



COMPANY UPDATE

March 2024

LEG (NYSE)
www.leggett.com



FORWARD-LOOKING STATEMENTS

Statements in this presentation that are not historical in nature are “forward-looking” such as restructuring plan impacts, including higher output manufacturing locations, aligning capacity with future market demand, a more efficient, regional distribution network, a reduction of facilities from 50 to 35, amount and timing of annual EBIT benefit, amount of annual sales reduction, amount and timing of cash from real estate sales, per share impact from restructuring costs, per share gains from real estate sales, amount and timing of cash and non-cash restructuring and restructuring related costs, EPS, adjusted EPS, adjusted earnings, net earnings, EBIT, adjusted EBIT, adjusted EBIT margin, segment EBIT margins, adjusted EBITDA, adjusted EBITDA margin, sales, volume for Company and per segment, raw material-related price decreases, currency impacts, acquisition and divestitures impacts, depreciation and amortization, impairments, working capital, net operating profit after tax, total debt, operating lease liabilities, equity, cash and equivalents, average invested capital, return on invested capital, tax rate, diluted shares outstanding, operating cash, uses of cash, capital expenditures, amount of dividends, and share repurchases. Such forward-looking statements are expressly qualified by the cautionary statements described in this provision and reflect only the current beliefs and expectations of Leggett at the time the statement is made. Because 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 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. Some of these risks and uncertainties include: the preliminary nature of estimates related to the Restructuring Plan, and possibility that estimates may change as the Company’s analysis develops; our ability to timely implement the Restructuring Plan to positively impact our financial condition and results of operation; our ability to timely dispose of real estate pursuant to the Restructuring Plan and obtain expected proceeds; impact of the Restructuring Plan on the Company’s employees’, customers’ and vendors’ relationships; inability to achieve expected benefits of the Restructuring Plan; adverse impact caused by: global inflationary and deflationary impacts; macroeconomic impacts; demand for our products and our customers’ products; growth rates in industries in which we participate and opportunities in those industries; our manufacturing facilities’ ability to obtain necessary raw materials and parts, maintain appropriate labor levels and ship finished products to customers; impairment of goodwill and long-lived assets; restructuring and restructuring-related costs in addition to the Restructuring Plan; our ability to access the commercial paper market or borrow under our credit facility, including compliance with restrictive covenants; adverse impact from supply chain shortages and disruptions; our ability to manage working capital; increases or decreases in our capital needs; our ability to collect receivables; market conditions; price and product competition; cost and availability of raw materials due to supply chain disruptions or otherwise; labor and energy costs; cash generation or debt availability sufficient to pay a dividend, or a Board decision to reduce, suspend, or terminate the dividend; cash repatriation from foreign accounts; our ability to pass along raw material cost increases through increased selling prices; conflict between China and Taiwan; our ability to maintain profit margins if customers change the quantity or mix of our products; our ability to maintain and grow the profitability of acquired companies; political risks; changing tax rates; increased trade costs; risks related to operating in foreign countries; cybersecurity incidents; customer bankruptcies, losses and insolvencies; disruption to our steel rod mill, other operations and supply chains because of severe weather-related events, natural disaster, fire, explosion, terrorism, pandemic, governmental action, or otherwise; ability to develop innovative products; foreign currency fluctuation; amount of share repurchases; imposition or continuation of anti-dumping duties on innersprings, steel wire rod and mattresses; data privacy; climate change compliance costs and regulatory, market, technological and reputational impacts; our ESG obligations; litigation risks; and risk factors in the “Forward-Looking Statements” and “Risk Factors” sections in Leggett’s most recent Form 10-K filed with the SEC.

Market and Industry Data

Unless we indicate otherwise, we base the information concerning our markets/industry contained herein on our general knowledge of and expectations concerning those markets/industry, on data from various industry analyses, on our internal research, and on adjustments and assumptions that we believe to be reasonable. However, we have not independently verified data from market/industry analyses and cannot guarantee their accuracy or completeness.

LEGGETT AT A GLANCE

A DIVERSIFIED MANUFACTURER THAT DESIGNS AND PRODUCES A BROAD VARIETY OF ENGINEERED COMPONENTS AND PRODUCTS

Strong market positions with **broad** customer base



- Few large competitors
- Large addressable markets

Solid operating cash flow



- Long history of strong cash generation to support investment in our business and shareholder returns

Healthy balance sheet



- Priority on investment grade credit rating

Engaged management team



- Deep company knowledge and understanding of our diverse portfolio of businesses
- Commitment to sustainability through our people, our products, and our processes

3

HIGHLY ENGAGED MANAGEMENT TEAM



Mitch Dolloff
President and CEO



Ben Burns
EVP and CFO



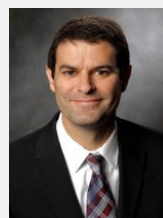
Christina Ptasinski
EVP and Chief Human Resources Officer



Jennifer Davis
EVP and General Counsel



Ryan Kleiboeker
EVP and Chief Strategic Planning Officer



Tyson Hagale
EVP and President – Bedding Products

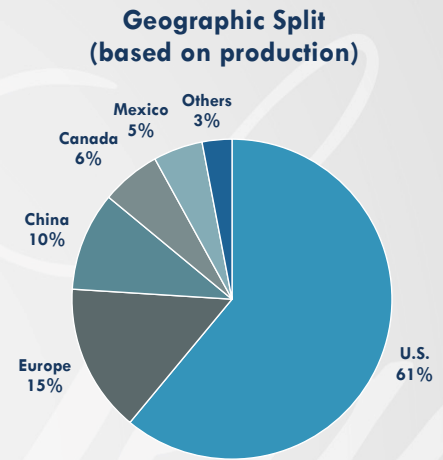
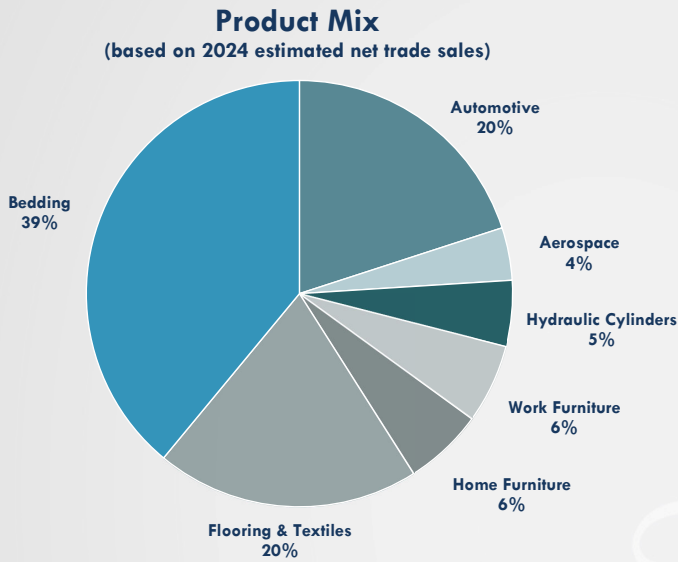


Sam Smith
SVP and President – Furniture, Flooring & Textile Products¹

¹ Effective April 2, 2024

4

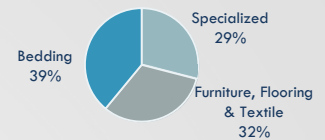
DIVERSE PORTFOLIO



5

SEGMENTS

% of 2024e net trade sales



Bedding Products

- Mattress springs
- Private label finished mattresses, mattress toppers, pillows
- Specialty bedding foams
- Foundations
- Adjustable beds
- Drawn steel wire
- Steel rod
- Quilting & sewing machinery for bedding mfg.



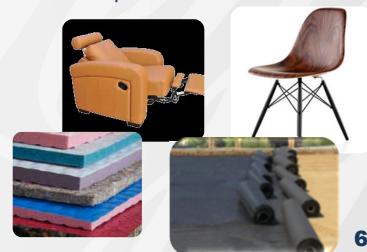
Specialized Products

- Automotive**
- Auto seat support & lumbar systems
 - Motors, actuators & cables
- Aerospace**
- Tubing
 - Tube assemblies
 - Flexible joints
- Hydraulic Cylinders**
- Hydraulic cylinders primarily for material handling, transportation & heavy construction equipment



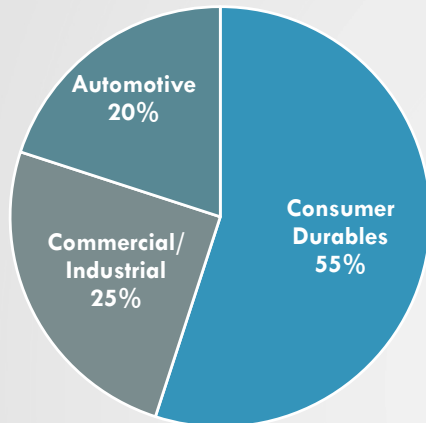
Furniture, Flooring & Textile Products

- Home Furniture**
- Recliner mechanisms
 - Seating and sofa sleeper components
- Work Furniture**
- Chair controls, bases, frames
 - Private label finished seating
- Flooring Products**
- Carpet cushion
 - Hard surface flooring underlayment
- Textiles Products**
- Textile converting
 - Geo components



6

MACRO MARKET EXPOSURE



Key Economic Indicators

- **Total housing turnover**
 - Combination of new and existing home sales
- **Consumer confidence**
 - “Large ticket” purchases are deferrable
- **Consumer discretionary spending**
- **Interest rate levels**
- **Employment levels**

7

2023 OVERVIEW

Sales

\$4.7B

Adj. ¹ EBIT

\$334M

Adj. EBIT margin

7.1%

Adj. ¹ EBITDA

\$513M

Adj. EBITDA margin

10.9%

Adj. ¹ EPS

\$1.39

Cash from operations

\$497M

¹ Adjusted to exclude \$444m (\$2.50/share) intangible impairment, \$11m (\$.06/share) gain on sales of real estate, and \$9m (\$.05/share) gain on net insurance proceeds

8

2024 GUIDANCE

(ISSUED 2/8/24 AND NOT UPDATED SINCE)

- Sales: \$4.35–\$4.65 billion; down 2% to down 8% versus 2023
 - Volume is expected to be down low to mid-single digits
 - Volume at the mid-point:
 - Down high single digits in Bedding Products Segment
 - Up low single digits in Specialized Products Segment
 - Down low single digits in Furniture, Flooring & Textile Products Segment
 - Raw material-related price decreases and currency impact combined expected to reduce sales low single digits
- Adjusted¹ EPS: \$1.05–\$1.35
 - Adjusted to exclude \$.20–\$.25 per share negative impact from restructuring costs
 - Adjusted to exclude \$.10–\$.15 per share gain from sales of real estate, consisting of idle real estate and real estate exited from restructuring initiatives
- Implied adjusted EBIT margin of 6.4%–7.2%
- Operating cash \$325–\$375 million

¹ See slide 46 for non-GAAP reconciliations

FOCUS ON FINANCIAL STRENGTH & PERFORMANCE



Driving strong cash management and maintaining investment grade credit rating



Improving profitability through focus on operational excellence and innovation



Capitalizing on growth in attractive end markets with new product opportunities and solutions

Our actions will allow us to navigate the challenging near-term environment and position us for long-term success.

CASH FLOW & BALANCE SHEET STRENGTH

Cash Flow

- Long history of **strong cash generation**
- **Resilient cash flow** in economic downturns
- Focus on **managing working capital**
- Exceeded capital expenditures + dividends in 34 of last 35 years

Debt and Liquidity

- **Maintaining priority on investment grade** credit rating
- **\$1.2 billion revolving credit facility** in place
- Expect to use commercial paper program to repay \$300 million of 3.8%, 10-year notes maturing in November

11

RESTRUCTURING PLAN

ANNOUNCED JANUARY 16, 2024

- Implementing a Restructuring Plan to **improve profitability** and better align with the markets we serve

- Key initiatives **primarily related to the Bedding Products segment**
 - Continuing to reshape product and commercial strategy
 - Optimizing manufacturing and distribution footprint

- Smaller actions within the Furniture, Flooring & Textile Products segment
 - Aligning capacity with regional demand
 - Driving operating efficiencies

12

BEDDING PRODUCTS INITIATIVES

RESTRUCTURING PLAN

- FOOTPRINT:**
- ✓ Higher output manufacturing locations with sufficient capacity to meet customer needs
 - ✓ Aligning capacity with anticipated future market demand
 - ✓ More efficient, regional distribution network
 - ✓ From 50 to ~30–35 facilities
- PRODUCTS:**
- ✓ Innovative, higher-value content and additional product solutions
 - ✓ Components to private label finished goods
 - ✓ Leveraging specialty foam and innerspring technologies



- ✓ Enabling profitable growth via expanded product capabilities, increased content
- ✓ Reducing costs
- ✓ Creating value for customers and shareholders

13

EXPECTED FINANCIAL IMPACT

RESTRUCTURING PLAN



- EBIT benefit driven by optimized Bedding footprint
 - Expect to begin realizing in the second half of 2024
 - Expect to see full benefit on an annualized run-rate basis by late 2025
- Sales reduction primarily related to geographic changes within Bedding
- Real estate sales of property associated with initiatives expected to be substantially complete by the end of 2025
 - Proceeds expected to primarily be used for debt reduction

14

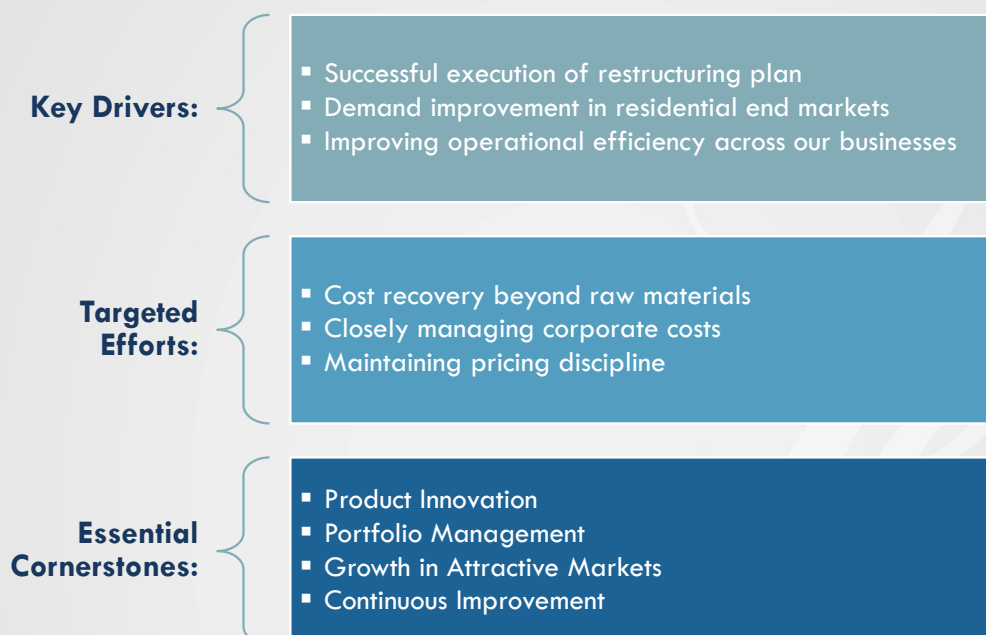
EXPECTED RESTRUCTURING COSTS

RESTRUCTURING PLAN

	<u>2024</u>	<u>2025</u>	<u>Total</u>
Cash Costs	\$25–\$30	\$5–\$10	\$30–\$40
Non-Cash Costs	15–20	20–25	35–45
Total Costs	\$40–\$50	\$25–\$35	\$65–\$85

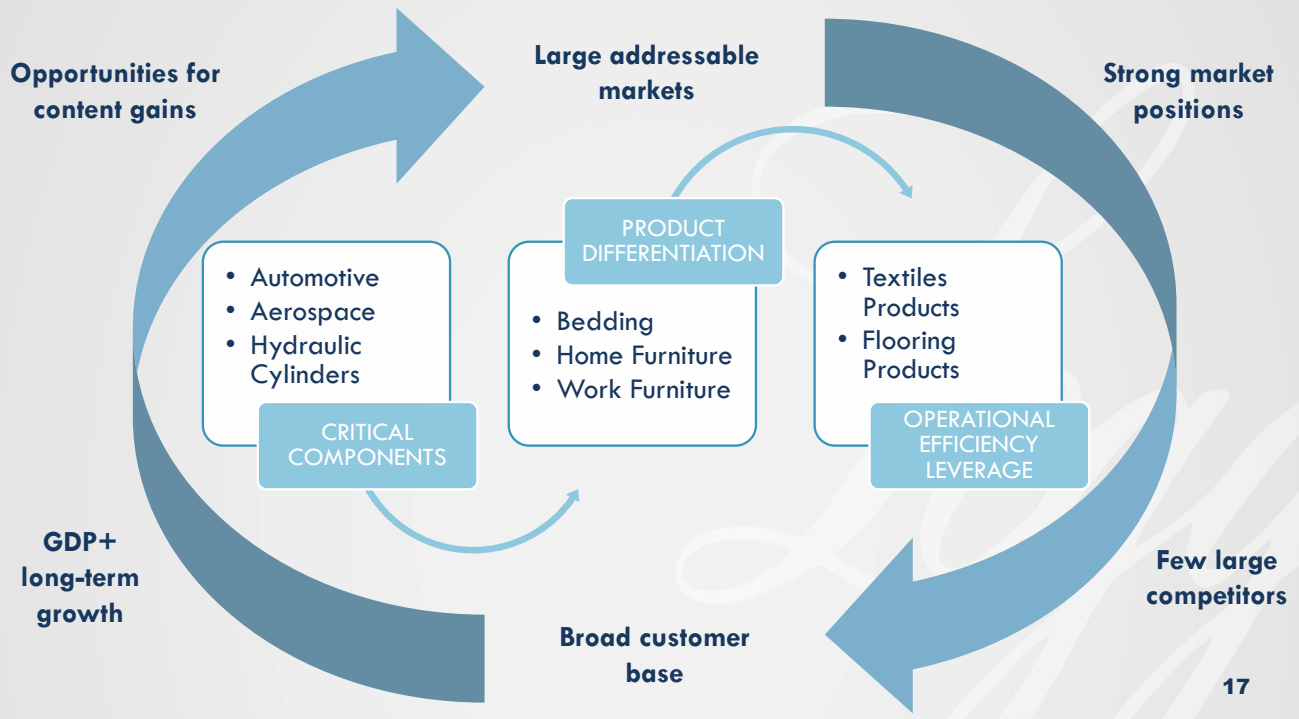
- Majority of cash costs anticipated to be incurred in 2024
- Expect \$20–\$25 million of restructuring and restructuring-related costs in first half of 2024
 - Approximately half in cash costs

SOURCES OF IMPROVED PROFITABILITY



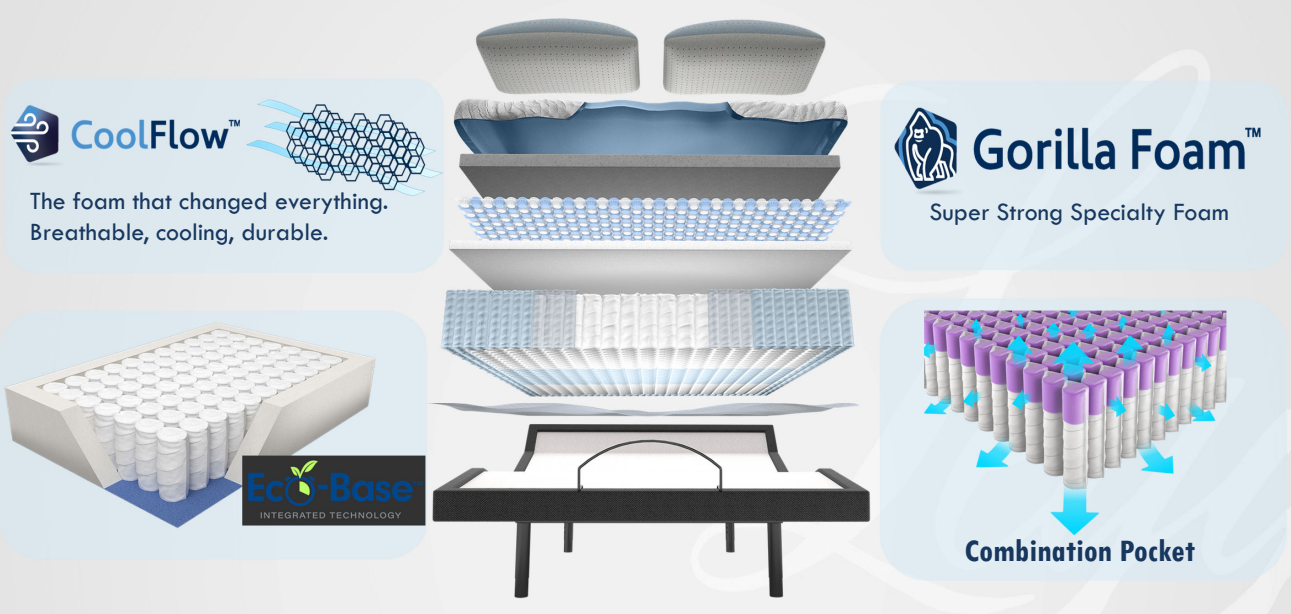
ATTRACTIVE END MARKETS

COMMON THEMES ACROSS OUR BUSINESS STRATEGIES



BEDDING INNOVATION

THE MARKET LEADER IN SPECIALTY FOAM & INNERSPRING TECHNOLOGIES



AUTOMOTIVE INNOVATION

COMFORT & CONVENIENCE CONTINUE TO GROW

Comfort And Wellness For All Market Segments

Mid-Class Luxury Massage



Harmonic Massage

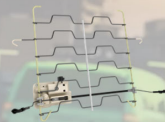


Advanced/Vibration Massage

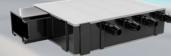


Modularity And Lightweight For Sustainability

CP5 Lumbar Support



Modular SMA Valve



Powered Actuation For Convenience

BLDC Motors



Smart Latch Actuator



Power Liftgate Actuator



SUSTAINABILITY & GOVERNANCE FOCUS AREAS

Our People

- Committed to supporting our employees and ensuring the right resources and processes are in place for our teams to succeed

Business Ethics & Governance

- Strong governance, high ethical standards, board leadership and oversight, human rights, data privacy and cyber security, and reporting accountability are key priorities

The Environment

- Identifying ways to limit our environmental impact and taking steps toward emission-reduction activities

Innovative Products

- Focused on reducing the environmental impacts of our products across their lifecycles and improving chemical management in our businesses

Supply Chain Management

- Global supply base vetted through comprehensive supplier qualification, risk, and review processes



FOR ADDITIONAL INFORMATION

Ticker: LEG (NYSE)
Website: www.leggett.com
Email: invest@leggett.com
Phone: (417) 358-8131

Find our [Fact Book](#) and [Sustainability Report](#)
at www.leggett.com

Cassie Branscum Vice President, Investor Relations
Kolina Talbert Manager, Investor Relations



Slide intentionally blank

ADDITIONAL INFORMATION

COST STRUCTURE

- Costs are roughly 75% variable, 25% fixed
- Incremental/decremental volume
 - 25–35% contribution margin
- **Cost of Goods Sold composition (approximate):**

60% Materials

- Steel ~25% of RMs
- Chemicals ~15% of RMs
- Woven & nonwoven fabrics ~15% of RMs
- Foam scrap, fibers ~3% of RMs
- Metals (titanium, nickel, stainless, chrome bar), wood – each ~2% of RMs
- Others, including sub-assemblies, hardware, components, finished products purchased for resale, etc. ~40% of RMs

20% Labor

- Includes all burden and overhead

20% Other

- Depreciation, supplies – each ~3% of COGS
- Utilities, maintenance – each ~2% of COGS
- Shipping/transportation ~10% of COGS
- Also includes rent, insurance, property tax, etc.

COMMODITY IMPACT

Steel

- Main categories are scrap, rod, and flat-rolled
- Impact from inflation/deflation
 - Typically pass through; lag is ~90 days
- Change in metal margin (mkt price for rod – mkt price for scrap) also impacts earnings
 - Our scrap cost and rod pricing moves with the market; large swings could cause Bedding Products segment earnings volatility

Chemicals

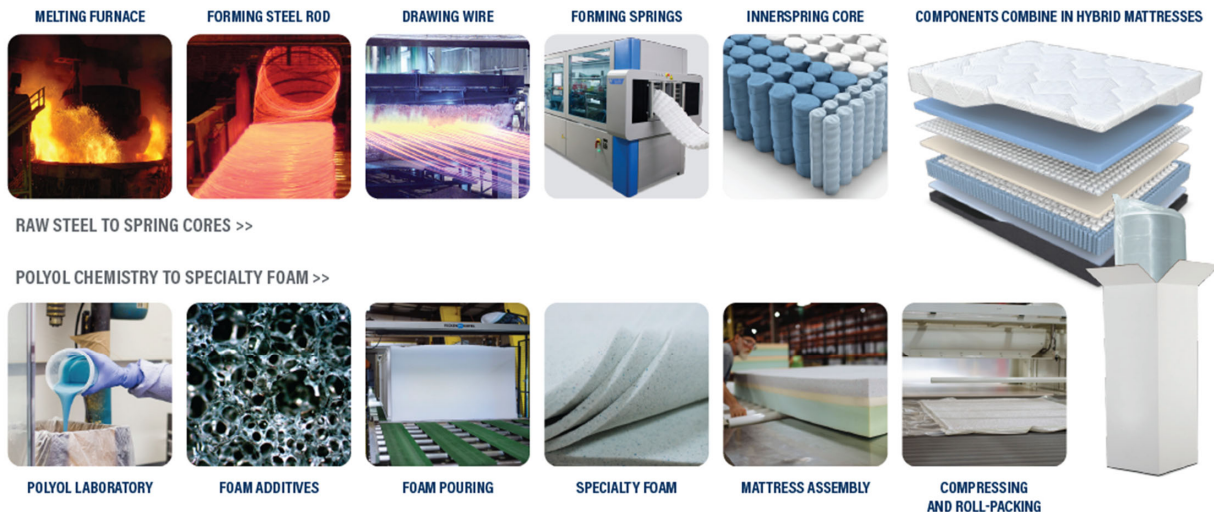
- Main types are TDI, MDI, and polyols
- Impact from inflation/deflation
 - Typically pass through; lag is ~30 days

BEDDING VALUE CHAIN

Our rod mill in Sterling, Illinois, has the capacity to melt approximately 550,000 tons of steel scrap. Billets are formed from the melted scrap and can then be used to make around 500,000 tons of steel rod.

The majority of the rod goes to our two domestic wire mills to be drawn into various gauges of wire, while most of the wire goes to our spring-making plants to be coiled into innersprings on wire-forming machines manufactured by our Spühl facility in Switzerland.

Our innersprings are sold to most U.S. bedding manufacturers and used in private label finished hybrid compressed mattresses produced in our facilities across the country.



RAW STEEL TO SPRING CORES >>

POLYOL CHEMISTRY TO SPECIALTY FOAM >>

Polyols and foam additives that improve durability, increase airflow, and decrease odor are developed at Peterson Chemical Technology.

Specialty foam is produced at our pouring and fabrication facilities and either used in private label fully finished products such as compressed mattresses, mattress toppers and pillows, or sold to bedding and furniture manufacturers.

CUSTOMERS

In North America:

Adient	Haworth	Magna	Sleep Number
Ashley Furniture	HNI	Mattress Firm	Steelcase
Berkshire Hathaway	Home Depot	MCF	Stellantis
Best Home Furnishings	JLG (Oshkosh)	MillerKnoll	Tempur Sealy
Eaton	La-Z-Boy	Purple	Toyota Industrial Equip
Ford	Lear	Resident Home	Walmart
GE Aviation	Lincoln Electric	Rooms to Go	
General Motors	Lowe's	Serta Simmons	

In Europe and Asia:

Bensons	Hay	Natuzzi	Sleepeezee
Dreams	Hilding Anders	Nissan	Toyota
Emma	Honda	Recticel	Volkswagen
Forvia	Hyundai	Sanyo	Volvo Construction Equip
Fritz Hansen	Kuka	Silentnight Beds	

Diverse Customer Base – Low Concentration

ACQUISITION STRATEGY

Strong Strategic Fit

- Growth in attractive markets
- Sustainable competitive advantage
- Enhance current capabilities or product offerings
- Meaningful synergies
- Low risk of disruption

Disciplined Financial Screen

- Solid, above-market growth opportunities
- Accretive to GAAP EPS and cash flow within one year of acquisition
- Returns well above WACC

Cultural Alignment

- Ethics and integrity
- Safety prioritization
- Strong, committed leadership team
- Customer focus
- Continuous improvement

Acquisitions are most often bolt-on to existing businesses but could also include opportunities in new markets that leverage our key competencies.

SUSTAINABILITY

OUR COMMITMENT TO ENHANCING LIVES



**Investing in
our People to Attract
and Retain a Diverse
Pool of Talent for
Long-Term
Success**



**Innovative Products
Deliver Positive
Sustainability Impact
for our Customers**



**Focus on Resource
Efficiency, Waste
Reduction, and
Renewables Protects
Environment and
Reduces Costs**

Enhancing Lives through our People, our Products, and our Processes



INVESTING IN OUR PEOPLE TO ATTRACT AND RETAIN A DIVERSE POOL OF TALENT FOR LONG-TERM SUCCESS

- ID&E strategy and initiatives designed to foster an inclusive and diverse culture that aligns with our values and priorities
 - People First learning program promotes more creative, connected, and collaborative teams
 - People First Champion Network facilitates conversations around our values and inclusive leadership habits
 - Women’s Employee Resource Group fosters personal and professional development, raises the visibility of women, and broadens their support network
- Leggett Learning and Leadership provides online tools and resources for employee growth and career development
- Leadership Essentials Experience are virtual, instructor-led courses focusing on creating an environment where employees can realize their aspiration to grow

CEO Action Pledge for Diversity & Inclusion

- 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



INNOVATIVE PRODUCTS DELIVER POSITIVE SUSTAINABILITY IMPACT FOR OUR CUSTOMERS

Lightweight automotive components help to reduce overall vehicle weight, improve fuel efficiency, and reduce noise



- Product design innovation has led to the reduction of raw materials and weight, contributing to vehicles that are lighter and more fuel efficient
- Evolution in product design has resulted in the use of ferrite magnets instead of rare earth magnets, helping reduce the use of rare earth minerals

Our newer bedding products reduce mattress weight and use less petro-chemicals



- Every 100 queen mattresses constructed with Quantum Edge® and Caliber Edge™ conserves 40 gallons of petro-chemical contents*
- Quantum Edge® and Caliber Edge™ with Eco-Base integrate a fabric scrim that is up to 80% lighter and contains 80% fewer petro-chemicals than the base poly foam** it is replacing

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
- Bonded/Bonded Plus carpet cushions consist of 100% recycled foam
- Rubber XD/Rubber Plus carpet cushions contain no less than 20% pre-consumer recycled material
- Fiber carpet cushion is composed of a high percentage of industry-derived recycled fibers

Our geotextile products, such as erosion-control blankets and silt fencing, address the challenges of land at risk of natural or man-made erosion



- Using a geogrid or geotextile fabrics for subgrade stabilization significantly lowers the amount of energy expended from extracting the rock and delivering it for our customers, which reduces their carbon footprint

* Compared to 3-inch/1.5-lb commodity poly foam encasement

** Compared to 1-inch/1.8-lb commodity poly base foam



FOCUS ON RESOURCE EFFICIENCY, WASTE REDUCTION, AND RENEWABLES PROTECTS ENVIRONMENT AND REDUCES COSTS

Steel

- In 2022, 92% of the steel rod we produced is from steel scrap, of which the majority is post-consumer
- Dust created from our rod mill's electric arc furnace is redirected from landfill disposal to processing in a kiln where zinc and heavy metals are recovered. ~1,600 tons of zinc was reclaimed, and the remaining kiln byproduct is used by the cement industry as a raw material, thereby eliminating a hazardous waste that previously required disposal.

Wood

- In 2022, our U.S. Spring business's spend with Forest Stewardship Council® (FSC®)-certified sources increased by approximately 4% to 76%
- We are increasing the use of FSC®-certified wood products in our Work Furniture business

Chemicals

- Specialty foam products meet the highest standards for chemical safety with CertiPUR-US® certification
- Our Specialty Foam and Flooring Products businesses have developed capabilities to replace petro-chemicals by processing specific renewable raw materials, such as soy and castor, into foam formulations

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 420 tons 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

- Lighting improvement projects avoided 1,100 metric tons of CO₂ equivalents and 2.8 million kWh saved annually
- Right-sizing our light-duty private passenger fleet in 2022 will result in an annual average reduction of 55,000 gallons of gasoline or ~486 metric tons of carbon dioxide-equivalent emissions

33

CORPORATE GOVERNANCE

Board Independence

- Lead Independent Director with significant responsibilities
- Independent Board (9 of 11 directors are independent)
- All Board committees are composed of independent directors
- Independent directors conduct regular executive sessions called by the Lead Independent Director

Board Practices

- Annual Board and committee assessments
- Risk oversight and strategic planning by full Board and committees
- Independent director service limited to three additional Boards
- Longstanding internal succession planning efforts which led to seamless CEO transition from Karl Glassman to Mitch Dolloff in January 2022

Board Accountability

- Annual election of all directors
- Majority vote standard to elect directors
- Proxy access right for shareholders
- Shareholders can call special meetings
- Positive annual say-on-pay vote
- Board reviews evolving shareholder feedback


Compensation / Ownership

- Robust stock ownership guidelines for all Directors and Executive Officers
- Clawback policy in place
- Maintain restrictions on hedging and pledging shares of our stock
- Double trigger equity vesting provisions in place for change in control
- No repricing of options or cash buyouts
- No tax gross-ups

BOARD OF DIRECTORS



- 5 new independent directors since 2018
- 33% of independent directors are women
- 4 directors identify as racial / ethnic minorities
- 33% of governing committees chaired by women

<p>Angela Barbee ✎ ◆</p> <p>Former SVP – Technology and Global R&D at Weber Director since: 2022</p>  <p>Knowledge of manufacturing, engineering, management, and operations in the consumer and automotive industries</p>	<p>Mark A. Blinn ✎ ◆</p> <p>Retired President & CEO at Flowserve Director since: 2019</p>  <p>Leadership experience in operations and finance, as well as strategic planning and risk management; Public company Board experience</p>	<p>Robert E. Brunner ◆ ✎ ✧</p> <p>Lead Independent Director, Retired Executive VP at Illinois Tool Works Director since: 2009</p>  <p>Experience at ITW provides insight on automotive strategy, business development, M&A, operations, and international issues</p>	<p>Mary Campbell ✎ ✧</p> <p>Retired President – vCommerce Ventures at Qurate Retail Director since: 2019</p>  <p>Knowledge in consumer driven product innovation, marketing and brand building, and traditional and media platforms</p>
<p>J. Mitchell Dolloff</p> <p>President & CEO Director since: 2020</p>  <p>Provides insight from strategic planning to implementation, as well as relationships with investors, financial community and other key stakeholders</p>	<p>Manuel A. Fernandez ◆ ✎ ✧</p> <p>Managing Director at SI Ventures Director since: 2014</p>  <p>CEO experience and public board experience offers insight into corporate strategy and development, IT and international growth</p>	<p>Karl G. Glassman</p> <p>Chairman Director since: 2002</p>  <p>Previous CEO; brings knowledge of the Company's operations, strategy and governance, as well as its customers and end markets</p>	<p>Joseph W. McClanathan ◆ ✎ ✧</p> <p>Retired President & CEO, Household Products Division at Energizer Director since: 2005</p>  <p>Brings perspective to the Board on manufacturing operations, marketing and development of international capabilities</p>
<p>Srikanth Padmanabhan ✎ ✧</p> <p>VP & President – Engine Business Segment at Cummins Director since: 2018</p>  <p>Knowledge of automotive and industrial industries; Experience in operations and innovation at a multi-billion-dollar business</p>	<p>Jai Shah ✎ ◆</p> <p>Group President at Masco Director since: 2019</p>  <p>Perspective on issues such as growth strategy development and implementation, talent management, and adapting to market innovations</p>	<p>Phoebe A. Wood ✎ ✧</p> <p>Retired Vice Chair & CFO at Brown-Forman Director since: 2005</p>  <p>Understanding of the strategic, financial and accounting issues the Board addresses in its oversight role</p>	

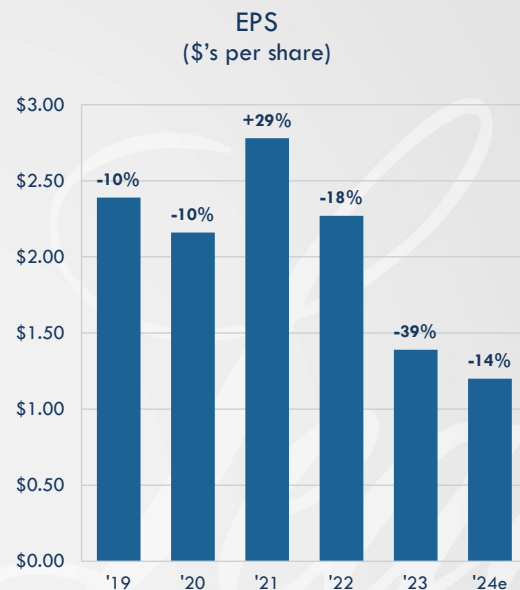
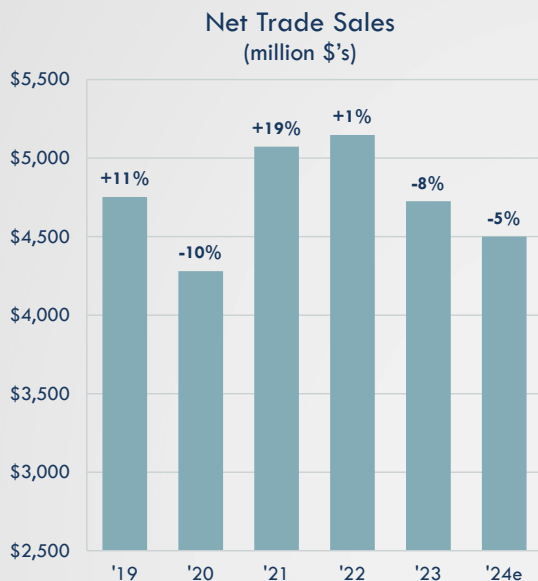
Committees: ✎ Audit ◆ Human Resources & Compensation ✧ Nominating, Governance & Sustainability



Slide intentionally blank

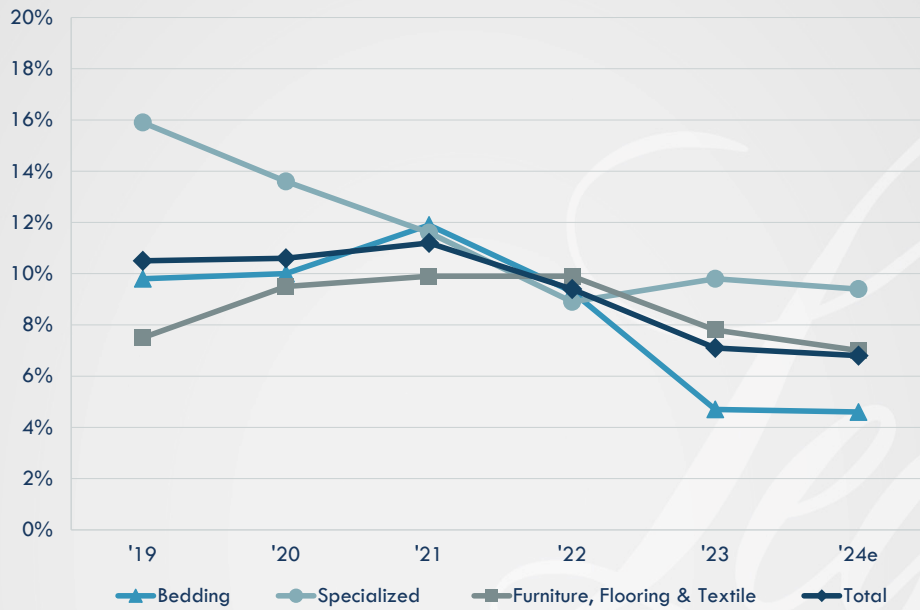
FINANCIAL INFORMATION

SALES AND EPS



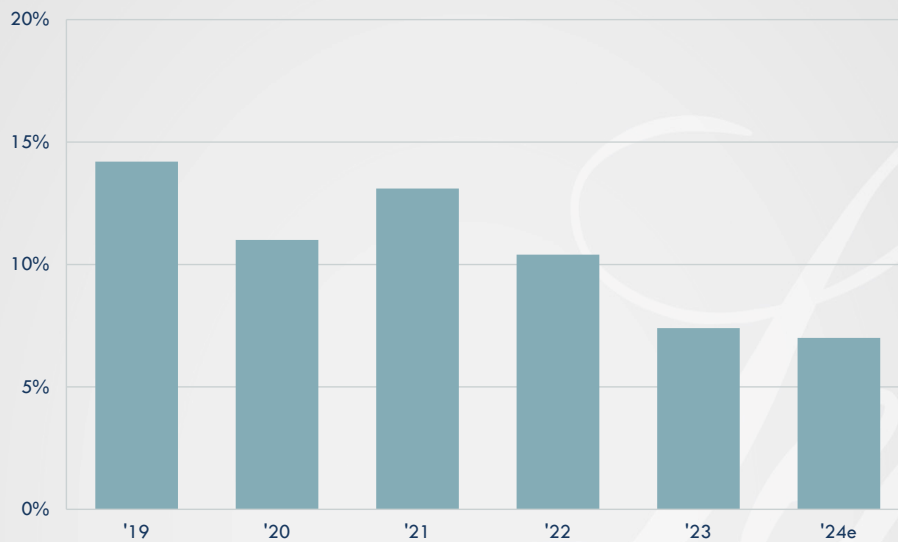
- Amounts are from continuing operations and exclude unusual items. See appendix for non-GAAP reconciliations.
- 2019–2020 financial data has been adjusted to apply the effects of the change from LIFO to FIFO
- 2024 estimates are based on mid-point of guidance

SEGMENT EBIT MARGINS



- Amounts exclude unusual items. See appendix for non-GAAP reconciliations.
- 2019–2020 financial data has been adjusted to apply the effects of the change from LIFO to FIFO
- 2024 estimates are based on mid-point of guidance

RETURN ON INVESTED CAPITAL

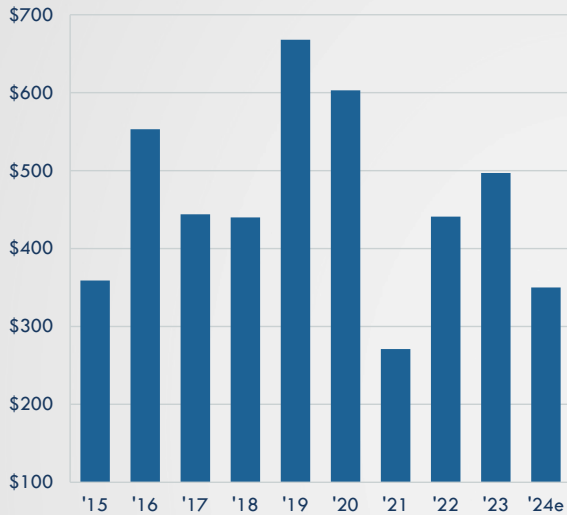


- See appendix for return calculation
- 2019–2020 financial data has been adjusted to apply the effects of the change from LIFO to FIFO
- 2024 estimates are based on mid-point of guidance

STRONG CASH FLOW GENERATION

TO SUPPORT INVESTMENT IN OUR BUSINESS AND SHAREHOLDER RETURNS

Cash from Operations
(million \$'s)



2024 estimates are based on mid-point of guidance

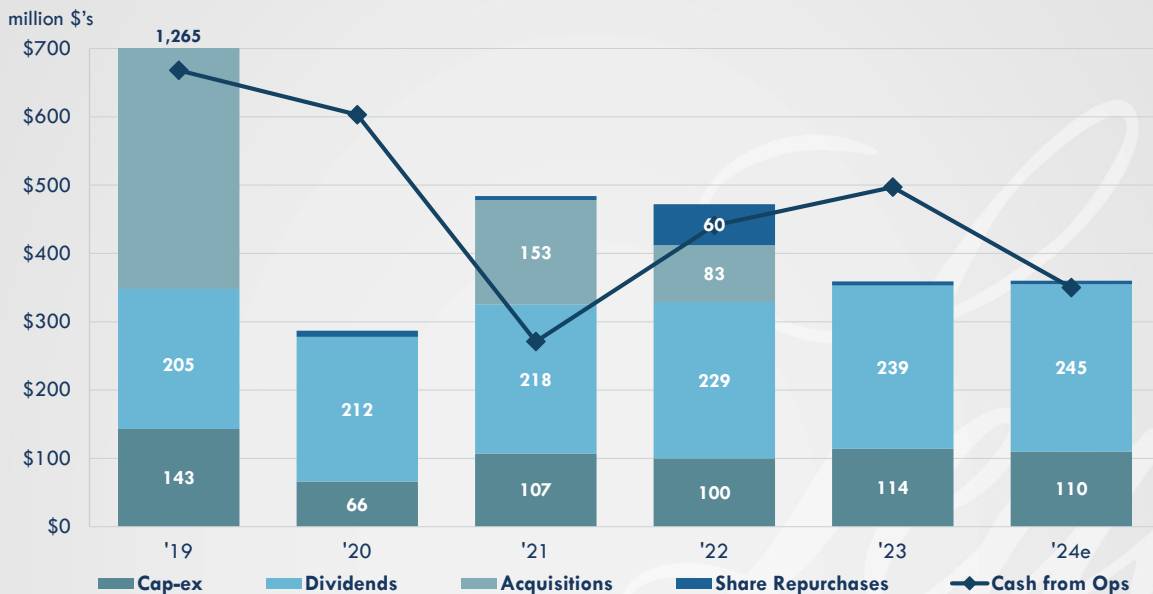
Investing in our Business

- Organic growth, margin improvement, and innovation
- Strategic acquisitions, mostly bolt-on

Returning Cash to Shareholders

- Dividends
- Share buybacks

USES OF CASH FLOW



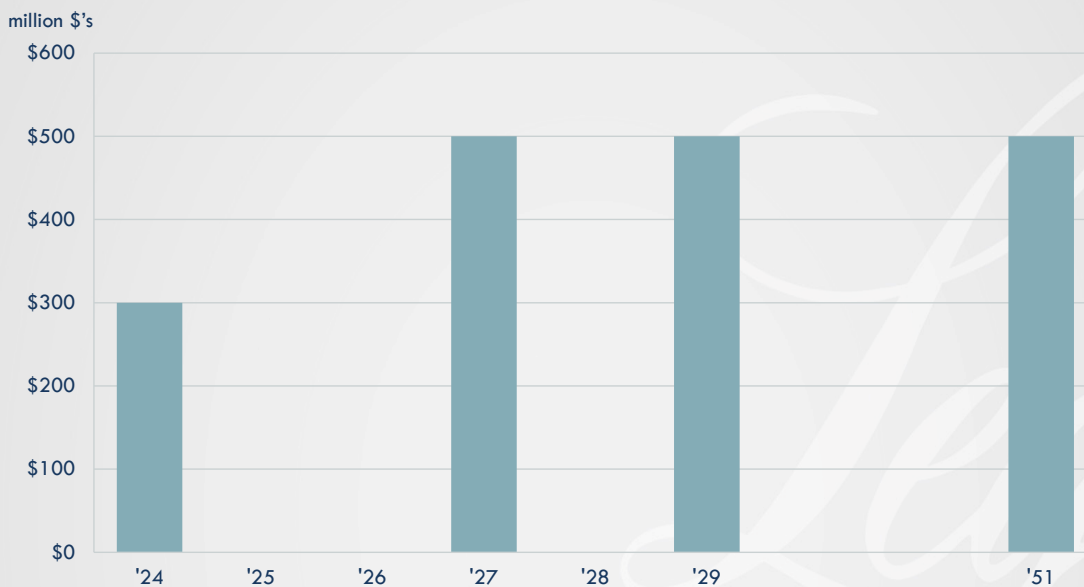
CASH FLOW DETAILS

\$'s in millions	2019 ¹	2020 ¹	2021	2022	2023	2024e ²
Net Earnings	314	253	403	310	(137)	150
Deprec & Amort	192	189	187	180	180	135
Def Income Taxes	1	(21)	(9)	(16)	(129)	—
Impairments	8	29	—	—	444	—
Working Capital	101	80	(338)	(78)	116	35
Other Non-Cash	52	73	28	45	23	30
Cash from Operations	668	603	271	441	497	350
Uses of Cash						
Capital Expenditures	(143)	(66)	(107)	(100)	(114)	(110)
Dividends	(205)	(212)	(218)	(229)	(239)	(245)
Acquisitions	(1,265)	—	(153)	(83)	—	—
Share Repurchases	(7)	(9)	(6)	(60)	(6)	—

¹ Adjusted to apply the effects of the change from LIFO to FIFO

² 2024 estimates are based on mid-point of guidance

DEBT MATURITIES



▪ Weighted average rate: 3.8%; Weighted average maturity: 10.5 years; excludes commercial paper borrowings

APPENDIX NON-GAAP RECONCILIATIONS

NON-GAAP ADJUSTMENTS

(\$ millions, except EPS)	2019 ²	2020 ²	2021	2022	2023	2024 ^e
Non-GAAP Adjustments (\$'s)¹						
Impairment charges	—	25	—	—	444	—
Note impairment	—	8	—	—	—	—
Stock write-off from 2008 divestiture	—	4	—	—	—	—
Restructuring-related charges	10	8	—	—	—	45
ECS transaction costs	1	—	—	—	—	—
Gain from real estate sale	—	—	(28)	—	(11)	(25)
Gain from net insurance proceeds from tornado damage	—	—	—	—	(9)	—
Non-GAAP adjustments (pre-tax \$'s)	11	45	(28)	—	424	20
Income tax impact	(1)	(4)	7	—	(98)	(5)
Unusual tax items	—	—	—	—	—	—
Non-GAAP adjustments (after tax \$'s)	10	41	(21)	—	326	15
Diluted shares outstanding	135.4	135.9	136.7	136.5	136.3	138.0
EPS impact of non-GAAP adjustments	\$.07	\$.30	\$(-.16)	\$—	\$2.39	~\$.10

¹ Calculations impacted by rounding

² Adjusted for effects of change from LIFO to FIFO

RECONCILIATION OF ADJ EBIT, ADJ EBIT MARGIN, ADJ EBITDA, AND ADJ EBITDA MARGIN

(\$ millions, except EPS)	2019 ²	2020 ²	2021	2022	2023	2024e ³
Net trade sales	\$4,753	\$4,280	\$5,073	\$5,147	\$4,725	\$4,500
EBIT (continuing operations)	\$487	\$408	\$596	\$485	(\$90)	\$285
Non-GAAP adjustments, pre-tax ¹	11	45	(28)	—	424	20
Adjusted EBIT (cont. operations)	\$498	\$453	\$568	\$485	\$334	\$305
Adjusted EBIT margin	10.5%	10.6%	11.2%	9.4%	7.1%	6.8%
Adjusted EBIT (cont. operations)	\$498	\$453	\$568	\$485	\$334	\$305
Depreciation & amortization	192	189	187	180	180	135
Adjusted EBITDA (cont. operations)⁴	\$690	\$642	\$755	\$665	\$513	\$440
Adjusted EBITDA margin	14.5%	15.0%	14.9%	12.9%	10.9%	9.8%

¹ See slide 46 for adjustment details

² Adjusted for effects of change from LIFO to FIFO

³ 2024 estimates are based on mid-point of guidance

⁴ Calculations impacted by rounding

47

RECONCILIATION OF ADJ EARNINGS AND ADJ EPS

(\$ millions, except EPS)	2019 ²	2020 ²	2021	2022	2023	2024e ³
Earnings (continuing operations)	\$314	\$253	\$403	\$310	(\$137)	\$150
Non-GAAP adjustments, after tax ¹	10	41	(21)	—	326	15
Adjusted Earnings (cont. operations)	\$324	\$294	\$381	\$310	\$189	\$165
Diluted EPS (continuing operations)	\$2.32	\$1.86	\$2.94	\$2.27	(\$1.00)	\$1.10
EPS impact from non-GAAP adjs ¹	.07	.30	(.16)	—	2.39	.10
Adjusted EPS (cont. operations)	\$2.39	\$2.16	\$2.78	\$2.27	\$1.39	\$1.20

¹ See slide 46 for adjustment details

² Adjusted for effects of change from LIFO to FIFO

³ 2024 estimates are based on mid-point of guidance

48

CALCULATION OF RETURN ON INVESTED CAPITAL

	2019 ³	2020 ³	2021	2022	2023	2024e ⁴
Adjusted EBIT (cont. operations)¹	\$498	\$453	\$568	\$485	\$334	\$305
Tax rate	21.8%	21.2%	22.8%	23.2%	24.5%	25.0%
Net Operating Profit After Tax (NOPAT)²	389	357	438	372	252	229
Total debt (long-term + current)	\$2,118	\$1,900	\$2,090	\$2,084	\$1,988	\$1,900
Operating lease liabilities	161	165	198	203	208	200
Equity	1,342	1,425	1,649	1,641	1,334	1,500
Less: Cash & Cash equivalents	(248)	(349)	(362)	(317)	(366)	(300)
Invested Capital	\$3,373	\$3,141	\$3,575	\$3,612	\$3,164	\$3,400
Average Invested Capital	\$2,740	\$3,257	\$3,358	\$3,593	\$3,388	\$3,282
Return on Invested Capital (ROIC)	14.2%	11.0%	13.1%	10.4%	7.4%	7.1%

¹ See slide 46 for adjustment details

² NOPAT = Adjusted EBIT x (1 – tax rate)

³ Adjusted for effects of change from LIFO to FIFO

⁴ 2024 estimates are based on mid-point of guidance

NON-GAAP FINANCIAL MEASURES

While we report financial results in accordance with accounting principles generally accepted in the U.S. (“GAAP”), this presentation includes non-GAAP measures. These include **adjusted EBIT, adjusted EBIT margin, adjusted EBITDA, adjusted EBITDA margin, adjusted earnings, and adjusted EPS**. We believe these non-GAAP measures are useful to investors in that they assist investors’ understanding of underlying operational profitability. Management uses these non-GAAP measures as supplemental information to assess the company’s operational performance.

We believe the presentation of **return on invested capital (ROIC)** provides investors a useful way to assess how efficiently the Company uses investors’ funds to generate income. Management uses this ratio as supplemental information to assess how effectively its invested capital is utilized.

The above non-GAAP measures may not be comparable to similarly titled measures used by other companies and should not be considered a substitute for, or more meaningful than, their GAAP counterparts.