciplines.*

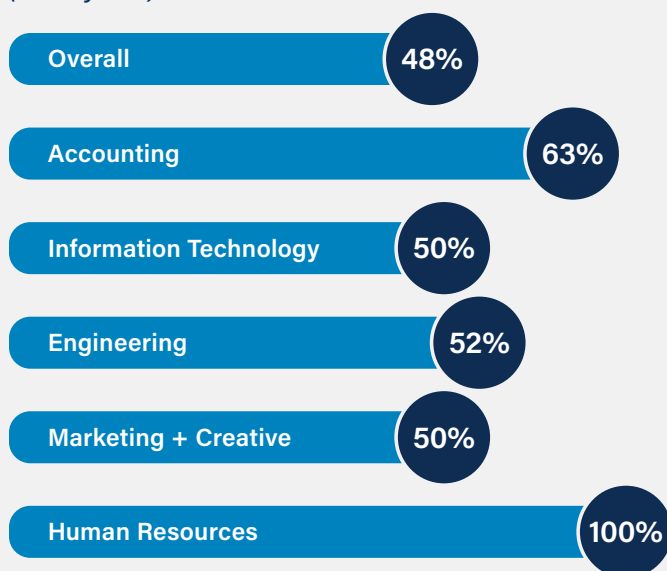


## Intern Program

We are focused on the next generation of Leggett & Platt leaders. We have developed an internship program that is centered on students exploring a future with Leggett & Platt, and attracting a deep and diverse talent pool that will grow with us from intern to entry-level hire. Internships are a critical element in our talent pipeline in terms of our ability to recruit professionals early in their career who will understand what we do in our wide range of manufacturing activities.

To ensure our internship program remains relevant and valuable, we track the following data:

### *Interns hired into permanent positions:* (last 5 years)



## Diverse Talent Recruitment

Diverse teams help us generate better ideas and make better decisions. As a U.S. federal contractor, we have specific obligations to recruit and advance minorities, women, people with disabilities, and veterans.

In 2019, our Corporate Talent Team proactively participated in 47 unique recruitment activities in the U.S., of which around half presented specific opportunities to promote Leggett & Platt to a diverse talent pool. Examples include:

- Women in Engineering Networking Event – Missouri University of Science and Technology
- Franklin Technical Center Career Fair
- Accounting Club at Missouri State University
- University of Arkansas – STEM Career Fair
- Carl Junction Junior High – Career Day
- University of Arkansas – Beta Alpha Psi Meet the Employers
- Manufacturing Day – community event, local schools
- University of Arkansas – Leadership and Etiquette Event
- Veterans Recruiting Conference
- University of Kansas – Engineering Fair
- Kansas State – Engineering Technology
- Oklahoma State – Engineering Fair
- Pittsburg State – Graphics and Imaging Day

## Social Media

A core element of our human capital strategy is our ability to attract, inform, and engage talented job seekers. To offer potential employees relevant insight into the culture of Leggett & Platt, we have developed a comprehensive social media strategy.

Via the [Life@Leggett](#) blog, supported by a variety of social media channels (Facebook, LinkedIn, Instagram, Glassdoor), we regularly publish content from all corners of our company: accountants, engineers, analysts, machine operators, recruiters, and programmers.





## Training and Development

Our Learning and Development Team works to provide numerous opportunities to our employees by serving as internal consultants and content developers. Our learning opportunities range from simple training advice to full eLearning courses, and can be specific to a particular area of competence or business. Examples of Learning and Development Team initiatives in 2020 included:

- Engaging with the Legal and Marketing + Creative departments to create Anti-Corruption Training, which was delivered globally to over 6,500 employees, and in 14 languages.
- Working with our Automotive business to develop a learning strategy that may be applied to a broad group of continuous process improvement projects.
- Partnering with our COVID-19 Response Teams to deliver educational topics such as: Empathy, Communication, and Stress in the Workplace to Branch Leadership Teams.

Employees receive regular, ongoing job-specific training to ensure they have the skills required to work safely and to enhance their knowledge and expertise over time.

In addition, every month<sup>1</sup>, a series of featured courses designed to help employees improve personal and professional skills are published via a learning-focused email communication. Topics covered include:

- Communication skills
- Leadership skills
- Emotional intelligence
- Leading teams
- Managing stress
- Resiliency

All salaried employees have the opportunity to participate in annual development reviews. Each year, around 4,700 employees, approximately 75% of our salaried workforce, voluntarily participate in the annual review process.

<sup>1</sup> Monthly courses were suspended in 2020 due to focus on critical activities but will resume in 2021

## CASE STUDY: Frontline Supervisor Training Program

*In 2019, we launched our global Frontline Supervisor Training Program. The program is designed to help our team managers and leaders at manufacturing and distribution locations develop the leadership skills necessary to promote strong employee engagement.*

*Topics covered in the program include communication, leadership, respect in the workplace, conflict resolution, and safety.*

*The program is delivered through online modules, live training, ongoing follow-up via email, and regular discussion points.*

*We have rolled this training out to approximately 350 leaders domestically, and have plans for expanding the program to leaders outside of the U.S.*





## *Inclusion and Diversity*

We continue to foster a culture of inclusion, diversity, and equity 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.

**Fostering an Inclusive and Diverse Culture.** Diverse teams generate better ideas and make better decisions. We believe that companies who lead in inclusion and diversity also lead financially. We have created a strategy and detailed action plans designed to foster an inclusive and diverse culture that aligns with our values and priorities.

**Inclusion and Diversity Plan.** In 2020, we established an inclusion and diversity team comprised of a broad group of employees including senior management. The team established long-term strategies and action plans designed to: (i) ensure that we have a safe and inclusive workplace; (ii) equip our people to attract, develop, retain, and reward a diverse and inclusive workforce; (iii) be an inclusive and equitable corporate citizen; (iv) develop a governance and accountability model that will sustain inclusion and diversity; and (v) enhance our business results.

**Equal Opportunity.** We are committed to equal opportunity and base our workplace decisions solely on merit, qualifications, and other job-related, neutral, non-discriminatory criteria. We provide equal employment opportunity without regard to age, race, color, sex, sexual orientation, gender identity, national origin, citizenship, pregnancy, religion, disability, military status, genetic information, or other status protected by law. We are committed to providing a harassment-free work environment, and we prohibit retaliation, intimidation, threats, coercion, or discrimination against individuals who, in good faith, complain of unlawful discrimination or harassment.





## *Engagement and Satisfaction*

Our dedicated Employee Labor Relations Team leads efforts to analyze employee satisfaction, drive engagement, and mitigate related risks.

Targeted employee surveys are conducted at various facilities to evaluate the general employee relations environment. Voluntary employee turnover data is gathered and analyzed across our branches.

The results of surveys and data analyses are used to assess potential human capital risks and identify opportunities for deeper employee engagement. Unique action plans are developed based on specific needs and implemented in collaboration with local management.

Branch-level initiatives to improve engagement and reduce turnover include:

- Formation of employee advocacy committees
- Mentorship programs
- Flexible working initiatives

We facilitate opportunities for regular, ongoing communication and engagement through:

- Weekly Toolbox Talks held at every plant in every global location
- Weekly COVID-19 meetings with our branch leadership teams to increase communication and engagement and enable opportunities to provide feedback and ask questions
- Emerging Leader Academy Q&A session with leadership
- Coronavirus Impact Update meetings, which enable leaders from across the globe to learn how the pandemic is affecting our business, the efforts we are employing to keep our employees safe, and to share input and ask questions of senior management

## *Succession Development*

Our commitment to having strong managers and 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 89%. We are building on our success in these areas and continue to push our succession development processes to new levels to allow us to adapt and grow.





# ENVIRONMENTAL, HEALTH, AND SAFETY MANAGEMENT

Leggett & Platt has an established record of environmental stewardship and strong safety performance. Our dedication to the safety and welfare of all employees and our commitment to efficient use of resources are evidenced by our company-wide Environmental, Health, and Safety (EHS) Policy, and by the management systems, Business Unit practices, and ongoing environmental and safety initiatives that drive continual improvement.



Our Chief Executive Officer and Chief Operating Officer maintain overall oversight of our EHS programs. To ensure ongoing, effective EHS risk management, our Vice President of Business Support Services, who reports to the Chief Operating Officer, maintains management-level oversight of our EHS management systems and programs.

### *Environmental Management System*

At Leggett & Platt, we understand that successful manufacturing facilities manage and control environmental issues in a way that provides opportunities and benefits. We have developed and implemented a company-wide Environmental Management System (EMS) to ensure we are compliant with environmental regulations everywhere we operate, and to drive continual improvement in environmental sustainability.

The first step in our EMS is to ensure that everyone who works for and with the Company understands the environmental impact and responsibilities we have – from compliance with environmental laws and regulations in the countries in which we operate, to sustainably managing the sourcing of raw materials, and the manufacturing process, to the use of the finished product. By understanding these responsibilities and impacts, they can be managed to ensure regulatory compliance, reduce resource consumption, increase production efficiencies, and drive cost savings.

Our Staff Vice President of Environmental Affairs maintains day-to-day oversight of our EMS.

### *Environmental Compliance Program*

Compliance with all federal, state, and local environmental regulations in every country in

which we operate is mandatory at every Leggett & Platt facility. Every facility, globally, has in place an environmental compliance program that addresses their site-specific compliance requirements. Each year a risk-based approach is used to identify which locations will receive formal audits. Other locations receive more targeted environmental compliance reviews. All Leggett & Platt environmental compliance programs have corrective action systems in place.

Compliance programs and related audits cover a range of topics including, but not limited to:

- Hazardous and non-hazardous waste management
- Wastewater management
- Chemical management
- Spill prevention
- Air emissions

The Corporate Environmental Affairs Team provides training to each facility's environmental manager and also offers business-specific workshops. Company-wide training conferences are also held on a regular basis for employees with environmental job responsibilities. The conferences are designed to improve applicable environmental regulatory knowledge and risk awareness, provide hands-on compliance training, and promote sharing of best environmental practices.

ISO environmental management system certification has been a core focus of our environmental commitments in some of our businesses. We have sought and achieved ISO 14001 certification at 18 of our 21 automotive manufacturing facilities, and one textiles manufacturing facility. These locations receive external audits verifying adherence to the ISO 14001 requirements.

## *Resource Conservation Opportunities*

Leggett & Platt continues to aggressively pursue resource conservation opportunities throughout the company. We control the cost of finished goods using best practices to ensure that our customers receive high-quality products at competitive costs, with the least impact on the environment.

### *Energy*

At Leggett & Platt, we incorporate renewable and sustainable energy sources to save energy and reduce our air emissions. We also seek to reduce electricity use at our facilities. In everything from our lighting to our trucking fleet, we are taking steps to find energy savings.

### *Renewable and Sustainable Energy Sources*

Efficient use of renewable and sustainable energy sources is not only good for the environment, it is also good for our Company. In 2020:

- **Almost 40% of Leggett & Platt's U.S. electric consumption was produced from nuclear energy and other sources of sustainable power.**
- **Over 88% of our Canadian electric consumption was produced by nuclear energy and other sources of sustainable power.**
- **We operate facilities in 15 states that have passed mandatory Renewable Portfolio Standards. Approximately 15% of the Company's U.S. electric consumption was supplied by renewable energy under these standards.**

### *Fleet Fuel Use Reduction*

Leggett & Platt maintains a fleet of over-the-road tractor-trailers with sleeper cabs. The majority of these tractors now use auxiliary power units (APUs) that provide heating, ventilation, and air conditioning (HVAC), and power to the cab in lieu of idling the trucks' engines. The APU program has reduced diesel fuel consumption and maintenance requirements. Trucks have also been equipped with predictive cruise, aerodynamic fairings, and trailer skirts and tails to improve fuel efficiency.

## *Energy Use Reduction*



Leggett & Platt entered a partnership with the U.S. Department of Energy (DOE) Better Buildings, Better Plants Program in 2019. This voluntary partnership initiative is helping drive further energy-efficiency improvements. Department of Energy Treasure Hunts were held at two of our manufacturing facilities. Several unique opportunities were identified and are being pursued to conserve or reduce energy and water. In addition to the Better Buildings, Better Plants Program, some facilities utilize third-party energy audits to identify further energy-reduction opportunities.

Our facilities are actively working to identify energy-reduction opportunities from small projects such as installing occupancy sensors, equipment and building improvements, power-conditioning initiatives, and increasing automation controls, as well as:

- Our compressed air-optimization program has reduced the Company's overall demand of electricity by removing unneeded electric motor loads while increasing operational efficiency.
- Retrofits to high-efficiency lighting systems have or will reduce lighting-energy consumption by almost 50%.

## *Waste Management and Recycling*

Waste-stream management efforts focus on maximizing recycling and minimizing the need to landfill or use other off-site disposal means. We recycle steel, urethane foam, paper, cardboard, chemicals, and lubricants, and use a significant amount of recycled materials in our manufacturing processes, including over a half million tons of recycled scrap each year. We incorporate several hundred million pounds of recycled urethane foam in our annual production of bonded carpet cushion. A large percentage of acid used in our wire-drawing operations is processed in acid-recovery systems, allowing for acid reuse.

Recent examples of waste management initiatives in our Steel Rod business include:

- Starting in 2020, dust created from the electric arc furnace (a hazardous material) is redirected from landfill disposal to processing in a kiln where zinc and heavy metals are recovered. We estimate five million pounds of zinc will be reclaimed each year. In addition, the remaining kiln by-product is used by the cement industry as a raw material and is no longer a hazardous waste.
- 30,000 tons of slag, the largest waste stream, is utilized by a local landfill operation as a beneficial reuse material, displacing their need to purchase virgin quarry material for internal landfill roads.

### *Effluent Management and Chemical Safety*

Risk Management Planning and Spill Prevention Control and Countermeasure procedures ensure that chemicals do not end up in wastewater or waste.

Annual chemical release information is publicly available through our Section 313 Form R reports. Chemical storage information is reported on Tier II reports.

### *Water*

Leggett & Platt facilities are actively working to identify water use reduction and water recycling opportunities, including:

- Switching to closed-loop cooling towers and chillers instead of open cooling systems.
- Installing production controls to stop water flow during equipment downtime.
- Implementing water leak inspection programs, through which water usage was reduced by three million gallons per year at one of our wire mills.

### *Employee Health and Safety*

Leggett & Platt is 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 continuously improving from lessons learned through accident investigations. We are committed to creating a culture in which employees are protecting employees, on and off the job, every day.

Leggett & Platt has developed and implemented a comprehensive health and safety program called SafeGuard to support our commitment to workplace safety. Our Corporate Director of Safety has direct ownership of and responsibility for SafeGuard. Furthermore, the Leggett & Platt Risk Management Department has a dedicated staff of safety professionals that support safety management at all our manufacturing facilities, including implementation of SafeGuard.

We strive for no injuries. We have been tracking our safety performance data for 25 years.

### *Safety Performance Data*

2018	Employee	Contractor	Total
Incident Rate <sup>2</sup>	4.12	3.43	4.07
DART Rate <sup>3</sup>	1.86	1.63	1.84
Lost Work Days Incident Rate <sup>4</sup>	0.94	0.65	0.92
2019			
Incident Rate <sup>2</sup>	3.53	2.46	3.38
DART Rate <sup>3</sup>	1.68	1.40	1.64
Lost Work Days Incident Rate <sup>4</sup>	0.63	0.77	0.65
2020			
Incident Rate <sup>2</sup>	3.44	2.14	3.24
DART Rate <sup>3</sup>	1.75	1.14	1.66
Lost Work Days Incident Rate <sup>4</sup>	0.84	0.43	0.78

<sup>2</sup> 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)

<sup>3</sup> 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)

<sup>4</sup> 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. SafeGuard facilitates the development of relevant Job Hazard Analysis, which must be undertaken on all processes and is used to develop comprehensive Job Procedures. Best practice, job-specific health and safety practices are implemented across the business.

Emergency Response Plans and Business Continuity Planning are required elements for all facilities under the SafeGuard program.

SafeGuard applies to all employees (permanent and temporary) and contracted employees working at Leggett & Platt manufacturing facilities.

All 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, correctly and safely operating manufacturing equipment
- Job-specific safety training, based on Job Hazard Analysis

All manufacturing employees' and contracted employees' training is logged. Every manufacturing employee and contracted manufacturing employee receives safety training at least annually.

As part of the SafeGuard program, Leggett & Platt has 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 the SafeGuard program is confirmed through the SafeGuard scorecard process. Every manufacturing facility above minimal levels of activity is audited at least once every three years. Based on risk assessments, more complex facilities are audited more frequently as needed. The scorecard tracks facility compliance and engagement with all SafeGuard-required program elements. The SafeGuard scorecard is based on ISO 18001 criteria.

External audits of SafeGuard compliance are conducted when an internal risk assessment determines there is a need. Where necessary, the risk management team supports relevant local team members to develop timely, actionable corrective action plans and monitors progress against those plans.

In some of our operations, particularly in our Automotive business, we have sought and achieved ISO 18001 certification. Eight facilities are certified to ISO 18001 and four facilities are certified to ISO 45001 Occupational Health and Safety standards.



**SafeGuard**  
Partners Protecting Partners



# PRODUCT SUSTAINABILITY AND STEWARDSHIP

Leggett & Platt products are increasingly important in helping customers achieve their sustainability goals.



#### Examples of Leggett & Platt Products Supporting Sustainability Goals:

- In our Automotive business, stricter regulations are driving demand for innovative products that are lightweight, improve fuel efficiency, and reduce noise.
- Our Flooring Products business manufactures carpet underlay products that make a direct contribution toward Leadership in Energy and Environmental Design (LEED) green building certification for our customers.
- Our Hanes Geo Components business produces geotextile products (erosion-control blankets, silt fences) that help customers deal with the challenges of land at risk of natural and man-made erosion.



#### CASE STUDY:

##### *Enabling a Cleaner, More Efficient Automotive Sector*



Meeting emissions standards in the transportation sector requires the development of vehicles that are not only much cleaner, but also higher quality, more reliable, and more durable.

As the world's leading designer and manufacturer of seating support and comfort systems, we are a critical partner to auto manufacturers in meeting their environmental goals. We design and engineer lightweight structures that help reduce overall vehicle weight, improve fuel efficiency, and reduce noise while maintaining performance, safety, and functionality.

Furthermore, we strive to minimize the environmental impacts of our products across their lifecycle. The business is building sustainability into our new product development processes to drive the use of recycled raw materials; partner with environmentally certified suppliers; develop products that replace fossil fuel-based raw materials; design products for durability; and improve recovery and recycling at end-of-life.





## CASE STUDY:

### Leggett & Platt Flooring Products Secure LEED Credit

Because of the investments we have made to reduce the environmental impact of our Flooring Products business, when our customers install Leggett & Platt carpet underlayment products, they make a direct contribution toward their LEED green building certification.

Leggett & Platt Flooring Products is a proud member of the United States Green Building Council.

Green attributes of our carpet cushion products include:

- **Recyclable:** all products can be 100% recycled at the end of their useful life
- **Chemical Safety:** all products exceed the CRI Green Label Plus test program
- **Recycled Content:**
  - Bonded/Bonded Plus carpet cushion consists of 100% recycled foam
  - Rubber XD/Rubber Plus carpet cushions contain not less than 20% pre-consumer recycled material
  - Fiber carpet cushion comprised from a high percentage of industry-derived recycled fibers
- **Renewable Technology:** Bonded/Bonded Plus carpet cushion replaces petroleum-based polyol with BioBasic® renewable seed oil



This is a  
Bonded Plus  
carpet cushion,  
made with 100%  
recycled foam.



## Responsible Use of Raw Materials

### Steel

Steel is our principal raw material. The wire we produce from steel is used in various products, including mattress innersprings.

Critical ways in which we work to reduce the environmental impact associated with the use of steel include:

- **Recycled content:** over 90% of the steel we use is produced from steel scrap, of which the majority is post-consumer
- **Local sourcing:** the majority of the scrap steel we use is shipped from less than 120 miles away; 15% of the scrap steel we use is shipped from within five miles





## Wood

We use wood in various bedding products, including static foundations. Every year, approximately half of the wood we use in our U.S. bedding products comes from Forest Stewardship Council (FSC)-certified sources\*. We are also increasing the use of FSC-certified wood products in our Work Furniture business to help our customers achieve their sustainability goals.

## Chemicals

We use certain chemicals in products for the bedding, furniture, and flooring industries. Our commitment to safe use of chemicals is described in the Chemical Safety section on the following page.

Our Specialty Foam and Flooring businesses have developed capabilities to replace petrochemicals by processing specific renewable raw materials into foam formulations. These renewable raw materials include bulk chemicals that comprise the majority of our formulations known as polyols. Historically, these polyols were based on petrochemical sources. At Leggett & Platt, 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.

## Plastic

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 one million pounds of 100% post-consumer plastics and post-industrial waste each year to create high-quality structural components.

## Foam Scrap

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.

## Conservation


As part of our ongoing efforts to conserve natural resources, we have made a number of investments to reduce the amount of raw materials required to produce the same or higher-quality products.

\*FSC-C023291



## Product End-of-Life

In our Automotive business, our DFMEA (Design Failure Mode and Effects Analysis) process includes an assessment of product recovery and recycling requirements. Failure to meet certain recovery and recycling standards can result in non-compliance and engineering adjustments. Over 90% of the raw materials used to make automotive products are recyclable.



Some highlights include:

- Many of our facilities are now testing oil instead of changing it based on a regular schedule, while also rebuilding machine parts where possible instead of purchasing new parts and sending broken parts to landfill or metal recyclers.
- Production-efficiency projects have identified causes of non-conforming wire generation at our wire mills, reducing scrap wire by more than 30%.
- Packaging optimization efforts in our Flooring Products business have reduced the usage of plastic by 55,000 pounds annually.
- Broad efforts to reduce paper usage include utilizing forklift electronic reporting systems, installation of dual monitors, digitizing certain report forms, development of an electronic quality control process, and implementation of barcoding and other paperless inventory systems.

### Chemical Safety

Leggett & Platt is a relatively low-volume user of chemicals, with the largest use in our Specialty Foam business. These chemicals have low environmental impact as the manufacturing process yields a small amount of emissions by employing clean manufacturing technologies such as the use of MDI-based foams, as well as reactive and low-emission catalysts and surfactants.

Our Specialty Foam business offers CertiPUR-US®-certified<sup>5</sup> specialty foam that complies with the stringent clean standards of CertiPUR-US.

Products meeting CertiPUR-US requirements meet strict clean limits for materials such as:

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

All Leggett & Platt carpet cushion products are Carpet and Rug Institute (CRI) Green Label Plus-certified. Green Label Plus is an independent testing program that identifies carpet, adhesives, and cushion with very low emissions of VOCs to help improve indoor air quality.

<sup>5</sup>The CertiPUR-US certification process was developed by the foam industry in close collaboration with leading environmentalists, chemists, accredited laboratory research scientists, and bedding and furniture industry leaders. 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.  
Source: <https://certipur.us/about-the-seal/about-certipur-us/>





# PRODUCT QUALITY AND SAFETY MANAGEMENT

At Leggett & Platt, quality is more than just  
a word. It is at the very core of our business.

## Quality Statement

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 relevant product-quality tasks. 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 we do. We strive to continuously improve our product offerings in the markets we serve.

## Quality Management Systems and Certification

Leggett & Platt's commitment to superior quality product development is documented and implemented within our Quality Statement, Quality Policy Manuals, and Quality Management Systems.

Our Quality Management Systems help ensure that our design, development, manufacturing, and distribution activities produce consistently high-quality products that meet or exceed our customers' requirements, achieved through the monitoring, measurement, analysis, and evaluation of our systems.

Of the over 15,000 employees that work in Leggett & Platt production facilities, over 90% work under Quality Management Systems that are in place at 108 manufacturing and warehouse facilities.

Of the 108 facilities with Quality Management Systems in place, 64 have certified their Quality Management Systems internally to LP9000, an ISO 9001-compliant system. Approximately 44 facilities (40%) have Quality Management Systems certified by a third party to IATF 16949, AS9100, or ISO 9001 standards. Several locations also hold certifications to laboratory, environmental, health, and safety standards such as ISO/IEC 17025, ISO 14001, and ISO 18001.

## Management Responsibility

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

Quality metrics are distributed quarterly to Segment Presidents and Business Unit Leaders as a key indicator of quality performance. Quality Management Systems audits are performed annually, and audit results are distributed to Business Unit Leaders and Branch Managers to be used to drive improvement actions.

## Risk Assessment and Product Testing

We apply industry- and product-specific quality and safety processes and systems, including Failure Mode and Effects Analysis (FMEA), Production Part Approval Process (PPAP), 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 (DFSS) are also being applied to improve and control products.

Products are tested from time to time internally in our ISO 17025-certified laboratories, and/or by external, independent third parties to comply with laws applicable to the manufacture and sale of our products, industry standards, or when required by our customers.

These tests include but are not limited to:

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

### *Objectives and Targets*

Our Cost of Quality metric is used to set quality-related goals and drive continual quality improvement for every business unit and/or production facility operating under our Quality Management Systems. A critical part of the Cost of Quality measure is the cost of failure or non-conformance. The metric is comprised of items such

as scrap, rework, credit, and warranty costs as well as internal inspection and prevention expenses.

### *Compliance and Audit*

The Leggett & Platt Corporate Quality Management Systems Team conducts quality system audits once a year at all locations with internally certified Quality Management Systems. 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 Quality Management Systems to ensure they are accurate, fair, and consistent.

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

### *Incident Investigation and Corrective Action*

In the event of a product quality or safety incident or nonconformity, including those arising from complaints, Leggett & Platt will react to 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 Quality Management Systems

## Reporting

We are subject to various consumer product regulations, which 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.

## Training

As stipulated in Quality Management Systems procedures, we ensure that personnel receive the necessary education and training for their positions. Training is offered to all employees, including full-time, part-time, and temporary employees, who perform work affecting the quality of the product at Leggett & Platt.

Our Corporate Quality Management Systems training program offers more than 18 quality-related courses on a range of compliance and improvement topics. External resources are also available 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
- Competitor information
- Customer meetings

The results of analysis are used to evaluate:

- Conformity of products and services
- The degree of customer satisfaction
- The performance and effectiveness of the Quality Management Systems





# SUPPLY CHAIN

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





## *Social Standards and Compliance*

The Leggett & Platt [Supplier Code of Conduct](#) serves as the foundation for ensuring our suppliers operate according to our high ethical standards. This Code and other relevant documentation can be found on the [Supplier Documents](#) page of our company website. Oversight of our supply chain social standards and supplier compliance is assigned to our Corporate Procurement Department, and to individual businesses.

Our Supplier Code of Conduct requires all suppliers to adhere to laws against child or forced labor and laws governing wages, benefits, working hours, discrimination, environmental, health and safety, and ethical dealing. 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.

Our purchase order standard terms and conditions, and our International Supplier Certificate of Compliance, which our international U.S. import suppliers sign, confirm that suppliers will comply with all social standards.

In addition to signing our Certificate of Compliance, new international U.S. import suppliers must also pass an on-site assessment. Assessments cover, among other things, compliance with our Supplier Code of Conduct, ethical dealings and anti-corruption commitments, employment standards, health and safety,

environmental management, conflict minerals and human trafficking and slavery commitments, and adherence to all laws and regulations. For U.S. import suppliers, detailed assessment reports are produced and shared with management and the relevant business. 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 on-site assessment. We work with the supplier to prioritize the corrective actions and develop a timeline for implementation.

Following the initial on-site assessment, renewals are scheduled based on our annual spend with the supplier. Our biggest non-U.S. suppliers are assessed, on-site, annually. All other suppliers are subject to renewals at least every three years, apart from the very smallest suppliers who must submit an annual supply chain security survey and are subject to initial agreement re-execution every four years.

Seventy percent of our U.S. import suppliers have received an initial assessment and are subject to ongoing assessments. Since 2018, we have undertaken a total of 187 on-site assessments at both international and domestic suppliers.

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 U.S. Customs Trade Partnership Against Terrorism (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 partnership 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 L&P operations, as well as 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 Securities and Exchange Commission (SEC) 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 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 all non-responsive suppliers, which includes contacting non-responsive suppliers and requesting them to respond. We also 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. Suppliers who fail to follow our procedures may be denied future business.

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 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 (AIAG), an automotive industry group whose members include original equipment manufacturers and their suppliers. We participate in the AIAG Responsible Materials Work Group, which was established to assist suppliers with the responsible sourcing of minerals, including Conflict Minerals.

Leggett & Platt's 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 Chief Executive Officer, Chief Operating Officer, and Senior Vice President – General Counsel & Secretary participate in the review of our Conflict Minerals due diligence process, our risk management plan, our [Conflict Minerals Policy](#), our Purchase Order Terms, and our [Conflict Minerals Report](#).

### *Human Trafficking and Slavery*

Leggett & Platt is committed to taking proactive measures to ensure that our supply chain is free of any kind of modern slavery. Efforts to manage this commitment include:

- Evaluating and addressing 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.
- On-site 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 (a) require our direct suppliers to ensure that their products comply with all applicable laws regarding human trafficking and slavery, and (b) 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 on human trafficking and slavery is provided annually to employees who have direct responsibility for supply chain management. In 2020, our Legal Department distributed training materials, company policies, and information on human trafficking and slavery to employees of our Corporate Procurement Department with direct responsibility for supply chain management.

Further information can be found on the [leggett.com](https://www.leggett.com) website, including our [Leggett & Platt Human Trafficking and Slavery Statement](#).





# 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 nearly \$10 million in giving since 2001.





In 2020, the Company contributed more than \$600,000 in cash or in-kind donations to more than 100 agencies in 12 countries, providing vital resources and programs globally. Leggett & Platt employees also raised more than \$100,000 to fund hundreds of organizations through local United Way agencies and engaged in dozens of other fundraisers, service projects, and community initiatives.

### ***Our Giving Is Strategic***

Our corporate giving promotes four primary goals:

#### **Inspiring Our Future.**

We support programs that are inclusive and create pathways to a better future through education, including STEM programs, scholarship programs, college-access and career-readiness programs, and community-based arts and music programming.

#### **Reinforcing Our Health.**

We partner with organizations to further medical research, promote healthy practices, and provide health services to those in need.

#### **Enhancing Our Wellness.**

We stand up for those facing financial hardship and instability by funding programs that address homelessness and hunger, support economic mobility, and protect victims of domestic violence.

#### **Elevating Our Communities.**

We give to organizations that strengthen the fabric of our communities as desirable places to live and work and enhance the environment for future generations.





THANK YOU

*Leggett & Platt®*