

[illegible]

Leggett & Platt®



ENVIRONMENTAL | SOCIAL | GOVERNANCE

Contents

CEO Letter	1
About Our Company.....	3
About This Report.....	6
Sustainability Oversight	8
Governance and Ethics	9
Human Capital.....	13
Environmental, Health, and Safety Management.....	22
Product Sustainability and Stewardship.....	29
Product Quality and Safety Management.....	35
Supply Chain.....	39
Investing In Our Communities.....	43
Information About This Report.....	46

Dear shareholders, employees, customers, suppliers, and other stakeholders,

I am pleased to share with you Leggett & Platt's 2022 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 pleased with the progress we made in 2021 and look forward to sharing more information as we continue to build and improve upon our ESG practices and processes.

Our Products

Our products are increasingly important in helping our customers achieve their sustainability goals. We strive to advance innovative, sustainable solutions for our customers and the end consumer.

- In our U.S. bedding businesses, 93% 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 man-made erosion.

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 139 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 Processes

In 2021, we broadened the scope of the Board of Directors' Nominating, Governance and Sustainability Committee (formerly the Nominating and Corporate Governance Committee) to include oversight of Leggett's ESG programs and related risks. We also added newly created positions, including our first Chief Human Resources Officer (CHRO); Inclusion, Diversity, and Equity (ID&E) Director; and Sustainability Manager, to help lead and evaluate our ESG business practices and activities.

We continue to aggressively pursue resource efficiency and conservation opportunities. We are working to expand and improve our data gathering processes and analytical tools across the Company. This will lead to consistent data gathering, expanded access to data, and improved long-term tracking capabilities enabling improved resource conservation outcomes. With improved data collection, a strategic and comprehensive energy reduction plan can be implemented in the future.

Our People

The global pandemic and events over the last couple of years have intensified our focus on the health, safety, and development of our employees. 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 ID&E efforts. We want our employees to feel valued, involved, trusted, and heard in their day-to-day work experiences.

In 2021, our ID&E efforts focused on gathering representation data on our salaried and hourly workforce and conducting our first employee engagement survey in the U.S. to gather feedback on employee experiences with inclusion, diversity, and equity in the workplace. These activities are helping drive our 2022 efforts.

The continued success of this Company is built upon the culture and values of our 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.

Looking Forward

As we move through 2022, our key ESG initiatives include:

- 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
- Measuring and reporting our greenhouse gas (GHG) emissions data
- Advancing our ID&E efforts as outlined in more detail in this report
- Evaluating opportunities for establishing key management systems to improve data collection and contribute to broader company-wide sustainability advancements
- Enhancing our supplier assessment process, including a heightened emphasis on labor and social standards and cybersecurity controls

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.

Leggett & Platt®

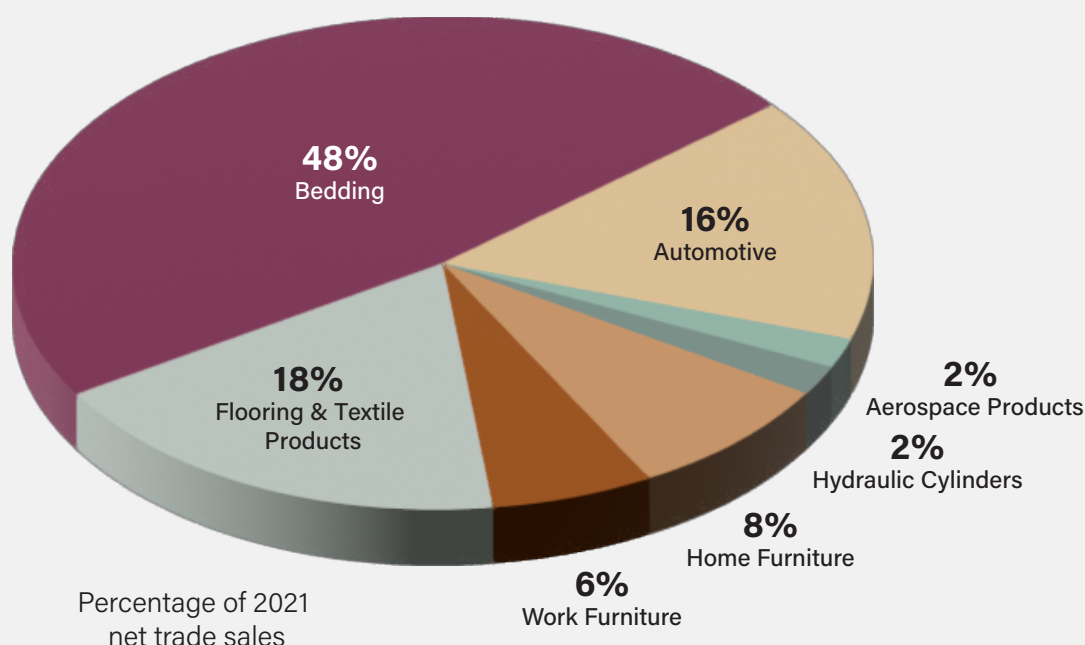


We share an aligned vision for the future of Leggett & Platt. Our mission is to create shareholder value, and the best way to do that is to build businesses and a culture that are sustainable for generations to come.

“ *We have a sharp focus of building up our people, culture, and capabilities. For our people, it's only when our employees are growing that we can build a sustainable, strong foundation of talent to carry us into the future. For our culture, it's being clear and intentional about the way we treat each other. We can't lose that quality. For our capabilities, it's about having a global and market-facing viewpoint, further developing our product strategy, and maintaining operational excellence. We face a lot of exciting opportunities to grow into the future.*

– Mitch Dolloff

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 & Textile Products.

48%

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

20%

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 construction markets

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

[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 businesses.

As of December 31, 2021, we had 1,207 patents issued, 501 patents in process, 1,081 trademarks registered, and 78 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®, Coolflow®, ThermaGel®, and EcoFlow™ (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

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

Our sustainability strategy is founded on three principles:

- 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
- Investing in our people to attract, retain, and develop talent for long-term success



The 2022 Sustainability Report includes data and financials for the 2021 calendar year, unless otherwise stated, and programs and initiatives for 2022. Disclosures in this report were informed by the recommendations of the Sustainability Accounting Standards Board (SASB) building products and furnishings standard. SASB is an independent, private sector standards-setting organization dedicated to improving the effectiveness and comparability of corporate disclosures on ESG factors.

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



Energy management in manufacturing

[See Resource Conservation →](#)



Management of chemicals in products

[See Chemical Safety →](#)



Product lifecycle environmental impacts

[See Product Sustainability and Stewardship →](#)



Wood supply chain management

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

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. We are also evaluating other frameworks such as the Task Force on Climate-Related Financial Disclosures (TCFD), Global Reporting Initiative (GRI), and UN Sustainable Development Goals (SDGs) for expanding our disclosures in future reports.



Key enhancements to this report include:

- *Additional information on ID&E initiatives and diversity metrics*
- *Details on Board committee oversight of ESG and human resources*
- *Overview of the greenhouse gas (GHG) emissions inventory underway*
- *Additional examples of sustainable products developed in our businesses*

SUSTAINABILITY OVERSIGHT

The Board of Directors (Board) believes that its structure and composition of highly experienced and engaged independent 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 exercises oversight of 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

Company's Sustainability Report and any sustainability targets, and annually reviews the Company's political and charitable contributions.

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 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.

ESG Governance Structure



GOVERNANCE AND ETHICS

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. 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 senior leaders.



Board and Managerial Oversight

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 human resources policies and programs and various compensation plans.

We also maintain good governance and 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. Our internal audit team proactively consults with and surveys a sample of employees regarding 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
 - 7 of our 12 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](#)
 - [Governance Guidelines](#)
 - [Human Rights](#)
 - [Global Anti-Corruption](#)
 - [Supplier Code of Conduct](#)
 - [Conflict Minerals](#)
 - [Human Trafficking and Slavery](#)

Ethics and Business Conduct

Companies are known by the reputation their directors and employees 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, 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

Visit our Governance webpage here. ➞

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 of 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.

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.

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 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, 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, 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 2021, 200 allegations were received, 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.

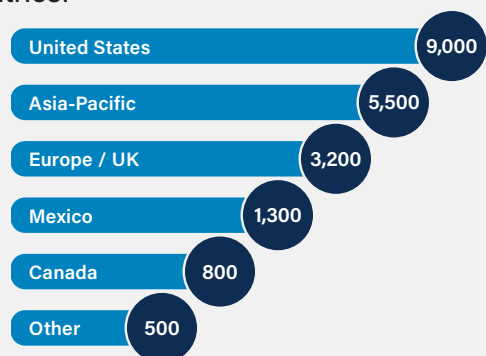
Political and Public Policy Process

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 state and federal 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.

HUMAN CAPITAL

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. With company support, our employees are encouraged to actively develop their skills and take ownership in the Company's success.

At year-end 2021, Leggett & Platt employed approximately 20,300 employees in the following countries:



We did not experience any material work stoppages related to labor contract negotiations during 2021 for collective bargaining or related to employees represented by works councils.

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.

Our talent acquisition team works closely with our business leaders and shared services to maintain a reliable, efficient, 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.

Compensation and Benefits

We offer market-competitive compensation and benefits to attract and retain the talent we need across all functions 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 in all geographies where we conduct business.

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, dental, and vision insurance benefits
- Flexible spending plan
- Retirement savings plan with company-matching contributions
- Short-term and long-term disability insurance
- Basic and dependent life insurance
- Well being and assistance program
- Travel accident insurance
- Paid 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.



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 our health plan provider. COEs are recognized as being leading providers in relevant medical disciplines.

Visit our Careers webpage here. ➞

Intern Program

We are focused on the next generation of Leggett & Platt leaders. Our Doors program helps interns learn, grow, and contribute. Over the years, interns have helped to change the landscape of information technology (IT), engineering, marketing, human resources, and accounting at Leggett & Platt.

In the summer of 2021, a creative approach allowed 12 interns to experience the Doors program. All events were delivered through virtual conference calls as our interns worked in remote or hybrid situations. Through online development sessions and speed networking events, our interns engaged with other employees who started their Leggett & Platt careers as interns.

Leadership and developmental workshops for interns included goalsetting, personal branding, networking in the workplace, communication and leadership, positive conflict, dealing with criticism, and giving and receiving feedback. The Doors program concluded with interns presenting their project work and business recommendations to department managers and company leadership. Our CEO and CHRO provided mentoring and development recommendations to the interns prior to their returning to their respective universities for the fall semester.

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.

“Throughout my internship, I learned something new every day and gained a deeper understanding of my field. The environment at Leggett & Platt was warm, friendly, and inclusive. The networking opportunities as an intern taught me the value of communication and collaboration with peers and teammates across the company.

– A 2017 intern who transitioned into a full-time position following her internship and remains part of the Leggett & Platt team today.

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 2021, our Corporate Talent Team proactively participated in 24 unique recruitment activities in the U.S., many of which required navigating virtual career fairs and recruitment events.

Recruitment activities in 2021 included:

University of Illinois
Annual Diversity Virtual Career Fair

University of Central Missouri
Hire a Veteran Fair

University of Arkansas
Corporate Comes to Campus
Beta Alpha Psi Meet the Employers
Business Career Fair
Science Technology and Math Career Fair
Information Session

Missouri State University
Accounting Fair
College of Business Fair
Mock Interviews

Missouri Southern State University
Internship Fair

Pittsburg State University
Mock Interviews
Meet the Firms Day
Graphics and Imaging Day
Fall Career Expo

University of Missouri
Accounting Career Fair
Engineering Career Fair
Trulaske Leadership Conference

Washburn University
Career & Graduate Fair

University of Missouri S&T
Fall Career Fair
Information Session
Night to Network

Georgia Southern University
STEM Career Fair

Northwestern University
Career Advancement Event



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 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 2021, the Life@Leggett blog featured 95 articles showcasing company history, product advancements, cultural events, and community engagement. We put a spotlight on the careers of 23 of our employees by writing articles about their achievements and recognizing several who celebrated long-tenured service anniversaries. To honor observances such as 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 raise awareness through content we developed during multicultural observances like Black History Month, Disability Pride Month, World Mental Health Day, Pride Month, Juneteenth, and International Women's Day.

Talent Development

After an employee has been recruited, hired, and brought on board, our ongoing commitment to each employee is to provide opportunities for growth within Leggett & Platt. Our Talent 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 talent development initiatives in 2021 included:

- Engaging with the Legal and Marketing + Creative departments to create Anti-Corruption Training, which was delivered globally to over 6,500 salaried employees, and in 14 languages.
- Partnering with our COVID-19 Response Teams to deliver educational topics such as empathy, communication, and stress management in the workplace to operational leadership teams.
- Conducting training on Preventing Workplace Harassment to provide a base for establishing a proactive culture, which allows for a safe working environment for all employees, retains a more diverse workforce, attracts better talent, and promotes self-awareness to deter future occurrences.
 - *We partnered with a third party to provide continuity of training and documentation to ensure compliance across California, Illinois, and Connecticut and have the ability to share the training with multiple facilities that requested resources on the topic of preventing sexual harassment.*



Online Learning

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, a series of featured courses designed to help employees improve personal and professional skills is published via a learning-focused email communication. Topics covered include:

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

We have also partnered with LinkedIn Learning to deliver approximately 1,000 hours of self-directed course content, with more than 700 certified completions in 2021. Course topics range from technical skills (Excel, Business Intelligence, and Data Analysis) to leadership topics (Communication, Change, Emotional Intelligence, Accountability, and Cultural Awareness).

CASE STUDY: Frontline Supervisor Training Program (redesigned in virtual format)



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

Topics covered are:

- Communication
- Leadership
- Conflict Resolution
- Respect in the Workplace
- Safety

In the spring of 2021, we redesigned our in-person materials to be delivered virtually. We closed out the year with almost 400 global team leaders participating in our Frontline Supervisor Training Program.





Inclusion, Diversity, and Equity

We continue to foster a culture of ID&E 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. We care deeply about ID&E and are taking comprehensive actions in 2022 to build on our foundational awareness, understanding, engagement, and skills.

ID&E Plan

Our ID&E team is comprised of a broad group of employees, including senior management. The team established 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
- Develop a governance and accountability model that will sustain inclusion and diversity
- Enhance our business results

In 2021, we made progress in the following areas:

- Hired an experienced ID&E Director to guide our priorities, plans, and actions.
- Established a calendar of multicultural events and shared stories that celebrate our diversity.
- Launched our first employee engagement survey in the U.S. that gathered feedback on employee experiences with ID&E in the workplace. The feedback we received is driving our 2022 priorities.
 - The survey asked questions about seven aspects of ID&E: dignity and respect, belonging and inclusion, diversity, trust, voice, equity and fairness, and psychological safety.
- Gathered representation data on our salaried and hourly workforce across gender, race/ethnicity, and age characteristics. This information serves as our baseline for future goals, metrics, and actions.

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



Representation (as of year-end 2021)

Gender

- 28% of our U.S. employees identify as female; 72% male. The industry average is 27% female.
- We believe it is important to increase representation of women throughout the organization and especially in management and leadership roles. This will be a key commitment for us in 2022 and beyond.

Ethnicity

- 38% of our U.S. employees identify with a historically marginalized group; 62% identify as white.
- While our racial diversity is comparable to 2020 Bureau of Labor Statistics, we see opportunities to increase our race and ethnic representation in leadership roles.

Empowering Cross-Functional Action

Following are just some of the actions we are planning for 2022:

- Sharing our ID&E survey insights, results, and next steps with employees in ways that enhance transparency and accountability.
- Growing our inclusive leadership skills with approximately 9,000 members of our team,

which represents our U.S.-based employees at all levels and locations. Members of our team outside the U.S. will also be included so we can scale the educational opportunities globally in the next two years.

- Identifying and communicating our 2022 ID&E company goals, why they are important, how each of us impacts our progress, and how we will measure our progress.
- Celebrating diversity awareness and understanding throughout the year with monthly multicultural events, communications, and stories.
- Finalizing our philanthropy strategy and contributions to advocate and support underrepresented communities.
- Enhancing our supplier diversity strategy and goals.
- Partnering with colleges, universities, associations, and Historically Black Colleges and Universities (HBCUs) to attract our next generation of talent.
- Incorporating our learnings into global and local changes in human resources, talent, performance, promotion, and recruiting policies and practices.

*In March 2022, our CEO, Mitch Dolloff, signed the **CEO Action Pledge for Diversity & Inclusion**. In doing so, Leggett & Platt joined more than 2,000 global companies in committing to advance diversity and inclusion in four ways:*

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



Engagement and Satisfaction

Employees are a critical stakeholder group. Our dedicated Employee Labor Relations Team leads efforts to take employee engagement to the next level. Crucial to our success is a data-driven approach and focus on doing the right thing to enhance human capital.

Important data on employee satisfaction, feedback, and turnover are 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 improve engagement and satisfaction include:

- Revamped onboarding process
- Increased employee development and training
- Re-envisioned mentorship programs
- Remote 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.

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.


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 77%. 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.

We experienced the result of intentional succession planning efforts with the seamless transition of the CEO role as Mitch Dolloff transitioned from COO to CEO on January 1, 2022. This transition represents the culmination of many years of close collaboration between Karl Glassman, who is now Leggett's Executive Chairman, and Mitch to ensure an orderly transition while providing stakeholder confidence in the next generation of leadership at Leggett & Platt. We also promoted two outstanding, long-tenured employees to lead our Bedding segment and our Automotive business.



ENVIRONMENTAL, HEALTH, AND SAFETY MANAGEMENT

We have 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, operational practices, and ongoing environmental and safety initiatives that drive continual improvement.



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

Environmental Management

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. These activities support our goal of aspiring to be better stewards of the environment.

Our Senior Director of Environmental, Health & Safety (EHS) maintains day-to-day oversight of our EMS.

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 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. Corrective action systems are in place to address findings.

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

Our EHS team provides training to facility environmental managers and offers business-specific workshops. Business Unit EHS managers also provide environmental manager training. In 2021, environmental compliance training included new hire training and refresher training on specific opportunities.

ISO environmental management system certification has been a core focus of our environmental commitments in some of our businesses. We have 15 production facilities certified to ISO 14001, including 13 automotive facilities, one textile facility, and one bedding facility. These locations receive external audits verifying adherence to the ISO 14001 requirements.

Climate Risk and Carbon Reduction

We appreciate the importance of doing our part to reduce carbon emissions. Understanding the climate-related risks and opportunities to our business is important in making future business decisions. Evaluating opportunities to reduce our carbon footprint, setting goals for carbon reduction, and measuring performance in achieving those goals is part of our ESG strategy moving forward.

We are currently working on completing our first GHG emissions inventory. Once complete, this baseline measurement will inform a long-term GHG-reduction strategy, including setting reduction targets and other key performance areas. This inventory, with a base year of 2019, will cover three years of data and include Scope 1 and Scope 2 carbon dioxide equivalent emissions. The inventory will be prepared consistent with the GHG Protocol Corporate Accounting and Reporting Standard.

Resource Conservation

We continue 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.

Reducing Energy Consumption and Renewable Energy

Reducing energy consumption across global production facilities is an important part of our carbon reduction objective. Using tools, such as a utility bill management system, provides energy, water, and waste bills and activity for our U.S. locations. We are working to expand and improve our data gathering processes and analytical tools across the company. This will lead to consistent data gathering processes, expanded access to data, and improved long-term tracking capabilities enabling improved resource conservation outcomes. With improved data collection, a strategic and comprehensive energy reduction plan can be implemented in the future.

At Leggett & Platt, we incorporate renewable energy sources to save energy and reduce our air emissions. In everything from our lighting to our trucking fleet, we are taking steps to reduce energy consumption and use renewable and sustainable energy sources. The following are several 2021 energy related highlights:

- **Renewable Energy:**
 - » Our U.S. facilities' electric consumption was supplied by approximately 17% renewable energy, an increase of 11% over 2020.
 - » Approximately 29% of our Canadian facilities' electric consumption was supplied by renewable energy.
- **Sustainable Energy Sources:**
 - » Approximately 42% of our U.S. electric consumption was produced from nuclear energy and other sources of sustainable power, a 7% increase over 2020.
 - » Over 80% of our Canadian electric consumption was produced by nuclear energy and other sources of sustainable power.

- **Lighting Improvements:**

Multiple facilities have recently improved lighting through LED retrofits. Specifically, through an energy-as-a-service contract, five facilities installed LED lighting, which is projected to save 2.7 million kilowatt hours (kWh). This is expected to result in a 58% decrease in lighting energy consumption at those locations.

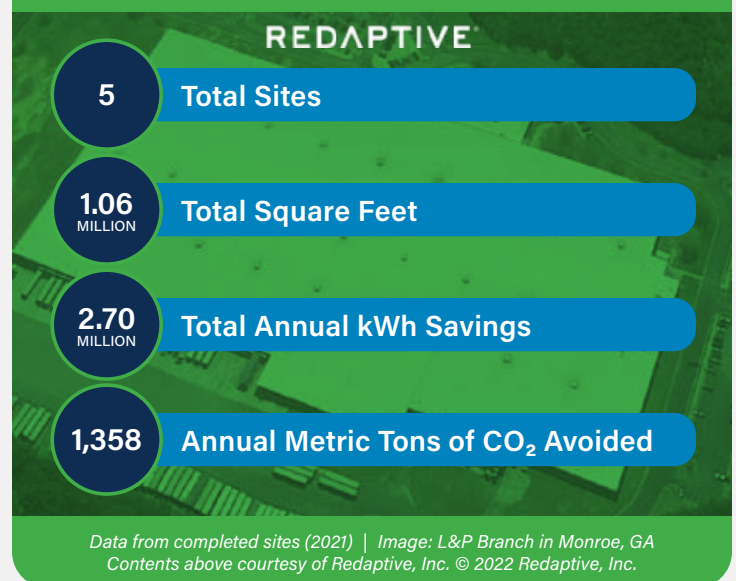


Leveraging EaaS for LED Retrofits

We partnered with Redaptive, Inc. to deploy LED retrofits across our portfolio.

In 2021, we completed projects at 5 sites and are in the process of installing LED retrofits at 6 additional sites in 2022. To continue to build on prior LED retrofit initiatives, we plan to scale LED lighting across the portfolio and follow with additional technologies (Solar PV, Compressed Air Optimization, etc.) that meet our sustainability and business objectives.

The projects reduce our lighting energy and maintenance costs, while improving safety. The reduced electricity consumption from the five completed projects avoids 1,358 metric tons of CO₂ emissions each year.



- **Other Energy Efficiency Initiatives:**

Several facilities implemented other energy saving projects, such as our steel rod mill. (see next page)



Commitment to Energy Reduction

Our steel rod mill in Sterling, Illinois, takes in scrap steel, melts it down, and casts it into billets to be rolled into coiled rod that is sent primarily to our wire mills as well as other manufacturing customers.

Our facility uses approximately 389 million kWh annually. As part of our operations, we utilize an electric arc furnace (EAF) to melt scrap metal into liquid metal. The EAF consumes a large amount of energy. Reducing this energy consumption has been a key goal and continues to be a part of the strategic sustainability initiatives.

Over the past 10 years, we have implemented energy efficiency upgrades and improvements resulting in

reduced energy consumption of approximately 14%. Projects that have been implemented over the past decade include, but are not limited to, improvements to the EAF, ladle metallurgy facility, caster, and the rod mill. We also made improvements to supporting systems such as variable frequency drives, compressed air upgrades, controls, oxygen plant upgrades, and heating, ventilation, and air conditioning (HVAC) improvements.

We continue to advance additional energy-saving projects. We have planned projects over the next 5 to 10 years that we expect to result in an additional 13% reduction in energy use. As projects are completed, we will look for improvement opportunities to further reduce our energy usage at our rod mill.



Reducing Fleet Fuel Consumption through Operational Policies and Technology

We maintain a truck fleet of over-the-road tractor-trailers with sleeper cabs. The majority of the trucks use auxiliary power units (APUs) that provide HVAC and power to the cab in lieu of idling the trucks' engines. The APU program reduces diesel fuel consumption and maintenance requirements. Trucks are generally equipped with predictive cruise, aerodynamic fairings, and trailer skirts and tails to further improve fuel efficiency. In 2021, the over-the-road fleet average miles per gallon of diesel decreased by 1% over 2020.

We also lease a fleet of private passenger vehicles that are utilized as tools for specific job functions such as sales and delivering product to job sites. Strategies such as policies to ensure the appropriate vehicle is being utilized for the job, right-sizing the fleet, and other operational and technological changes will be important moving forward to improve overall fleet fuel efficiency and lead to further carbon footprint reductions from a mobile emissions perspective.





Waste Management and Recycling

Waste management efforts focus on reducing, reusing, recycling, and diverting waste from landfill disposal or by other off-site means. We recycle steel, urethane foam, paper, cardboard, chemicals, and lubricants, and use a significant amount of recycled materials in our manufacturing processes. In addition to reducing waste in manufacturing and production processes, evaluating opportunities to improve business waste reduction and increase diversion and recycling are important goals.

2021 waste diversion, recycling, reuse, or reclaiming examples include:

Diversion

- U.S. locations diverted approximately 900 tons of business materials from landfills.

Recycling

- Our rod mill used over 500,000 tons of recycled scrap steel.
- We incorporate several hundred million pounds of recycled urethane foam in our annual production of bonded carpet cushion.
- Our Work Furniture business uses post-consumer plastics to make molded parts.

Reuse

- Over 13,000 tons of slag/ladle debris at our rod mill 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.
- Acid used in our wire-drawing operations is processed in acid-recovery systems, allowing for acid reuse.

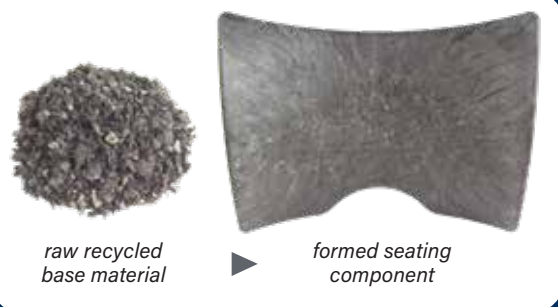
Reclaiming

- 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 two thousand 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.

CASE STUDY: Work Furniture Technology Using 100% Recycled Plastics



In our Work Furniture business, our mission is to lead with innovative solutions for our customers, from concept to market, by investing in technology, people, and inventive, eco-friendly materials. Sustainability has always been a key driver for our business, and we are able to offer customers an abundance of choices, from a variety of veneers and engineered wood to paper products and 100% recycled plastics diverted from local landfills.



We are dedicated to helping meet the needs for high-quality structural and non-structural components using 100% recycled plastic. To meet the challenges of environmental sustainability, we utilize a patented melting process that uses 100% polyolefin-based industrial waste and #1 through #7 post-consumer plastic. Its material source comes from food-grade material. Our products are free of toxic byproducts, and any waste that we generate is recycled through our own processes. Our manufacturing processes and product solutions can support the U.S. Green Building Council's LEED rating system criteria as well as pass the GREENGUARD Certification Criteria for TVOC, formaldehyde, and total aldehyde emission levels.

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 U.S. Environmental Protection Agency Section 313 Form R reports for our U.S. locations. Chemical storage information is reported on Tier II reports.

See [Responsible Use of Raw Materials](#) and [Chemical Safety](#) for further discussion on chemicals.

Water

Our businesses use water from multiple sources in a variety of manufacturing and production processes. Globally, water use reduction and operational efficiencies are important from an environmental and climate risk management perspective. Evaluating opportunities through maintenance, operational, or technological improvements to reduce water waste and water consumption and to recycle water is an important goal.

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.

We have developed and implemented a comprehensive health and safety program called SafeGuard to support workplace safety. Our Senior Director of EHS has direct ownership of and responsibility for SafeGuard. Furthermore, our EHS Department has a dedicated staff of safety professionals that supports 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

2019	Employee	Contractor	Total
Incident Rate ¹	3.53	2.46	3.38
DART Rate ²	1.68	1.40	1.64
Lost Work Days Incident Rate ³	0.63	0.77	0.65
2020			
Incident Rate ¹	3.44	2.14	3.24
DART Rate ²	1.75	1.14	1.66
Lost Work Days Incident Rate ³	0.84	0.43	0.78
2021			
Incident Rate ¹	3.25	2.94	3.20
DART Rate ²	1.53	1.72	1.56
Lost Work Days Incident Rate ³	0.63	0.79	0.65



SafeGuard
Partners Protecting Partners

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. 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 our manufacturing facilities.

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. Every manufacturing employee and contracted manufacturing employee receives safety training at least annually. As part of the SafeGuard program, 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 the SafeGuard program is confirmed through ongoing interaction with all locations and regular focus group meetings. Based on risk assessments, certain facilities are assessed through more in-depth review activities.

External audits of SafeGuard compliance are conducted when an internal risk assessment determines there is a need. Where necessary, the risk management team supports local team members to develop timely 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.

PRODUCT SUSTAINABILITY AND STEWARDSHIP

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:

- 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 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 cushions consist of 100% recycled foam, the Rubber XD/Rubber Plus carpet cushions contain no less than 20% pre-consumer recycled material, and the fiber carpet cushion is composed of a high percentage of industry-derived recycled fibers.
- Our Geo Components business produces geotextile products (erosion control blankets, silt fencing) that help customers deal with the challenges of land at risk of natural and human-caused erosion.



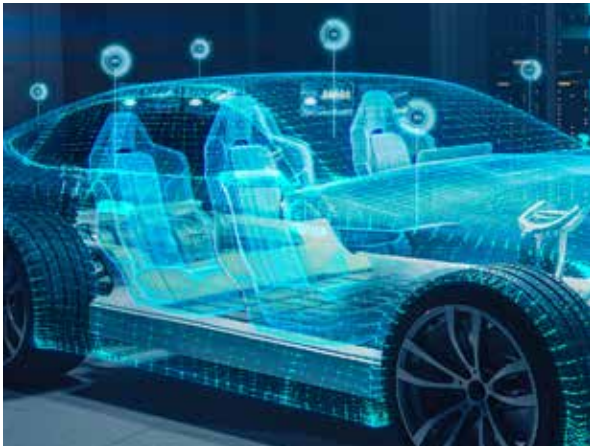
CASE STUDY:
*Advancing Sustainable Products
in Automotive*



Our Automotive business has implemented several sustainable product development activities including the use of recycled and alternative materials and a reduction in raw material usage. Some examples:

- Recycled polypropylene or nylons are used in some of our components, such as basket comfort shields, actuator housings, and overmolded suspensions.
- 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.
- Innovation in our product design has led to the reduction of raw materials and weight. The weight of our mechanical lumbar support product has been reduced by 70%, to less than 1.5 pounds (600 grams) over time.

As a leading designer and manufacturer of automotive seating support and comfort systems, these product stewardship examples demonstrate how our business is partnering to support automotive manufacturers in achieving their environmental goals.



CASE STUDY:

Crafting a Sustainable Bed of the Future



Leggett & Platt has been a driving force in the bedding industry since inventing the spiral steel coil bedspring in 1883. Our Bedding Products Segment is consistently developing new, leading-edge sleep technologies.

We strive to demonstrate strong environmental stewardship and advance innovative, sustainable solutions for our customers without sacrificing quality or performance. Our Bedding Products Segment has established four pillars of sustainability that are integrated into product design and manufacturing, resulting in sustainable product and technology solutions for our customers.



Carbon
Footprint



Conservation



Recycling

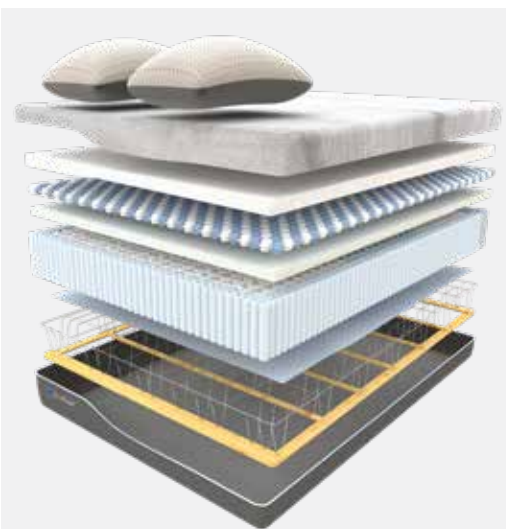


Renewable
Resources

Our Bedding Products Segment's Environmental Sustainability Framework is advancing conservation, carbon emission reductions, renewable resource use, use of recycled content, and consideration for recyclability by:

- Maximizing use of resources by designing the production process to convert foam trimmings to fill for cluster pillows
- Using lightweight and highly compressible specialty foams, which lead to shipping and storage efficiency
- Using renewable, plant-based polyols that are naturally replenishing
- Utilizing over 90% recycled steel scrap in innersprings manufactured in the U.S.
- Producing adjustable beds with 90% of the base, by weight, recyclable at end of life

Additionally, every 100 queen mattresses constructed with Quantum Edge® and Caliber Edge™ conserves 40 gallons of petrochemical contents, compared to 3-inch/1.5-lb commodity poly foam encasement.





CASE STUDY:

Protecting Waterways and Reducing Carbon Footprint at Geo Components



Our Geo Components business is a leading supplier of geosynthetics, erosion control, and stormwater management products. These products not only protect our environment, but they are more energy efficient than other alternatives for these applications. The result is a reduction in the carbon footprint during construction and maintenance of roadways throughout the U.S. and Canada.

Geosynthetics are fabric and grid alternatives to traditional materials such as concrete or rocks. Using a geogrid or geotextile fabrics for subgrade stabilization reduces the amount of rock hauled to a construction jobsite, significantly lowering the amount of energy expended from extracting the rock and delivering it.

Erosion control and stormwater management products prevent contamination of our waterways during construction and post-construction phases. These products are our first line of defense in protecting our natural waterways.

Responsible Use of Raw Materials

Steel

Steel is our principal raw material. The wire we produce from steel rod 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:** 93% of the steel rod we produced is from steel scrap, of which the majority is post-consumer scrap.
- **Local Sourcing:** At our rod mill, the majority of the scrap steel used is shipped from less than 120 miles away with 15% shipped from within five miles.

Wood

We use wood in various bedding products, including foundations. In 2021, our U.S. Spring business's spend with Forest Stewardship Council® (FSC®)-certified sources* increased by approximately 33% to 65%. 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.

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 the majority 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.

*FSC-C023291



CASE STUDY:

Sustainable Foam Solutions: ThermaGel™ Bio Additive



ThermaGel™ Bio additive is a member of our recently defined EcoFlow® family. This new line of products contains eco-friendly alternatives to existing raw materials such as polyols, particle gels, phase-change materials (PCMs), and coatings.

By utilizing plant-based, renewable seed oil as an alternative solution, our team at Specialty Foam's Peterson Chemical operation has been able to reduce the petroleum-based materials used in many of our foam products. Throughout development, they also worked to maintain our products' reputation for high quality.

"Our ultimate goal is to produce a high-performance, durable foam that's going to last. Being able to accomplish this while also being environmentally responsible is important to everyone on our team," says Heidi Stojanovic, R&D Manager.



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.

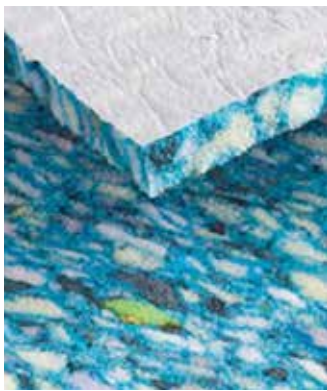
Foam Scrap

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. Some highlights include:

- Many of our facilities are 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 landfills or metal recyclers.
- 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

We use a variety of chemicals in the production and manufacturing of products, with the largest use in our Specialty Foam business.

Our Specialty Foam business offers CertiPUR-US®-certified⁴ specialty foam that complies with the stringent standards of CertiPUR-US.

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

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, adhesive, and cushion products with very low volatile organic compounds (VOC) emissions to help improve indoor air quality.



⁴ 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), EUJ, 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 tasks that impact product quality. 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 (QMS) 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.

Quality Management Systems (QMSs) are in place at 103 manufacturing and warehouse operations. This represents approximately 16,000 employees globally and approximately 80% of our production facilities.

The certified QMSs at all 103 facilities 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 18001.

Management Responsibility

Our Segment Presidents, Business Unit Leaders, and Branch Managers are accountable and 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 System 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 (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.

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 ISO 17025-certified laboratories, and/or by external, independent third parties.

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
- EU REACH
- EU RoHS
- Consumer Product Safety

Incident Investigation and Corrective Action

In the event of a product quality incident 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 Quality Management Systems

Our product incident investigation process is vital to our success and is regularly reviewed. Our latest review and update in March 2022 was supported by a structured communication process.

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.

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 2021, 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.

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 Quality Management Systems. 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, credit, and warranty costs as well as internal inspection and prevention expenses.

Compliance and Audit

Our Corporate Quality Management Systems team conducts internal 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 System procedures.

Training

As required in our Quality Management Systems 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 Corporate Quality Management Systems 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. 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 work hard 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.



We are partnering with a third-party service provider to further strengthen our supplier assessment process. Through this partnership we anticipate being able to monitor a broad selection of our supply base, including our critical Tier 1 suppliers in several key areas. These include social and labor standards, financial condition, and cybersecurity controls. This enhanced oversight will allow us to strengthen our relationships with key suppliers and ensure alignment of expectations.

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. 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. Oversight of our supply chain social standards and supplier compliance is the shared responsibility of our Corporate Procurement department and individual businesses.

Our standard [purchase order](#) terms and conditions and our International Supplier Certificate of Compliance, which international suppliers importing product to the U.S. must sign, confirms 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, our 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 largest U.S. import suppliers are assessed on-site 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.

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 198 on-site assessments at both international and domestic suppliers. Over the past two years, we have taken a more targeted approach to on-site assessments and conducted some activities virtually.

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

Visit our Supplier Information webpage here. ➞



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 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 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 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 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, which includes contacting non-responsive suppliers and requesting them to respond. 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 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 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 on-site 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 their products comply 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 on human trafficking and slavery is provided annually to employees who have direct responsibility for supply chain management. In 2021, our Legal Department distributed training materials and company policies and information on human trafficking and slavery to employees of our Corporate Procurement Department with direct responsibility for supply chain management.





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 2021, the Company contributed more than \$600,000 in cash and almost \$200,000 in-kind donations to more than 100 agencies that work to provide vital resources and programs to those in need around the world.

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.

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.



We take pride in making products that make life more comfortable. In 2021, we donated more than 900 mattresses, 100 innerspring units, and 40 bedframes to aid in disaster relief, homelessness and crisis recovery, and refugee resettlement. We believe brighter days start with a good night's sleep.



Giving Back in Time of Need

Giving back starts at home with We Rise – an employee and company-funded program that has helped satisfy the emergency needs of more than 160 employees in the aftermath of catastrophic events and natural disasters since 2011.

In 2021, our employees raised over \$108,000 and we donated \$57,000 to fund the program, and We Rise distributed more than \$31,000 to help 19 employees rebuild from flooding, tornadoes, and other widespread disasters.

Living United

Leggett & Platt is a long-standing partner with United Way. In 2021, employees raised nearly \$90,000 to fund hundreds of organizations through local United Way agencies – a gift that was multiplied with a \$190,000 corporate donation to United Way agencies around the world.



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, utilizing representation data on our workforce to serve as a baseline for future goals, metrics and actions for our ID&E programs; the increase in female management and leadership roles in 2022; the increase in race and ethnic representation in leadership roles; sharing our ID&E survey insights, results and next steps with employees; growing our inclusive leadership skills; identifying and communicating our 2022 ID&E company goals; conducting monthly multicultural events communications and stories; finalizing our philanthropy strategy; enhancing our supplier diversity strategy and goals; partnering with colleges universities and associations and historically black colleges and universities to attract our next generation of talent; incorporating our learnings into global and local changes in human resources, talent, performance, promotion and recruiting policies and practices; revamping our onboarding process; increasing employee development training; re-envisioning our mentorship programs; improving remote and other flexible working initiatives; improving environmental sustainability; the implementation of a strategic and comprehensive energy reduction plan; the retrofitting of six manufacturing facilities with LED lighting; the implementation of energy savings projects over the next five to 10 years that will result in an additional 13% reduction in energy use; the development of new, leading-edge sleep technologies; the increase in the use of FCS®-certified wood products in our Work Furniture business; monitoring our supply base for social and labor standards, financial condition and cybersecurity controls; making charitable gifts focused on our primary goals; 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,” “guidance,” “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: (i) 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; measuring and reporting greenhouse gas emissions data; advancing our ID&E efforts; establishing key management systems to improve data collection (including human capital, energy usage and other data); enhancing our supplier assessment process, including a heightened emphasis on labor and social standards and cybersecurity controls; utilizing other ESG frameworks like TCFD, GRI and SDGs; gathering representation data on our workforce; successfully managing the Company's environmental compliance; implementing energy efficient upgrades and improvements; securing an adequate supply of FCS®-certified wood; (ii) market, economic, competitive, geopolitical and pandemic factors that could adversely impact our trade sales, earnings, liquidity, cash flow, and financial condition, the demand for our products and our customers' products, growth rates in the industries in which we participate, and opportunities in those industries, our manufacturing facilities' ability to remain fully operational, obtain necessary raw materials and parts, maintain appropriate labor levels, and ship finished products to customers due to supply chain disruptions or otherwise, our ability to collect trade and other notes receivables in accordance with their terms, impairment of goodwill and long-lived assets, restructuring and related costs; (iii) factors that could impact raw materials and other costs, including the availability and pricing of steel scrap and rod, chemicals, semiconductors, the availability of labor, wage rates, and energy costs; (iv) 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 (v) other risk factors in our Form 10-K filed with the Securities and Exchange Commission (“SEC”) on February 22, 2022, and subsequent Form 10-Qs.

Other Important Information

The inclusion of information in this 2022 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 22, 2022, 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.

THANK YOU

Leggett & Platt®

[Leggett.com](https://www.leggett.com)