Listening and Learning Through LPVoice

The Evolving World of Supply Chain Management

nVision

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



Doing Great Work Together



SUPPORTING ONE ANOTHER TO GET THE JOB DONE.

In November 2015, I wrote these words for InVision, just a few months before I first became CEO:

"From our founding, we've been Leggett **and** Platt. Not a sole proprietorship, but a partnership. Each founder recognized his own limitations and respected what the other could bring to the company. It was their teamwork, not their individual brilliance, which turned a good idea into a real product and, ultimately, a lasting business.

That same spirit of partnership drives Leggett & Platt's success today. Every day, thousands of our people in different jobs, industries, and geographies join together and support one another to get the job done. And to do it smarter, better, and safer than the day before."

It's been about 6 months now since I returned as CEO. I've been learning and re-learning many things about our businesses, our customers, and some of today's business challenges. To put it mildly, there's a lot of noise out there. We are operating in a dynamic macro environment, we face continued weak demand in our residential end markets, we are experiencing volatility in the automotive market – the list of uncertainties and potential business disruptions goes on and on. It can feel bleak.

But as I revisit my words from 2015, I am encouraged. I realize just how true they remain today. The business landscape may have dramatically changed since then, but how we work together at Leggett & Platt has been a constant and a stronghold. We have and we will always *do great work together*.

As we continue to move forward, I encourage all of us to:

- Be transparent with one another. Open communication fosters trust and collaboration. Don't hesitate to seek support or offer assistance. It starts with simply reaching out to those around us.
- Focus together on solutions instead of problems. Working collaboratively to find efficient solutions can turn obstacles into opportunities.
- Ask questions. Curiosity drives progress, and everyone around us has something of value to offer. Let's listen and learn from them.

Thank you for supporting one another to get the job done and for doing it smarter, better, and safer than the day before.

After all, that's the spirit of partnership. It's the respect for the greater good. It's the L&P way – it always has been and always will be.

Kal Blassman

Karl Glassman President & CEO



InVision Staff: Meaghan Njoroge, Emmy Carpenter, Leslie LauBach, Alex Lazarchik, and Chris Auckerman. We welcome your feedback and ideas for future issues: **InVision@leggett.com**.

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Segment Spotlight:

A Look Inside Furniture, Flooring & Textile Products

Doing great work together goes beyond brainstorming. It calls for action – for teams to work together to mold great ideas into competitive advantages for our businesses and solutions for our customers around the world.

Our Furniture, Flooring & Textile Products business segment leads by example through developing strategic partnerships, exceeding customer expectations, and leveraging interdependence. Check out some of the latest activities fueled by collaboration within the segment.







Home Furniture Partners with Trendsetting Customers

By building partnerships with trendsetting customers, our Home Furniture team can work closely with key customers to generate ideas that bring new products to life.

Home furniture trendsetters set the tone for their industry, so partnering with these targeted customers leads to an expanded reach of Home Furniture's products. When the team engages with these trendsetters, the trendsetters share ideas with the team, which helps them design and sell more products. The Home Furniture group's sales, operations, and innovation teams work closely with these customers to build rapport and respond to their unique needs, and a cross-functional team of sales, marketing, and engineering experts engages regularly to discuss new product ideas and customer solutions.

Home Furniture's strategy to share innovative products with trendsetting customers is driving revenue and demand. With help from this partnership, our Home Furniture business is generating exponential growth of new product sales. Other furniture companies are paying attention to these products, which is creating similar demand for new products with the rest of the customer base. As demand grows, the team adds resources and refines their processes to position themselves for future success.

The Home Furniture team is excited to continue investing in their strategy and grateful that it's resonating with customers.



Work Furniture Delivers the Unexpected

Our Work Furniture group's customer engagement philosophy anchors on delivering unexpected performance, which means providing better and faster service than competitors and customer factories.

Delivering unexpected performance is on full display at the Trioline branch in Poland. At this branch, the Work Furniture team installed a photo studio to take high-quality photos of new products before they launch. These photos help customers get ahead on their product marketing and pre-sell efforts.

In addition to making marketing easier for customers, the team decreased lead times – the time needed to manufacture and deliver a product – by improving lean processes across the business. They work with fabric suppliers to keep large consignments of materials onsite for quick turnaround, helping them deliver products faster than competitors. This has helped customers win new projects.

The Genesis Seating team in the U.S. started a program that lets their largest customer visit the branch – in-person or online – and select the exact wood sets that will create their luxury Eames Lounge chairs. This approach allows customers to infuse a personal touch into their most iconic product.

The Work Furniture team isn't stopping there.
They plan to extend these efforts to more branches in the coming year.



Flooring Products Gives Back

For our Flooring Products group, doing great work together means giving back.

The team recently announced a partnership with Make-A-Wish® – an organization that grants wishes to children fighting critical illnesses. For every square foot of Make-A-Wish branded carpet cushion and acoustical underlayment products sold through December 31, 2025, the Flooring Products team will donate \$0.01 with a minimum donation of \$100,000.

The group's sales, marketing, and manufacturing teams collaborated to create a strong product lineup, incorporating important feedback and insights from respected customers. The product line features premium carpet cushions and hard surface acoustical underlayment that provide protection and performance under all types of flooring. Along with a moisture barrier, the products include Fresh Dimension® antimicrobial to inhibit the growth of mold, mildew, and odor-causing bacteria.

The Flooring Products group stays inspired by hearing stories from colleagues and customers who are positively impacted by Make-A-Wish and looks forward to the partnership's success.





Textile Products Leverages Interdependence

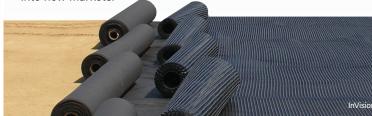


To keep costs low and stay competitive, our Hanes Fabric Converting and Geo Components businesses leverage interdependence.

The Fabric Converting and Geo Components teams work together to ensure cost-effective material sourcing. The Fabric Converting team relies on the Geo Components team's large-scale needlepunch fabric purchases to get a good deal on needlepunch fabric. In return, the Geo Components team relies on the Fabric Converting team's large-scale procurement of spunbond – a type of nonwoven fabric – to purchase low-cost landscape fabric. Additionally, the Fabric Converting team works with our U.S. Spring business to source spunbond for coil encapsulation.

To set competitive pricing, the Fabric Converting and Geo Components teams rely on their sizes, shared resources, and teamwork. Pricing is managed and controlled centrally and requires a lot of communication and teamwork between their product management and sales teams. With their large sizes and ability to quickly share information, they can act swiftly to make big purchases at good prices or change their prices based on market conditions.

The teams will continue to use their scale and interdependence to position them for success, including exploring and expanding into new markets.





Listening and Learning:

Employee Engagement Through LPVoice

In September, we launched our first-ever global employee engagement survey, LPVoice. LPVoice is designed to reveal what matters most to our people. To do great work together, we need to first understand how our employees experience our culture and where we can make it better. Research shows that companies with highly engaged employees are proven to have higher productivity, more innovative solutions for their customers, and less turnover.

"The launch of LPVoice reflects our belief that improvement starts with listening," said Kim Grey, Vice President of Talent Management. "This survey is a shared commitment. The company is dedicated to acting on employee feedback to create meaningful change while employees are equally committed to telling us what matters most. Through this two-way dialogue, we can build a stronger culture and a better workplace."

Engagement Throughout L&P

To generate as much participation as possible, our branches worldwide encouraged participation through communication and team meetings. Employees accessed LPVoice through email or QR codes placed on posters within our facilities. Employees without digital access could take the survey at payroll kiosks, and we mailed paper responses to branches globally. We kept all responses confidential to encourage open and honest feedback and shared results only in total.



L&P Work Furniture – Monterrey in Nuevo Leon, Mexico, displayed informational posters encouraging employees to participate in LPVoice.

Managers also distributed LPVoice stickers to promote social awareness of the survey and spark conversations, motivating others to participate. "We made sure to wear our stickers – it was important to show that we are encouraging the team to share their voices," said Kiki Hegerfeld, Human Resources Manager at Lakeshore Schukra of North America. "It really had an impact, and we heard from many team members that they loved that management supported the survey and did not try to stop anyone with strong opinions."





Employees who participated in LPVoice at Lakeshore Schukra of North America in Ontario, Canada, proudly display their stickers.

The Path Forward

So, what happens with the survey results? Our Human Resources team will be collaborating with senior leaders to develop action plans based on the themes that emerge from employee responses. In early 2025, senior leaders will share these action plans with all employees. And this is just the beginning – LPVoice will continue to be a tool to gauge the employee experience and improve on what matters most to our people.

According to Rachel Gonchar, Employee Engagement Manager, measuring employee engagement over time is crucial. "This will allow us to identify areas of success and opportunities for growth, provide data for evidence-backed people initiatives, and foster a culture of trust and open communication."

In the meantime, the HR team will create different ways to measure the employee experience, including a short "pulse" survey to gauge the effectiveness of initiatives and implement feedback throughout onboarding, performance management, and exit interviews.

Overall, we know that a thriving, engaged workforce is essential to our success. By listening to every voice and collaborating across all levels, we're reinforcing our commitment to work together for the good of everyone. This shared effort ensures that we continue to build a company where everyone feels empowered, valued, and motivated to contribute their best.

The Evolving World of Supply Chain Management

Doing great work together involves collaborating as a team, but it also often requires teams to embrace challenges with urgency and agility. Perhaps no one understands this more than the team behind Leggett & Platt's Global Supply Chain, who have continually responded to an evolving and dynamic landscape over the past few years.

Generally, our global supply chain refers to the processes required to convert raw materials into usable goods for consumption. L&P and our customers depend on the team to get raw materials, components, and finished goods where they need to be, when they need to be there, and at the best possible price.

Partnering with Our Businesses

"Supply chain is a challenging but rewarding industry, and it is critical to moving our business forward," says Jay Witherspoon, Senior Vice President of Business Support Services. "As part of Business Support Services, we've worked hard to align our objectives with our businesses and also improve the level of service we provide. This has generated better collaboration and feedback from our businesses."

To stay connected, the team meets quarterly with business leaders to discuss supply chain trends and strategy and also holds more frequent touchpoints on specific projects and business needs. To help keep business leaders aware of conditions impacting the global supply chain, the team distributes ongoing communications and alerts about transportation or supply chain market events.

Other ways our business leaders have been involved with supply chain include working with the Sustainability team in support of environmental, social, and governance (ESG) initiatives and officially registering L&P Transportation as a SmartWay Carrier Partner with the Environmental Protection Agency.



Generating Results, Despite Challenges

The COVID-19 pandemic was a major disruptor to the global supply chain. Since then, ongoing global events such as ocean freight obstacles, geopolitical disruptions, and labor strikes have continued to require constant communication and collaboration.

Still, the team has worked hard to remain flexible and agile in responding to the dynamics. "Despite all the disruptions experienced over the last few years," Jay continues, "I'm proud of how the team has exhibited our company values and supported our customers and businesses."



As a few examples, over the past year, the sourcing team has visited over 300 suppliers to ensure our vendors are providing excellent service to our business units. The corporate procurement team partnered with the Environmental, Health, and Safety team to ensure automated external defibrillators (AEDs) are onsite at each of our facilities, making the workplace safer for our employees. The trade compliance team has helped support our businesses in navigating tariff issues with honesty and integrity.

The team has also worked within freight and procurement to explore cost savings opportunities within the supply chain. Over the last two years, the team has found ways to consolidate its supplier base, leverage economies of scale, and simplify its processes and structure which has amounted to nearly \$40 million in cost savings for our company.

Looking ahead, the team is committed to driving measurable success across the organization through positive influence, innovation, and continuous improvement.



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Planning for the Future:

Leadership Transitions at L&P

As Leggett & Platt looks toward the future, leadership development and planning for succession are vital to our business continuity and future growth. Developing talented individuals within the company ensures we are well-prepared for new challenges and continued success. Our commitment to fostering great leaders is evident in recent examples of succession planning within Home Furniture and Hanes.

Earlier this year, we announced a transition in Home Furniture's leadership. With Sam Smith's promotion to Executive Vice President and President of the Furniture, Flooring & Textile Products segment, Brooks Hamilton was promoted to President of Home Furniture. Having recently stepped into his new role, Brooks looks forward to fostering growth opportunities within the business and supporting the global Home Furniture team in reaching their full potential.



Jerry Greene

Similarly, within the Hanes organization, Zach Cox was identified as Jerry Greene's successor as President of Hanes Companies. After a long and successful career at Hanes, Jerry announced his plans to retire at the end of the year. As Zach transitions into his new leadership role, he is excited to explore business growth and help maximize development opportunities for the Hanes team.

Though there are many other examples across the company, these transitions in leadership highlight the positive outcomes when we work together, foster a culture of collaboration, and continue to position Leggett & Platt for a bright future.

Thank You and Farewell, Christina

Another leadership transition will occur at the end of the year as we wish Christina Ptasinski a happy retirement. Shortly after joining L&P as Chief Human Resources Officer, Christina penned the opening letter for InVision. The theme around our people resonated as a guiding philosophy for her work, and she signed the letter by telling employees, "You matter; you are our greatest strength."

Throughout her time with L&P, Christina has embodied this philosophy, creating a legacy of collaboration and positive change. We spoke with Christina about her impactful journey at L&P.

What are your proudest accomplishments at L&P?

I am most proud of the ways we've been able to positively impact our organization. From enhancing global connectivity among employees through initiatives like our human capital management system, LPCORE, and the Human Resources Business Partner (HRBP) model, to advancing inclusion, diversity, and equity efforts and guiding significant organizational changes – each has been gratifying. It has been a pleasure to contribute to these initiatives, an experience I will always treasure.

What are you looking forward to in retirement?

It's hard to envision retirement after working hard since I was 14 years old. However, I am an extreme planner and have a few ideas in mind. I plan to work with the International Red Cross on global disaster efforts, improve my Spanish and piano skills, commit to daily workouts and running, and travel. I have trips to Scotland and Malta already planned. And because I truly love HR, I'll continue working in the field, helping with startups, turnarounds, and other exciting projects.



Christina on a recent vacation.

What has been most meaningful about your time here?

It has been a true privilege working at Leggett & Platt. I joined during the middle of COVID-19, a time of tremendous change, which added to the challenges and opportunities. It is always the people that will stand out as most meaningful. I will forever be humbled and grateful to work with such tremendous people throughout the globe, with a particular shout-out to the best HR team. I have been honored to work with you all.

Christina, thank you for your leadership and positive impact on our organization. We wish you continued success in your retirement!