



Steelcase®

# Investor Presentation

FY2023 Third Quarter

# Investment Thesis

Steelcase Q3, 2023

We believe the office will continue to be very relevant for innovation, culture and collaboration

Steelcase is an industry leader in a changing workplace environment that we believe provides growth opportunities

Efforts to diversify the customers and markets we serve brings additional opportunity

Experienced management team has led the company through similar previous cycles

Recent price-cost tailwinds expected to continue

# A Respected Leader

Steelcase Q3, 2023

Strong global market share

**\$2.8 billion revenue** in FY2022

**\$126 million adjusted EBITDA** in FY2022

**0.9x net debt/adjusted EBITDA** (FY2022 year-end)

~11,800 employees (FY2022 year-end)

~800 Steelcase dealer locations as well as our online Steelcase store and other retail partners

Recognized for innovative design, sustainability leadership and civic engagement

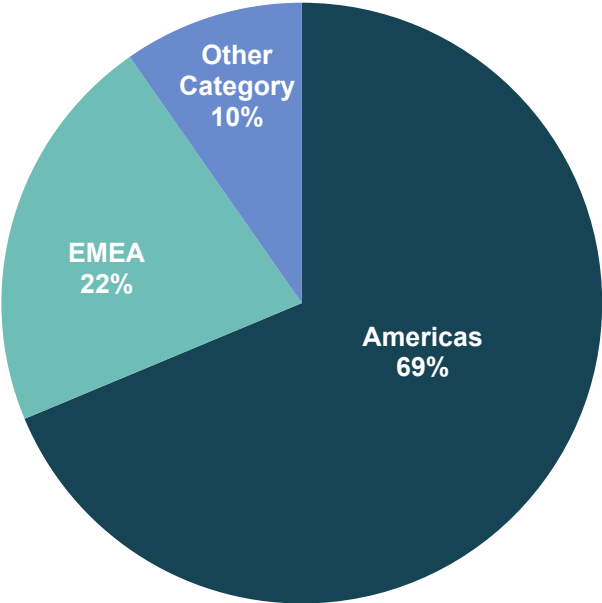
- One of the World's Most Admired Companies by Fortune for sixteen years
- Eight-time perfect score recipient of the Human Rights Campaign's Best Places to Work for LGBTQ Equality
- Multinational Finalist in the Circulars Awards from the World Economic Forum for circular economy leadership
- Included Forbes 2022 list of Best Employers for Women
- Included Forbes 2022 list of Best Employers for New Graduates
- Named a 2022 Most Responsible Company by Newsweek
- Named CDP Supplier Engagement Leader in 2022 amongst the top 8% of companies
- Awarded 2021 Better Practice Award from the U.S. Department of Energy's Better Plants Program
- Recognized by WSJ as a Most Sustainably-Managed Company in 2020



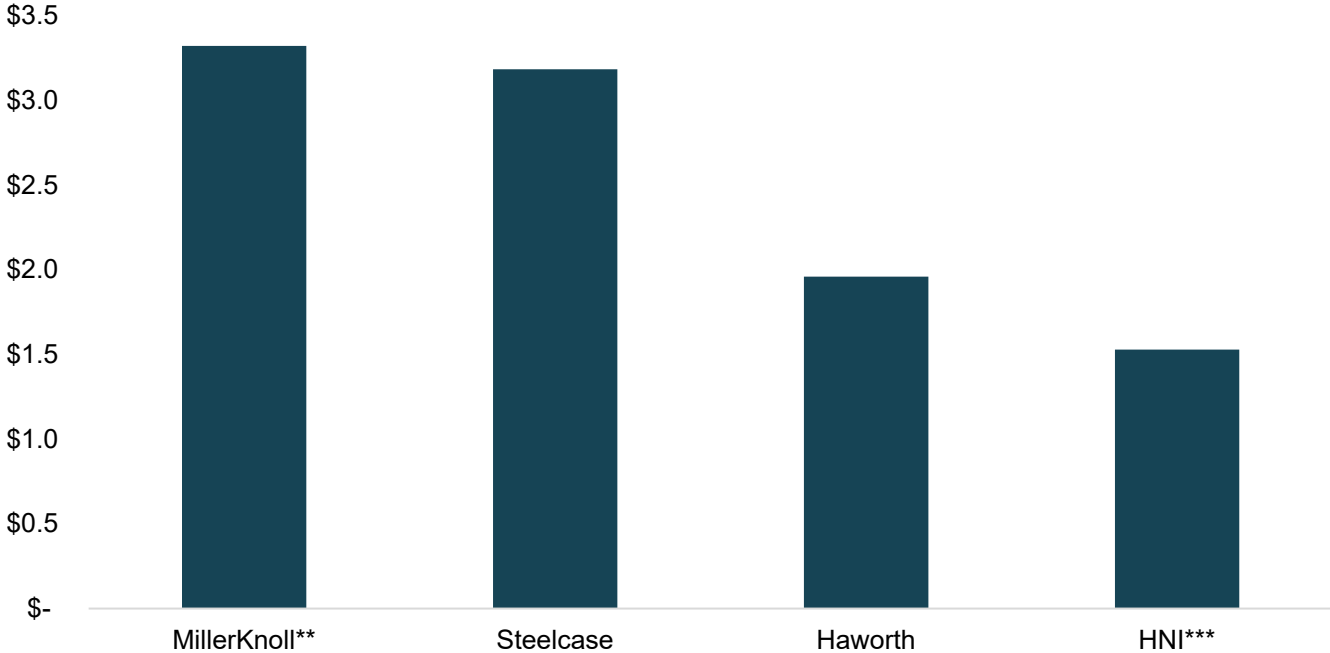
# Our Global Scale Makes Us a Preferred Partner for Leading Organizations

Steelcase Q3, 2023

STEELCASE FY22 SEGMENT REVENUE (%)



LEADING GLOBAL OFFICE FURNITURE MARKET MANUFACTURERS REVENUE\* (\$ IN BILLIONS)



\*Most recently published trailing four quarters data

\*\*Retail excluded

\*\*\*Workplace Furnishings only



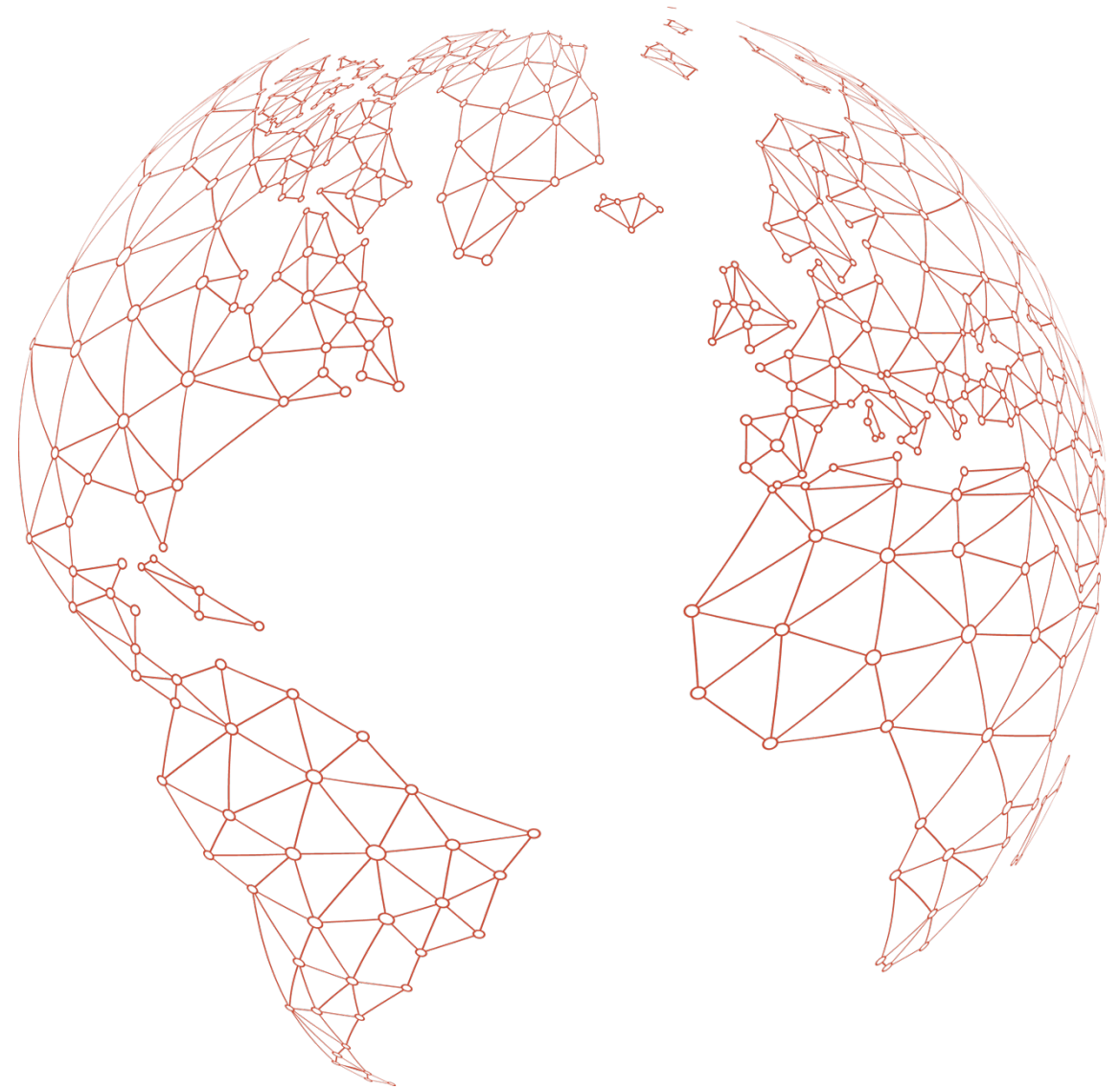
# Unique Global Capabilities

Steelcase Q3, 2023

~800 Steelcase dealer locations

Over 65 locations in 17 countries

15 Manufacturing locations  
including 8 outside North America



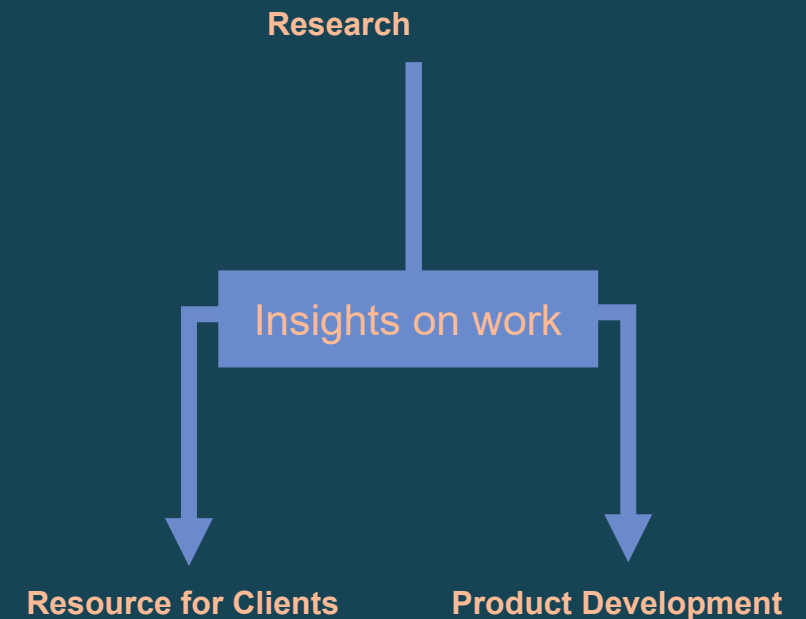
# Research Drives Innovation and Breakthrough Design

Steelcase Q3, 2023

Steelcase invests in human-centered research about the ways and places people work, directly and in collaboration with leading research organizations, to uncover insights that lead us to innovation and breakthrough design.

## Select Research Partners

- ARUP (East Asia)
- G3ICT – Global Initiative for Inclusive Information and Communication Technologies
- Illinois Institute of Technology
- Illinois Institute of Design
- Institute for the Future
- Logitech
- Microsoft (Research + Global Real Estate depts)
- MIT Media Lab
- Oregon Institute of Technology
- Phillips
- University of Melbourne
- University of Michigan
- University of New South Wales Sydney
- Virginia Tech

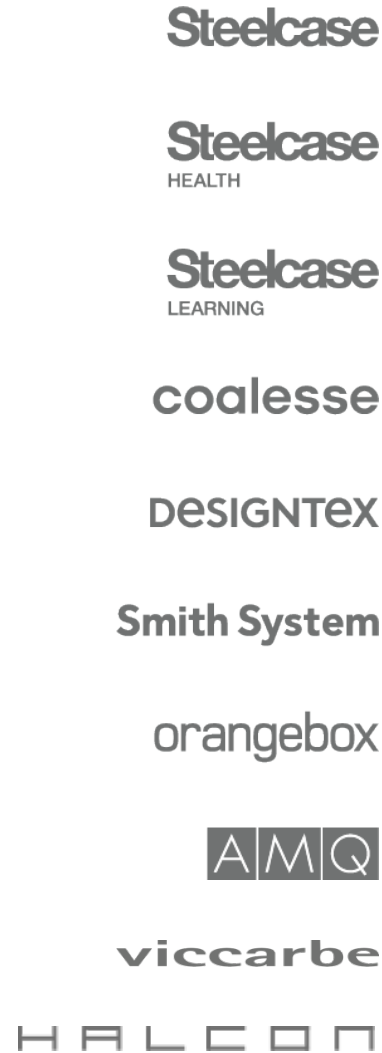


# Our Brand Promise

Steelcase Q3, 2023

We help people do their best work by creating places that work better.

Steelcase serves leading organizations with furnishings and solutions for the many places where work happens — including learning, health and work from home. Our solutions come to life through our community of expert Steelcase dealers, as well as our online Steelcase store and other retail partners.



Revenue Mix by Vertical Market

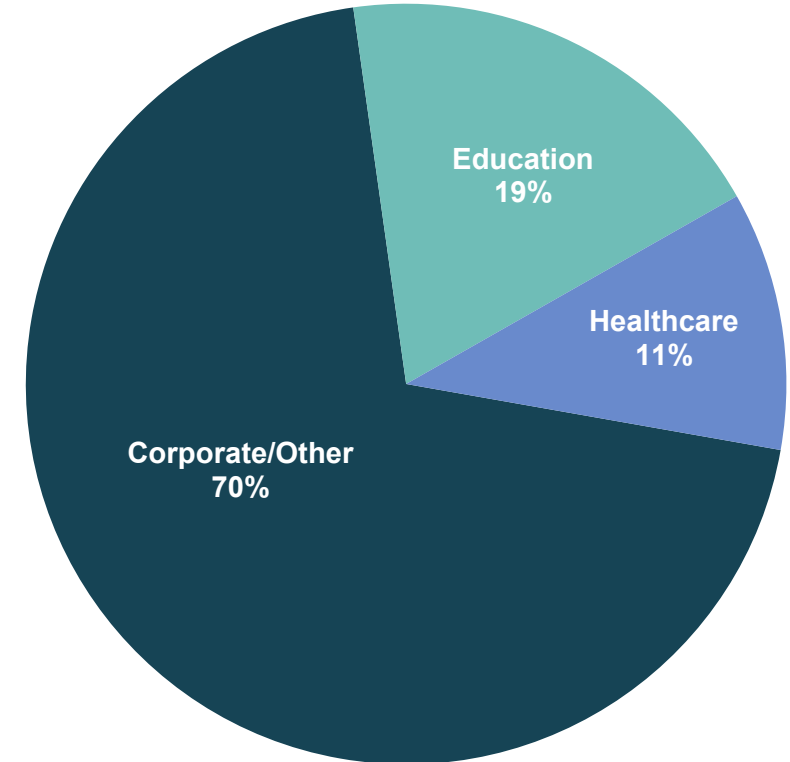


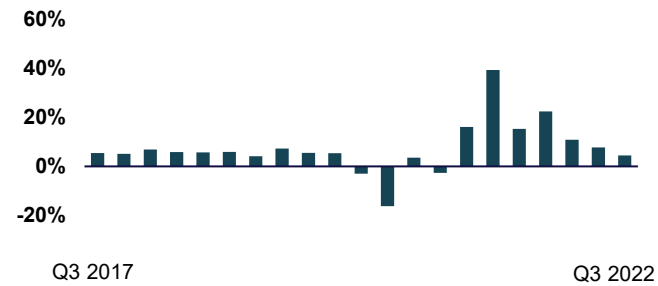
Chart represents Americas FY22 percentage of revenue by vertical market

# U.S. Industry Macro-Factors Are Mixed

Steelcase Q3, 2023

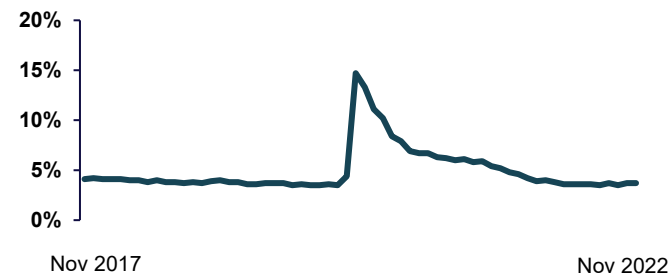
## CORPORATE PROFITS AFTER-TAX (U.S.)

With IVA and CCA adjustments  
(Year-over-Year % change)

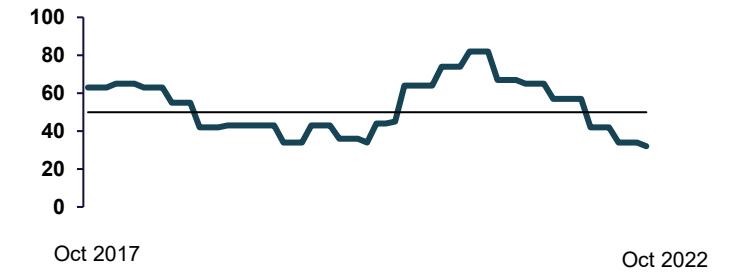


## UNEMPLOYMENT (U.S.)

Unemployment Rate (%)

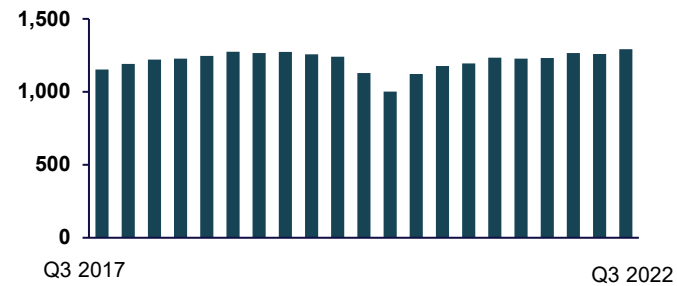


## THE CONFERENCE BOARD MEASURE OF CEO CONFIDENCE (U.S.)



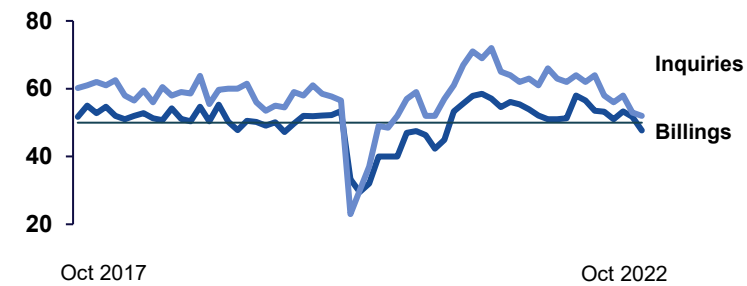
## NON-RESIDENTIAL FIXED INVESTMENT (U.S.)

Equipment (In US\$, billions)



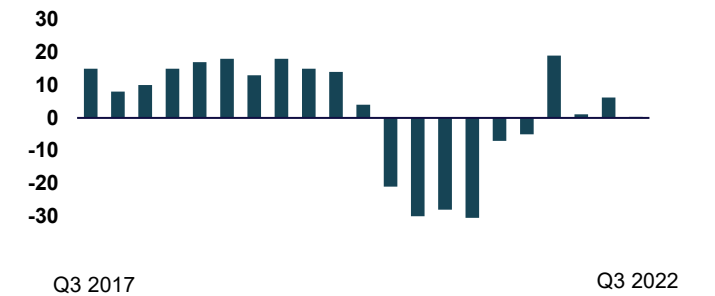
## ARCHITECTURAL BILLING INDEX (U.S.)

(Billings & Inquiries)



## REAL ESTATE ABSORPTION (U.S.)

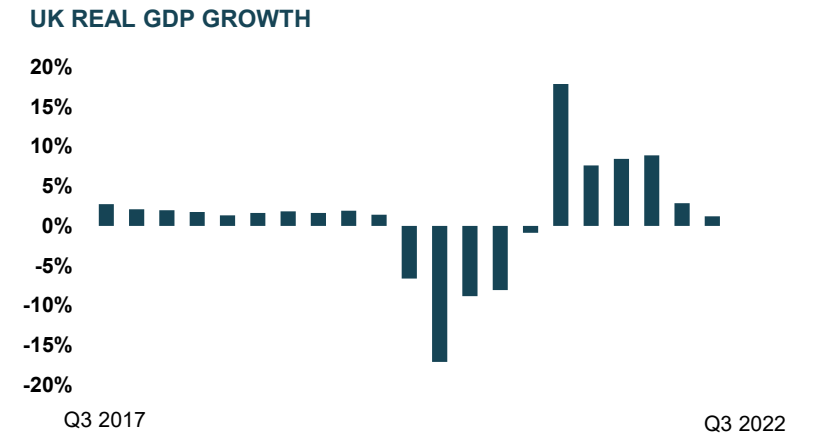
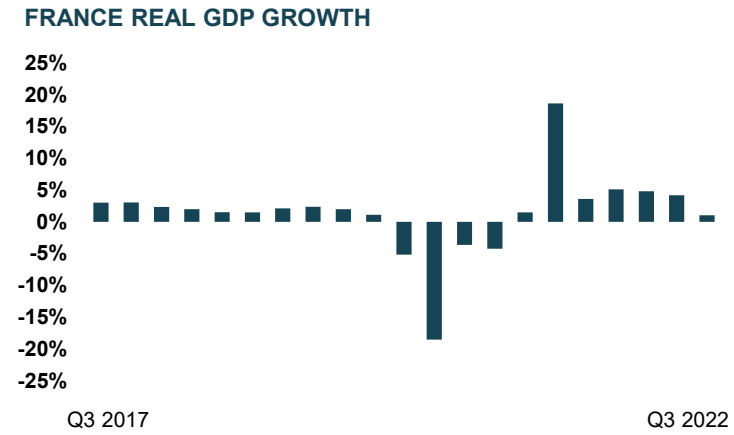
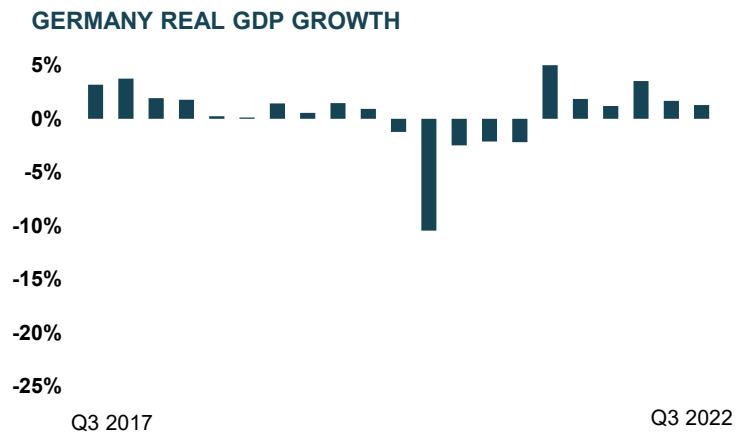
(per million sq ft)





# European Industry Macro-Factors Are Mixed

Steelcase Q3, 2023



# Our Research

Steelcase Q3, 2023

Organizations are **adopting hybrid work** which offers employees a mixture of **in-office** and **remote work**.

People are **seeking enhanced experiences in the workplace** that help them do better work, more easily.

Steelcase and its broad portfolio is well positioned to help customers navigate the **hybrid transformation** because our global research and insights inform the designs of new products, solutions and spaces in **all the places where work happens**.

Source: Steelcase Global Research, January 2022

## New Steelcase Global Research

57,000 workers

12+ primary studies

11 countries

## Key Findings

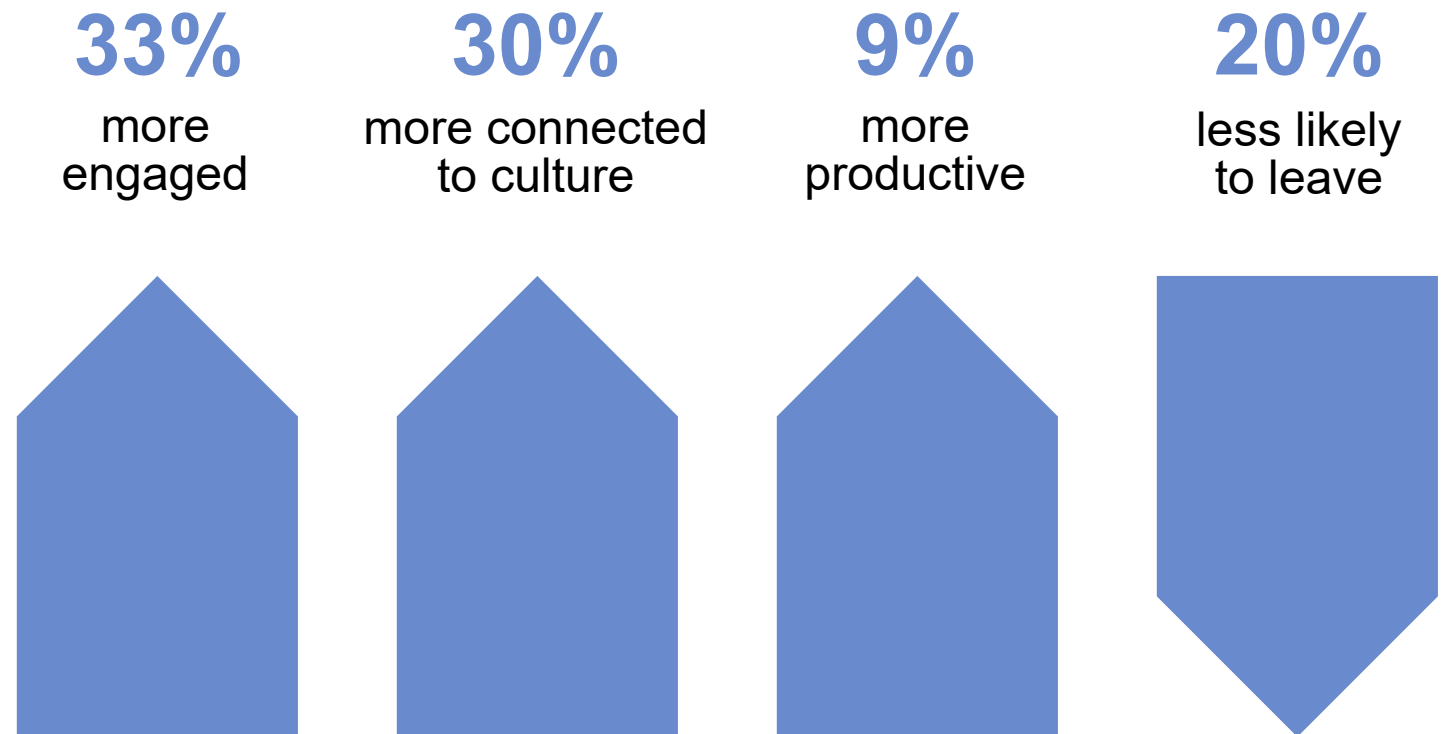
1. People who like working in their office are more engaged, productive, connected to culture + likely to stay.
2. People are willing to trade remote workdays for their own workspace – wanting greater comfort + control.
3. Access to privacy is critical. People want places to focus and collaborate.

# Our Research

Steelcase Q3, 2023

Liking your office matters.

If you like working from your office,  
you contribute more and stay longer.



Source: Steelcase Global Research, January 2022

# Our Research

Steelcase Q3, 2023

## What people need and what people expect in this new era of hybrid work

### Belonging

A sense of community, trust and shared purpose

### Control

More choice and control over where, when and how they work

### Productivity

Support in-office and remote workers more equally to focus, collaborate and build relationships

### Comfort

Places to rejuvenate and support wellbeing, in order to compete with working from home

### Safety

People need to be and feel physically and psychologically safe



# Our Research

Steelcase Q3, 2023

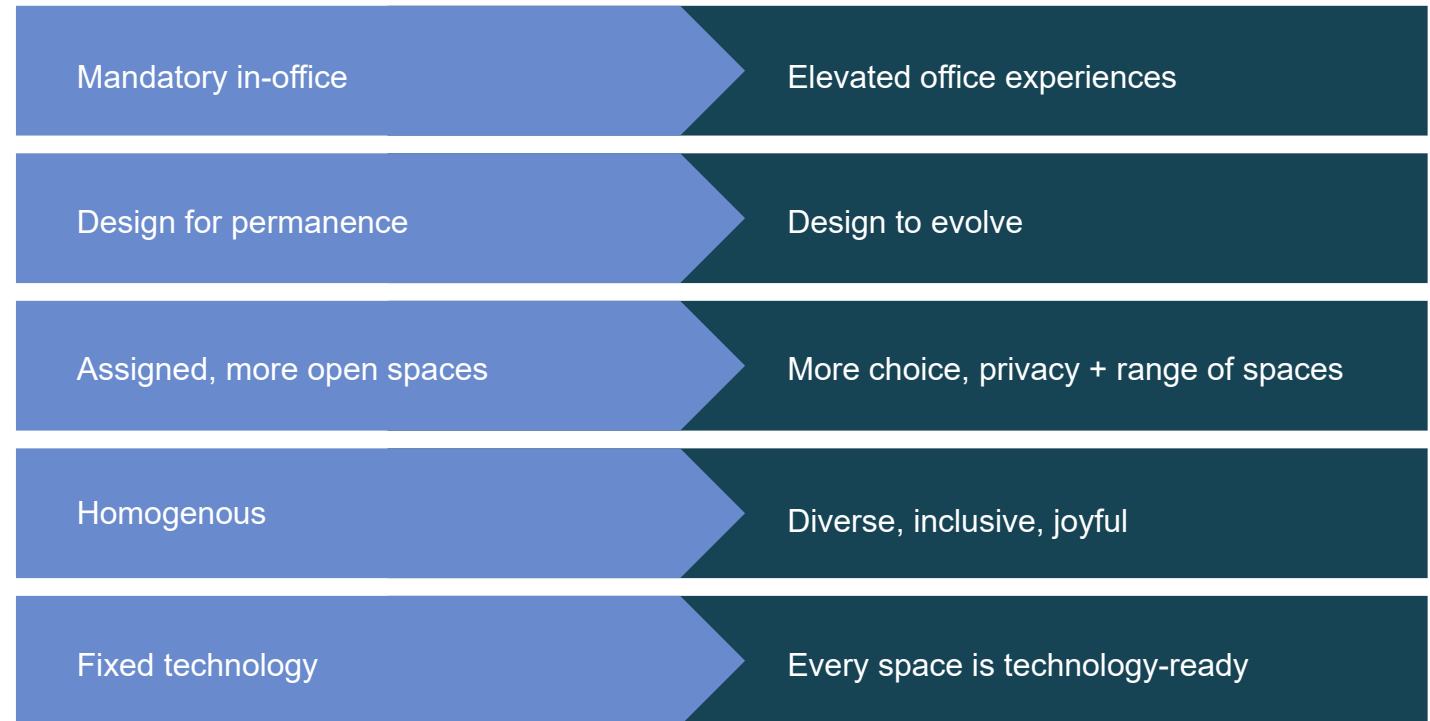
## Workplace shifts

The office needs to evolve from a place people are required to attend to one that captures people's attention.

And that evolution represents an opportunity for Steelcase.

From

To



Source: Steelcase Global Research, January 2022



# Our Strategic Priorities

Steelcase Q3, 2023

Lead the hybrid work transformation

Deepen presence in key growth adjacencies

Create value by using our business as a force for good

Accelerate profitability and maintain a conservative financial profile

Our strategy is reinforced by an unwavering external focus, a deep commitment to insights-based product innovation, and the use of digital capabilities to create seamless and inspiring customer experiences.

# Our Strategic Priorities

Steelcase Q3, 2023

Lead the hybrid work transformation

Deepen presence in key growth adjacencies

Create value by using our business as a force for good

Accelerate profitability and maintain a conservative financial profile

- Be the most trusted partner in hybrid work
- Lead in innovation to support hybrid work
- Deliver seamless experiences by integrating technology + place
- Create compelling solutions for home offices

# Our Strategic Priorities

Steelcase Q3, 2023

Lead the hybrid work transformation

Deepen presence in key growth adjacencies

Create value by using our business as a force for good

Accelerate profitability and maintain a conservative financial profile

- Drive growth in EMEA and APAC
- Expand Steelcase Learning and Steelcase Health
- Leverage digital to create compelling customer experiences
- Win with speed and simplicity

# Our Strategic Priorities

Steelcase Q3, 2023

Lead the hybrid work transformation

Deepen presence in key growth adjacencies

Create value by using our business as a force for good

Accelerate profitability and maintain a conservative financial profile

- Drive customer value with sustainability leadership
- Mitigate risk through carbon emission reductions
- Accelerate diversity, equity and inclusion progress
- Drive business outcomes with a culture of empowerment
- Make a lasting difference in our communities by leveraging our scale and resources

# Our Strategic Priorities

Steelcase Q3, 2023

Lead the hybrid work transformation

Deepen presence in key growth adjacencies

Create value by using our business as a force for good

Accelerate profitability and maintain a conservative financial profile

- Capture benefits from pricing actions
- Re-allocate investments toward strategic priorities
- Drive fitness across the organization
- Maintain a strong balance sheet



# Caring for People + the Planet

Steelcase Q3, 2023



## Environmental Protecting the Planet

We're focused on meeting our environmental commitments by:

Expanding our **sustainable product design** commitment to include a greater focus on circular design and reducing life cycle embodied carbon

Continuing our commitment to **use safer materials and reduce waste** by taking the industry lead in the number of BIFMA LEVEL® certified products

**Reducing absolute greenhouse gas (GHG) emissions** from Steelcase-owned facilities through greater energy efficiency and on-site renewable energy planning

**Engaging our supply chain partners in GHG emissions** reduction efforts by educating, assisting and requesting they set their own GHG emissions reduction targets



## Social Helping People Thrive

We're extending our diversity, equity and inclusion (DEI) focus throughout our value chain by:

Expanding and tracking our efforts to **increase business with diverse suppliers**

Developing and sharing DEI resources to **improve diversity, equity and inclusion** within our dealer community

Partnering with local organizations to **foster equity and inclusion in the communities where we live and work**, around the world

*And internally we are:*

**Increasing diversity** representation by building new hiring pipelines and practices

Growing **development opportunities for people** to advance their careers

Actively **nurturing a culture of inclusion**



## Governance Sustaining a Culture of Trust + Integrity

We're driving ethical business outcomes and helping people make the right decisions by:

Ensuring our **employees are trained in Steelcase's Global Business Standards** to foster a culture of integrity

Offering leadership training and ongoing coaching to **ensure leaders empower their teams and individual contributors** so they can do their best work

Setting expectations with suppliers and holding them accountable for **treating their employees equitably and justly**

Source: 2022 Steelcase ESG Impact Report

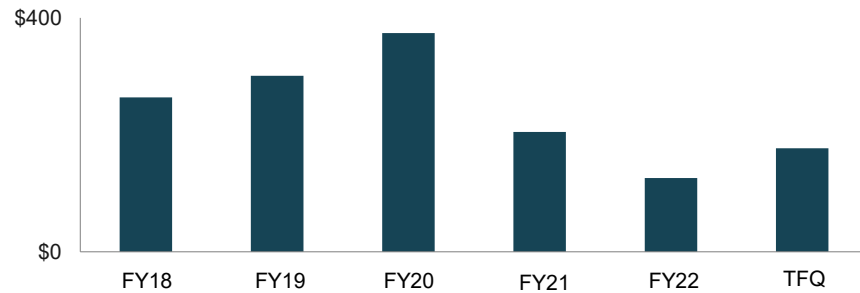
# Our Capital Allocation Philosophy Contains a Balance of Reinvestment in the Business, Dividends, and Share Repurchases

Steelcase Q3, 2023

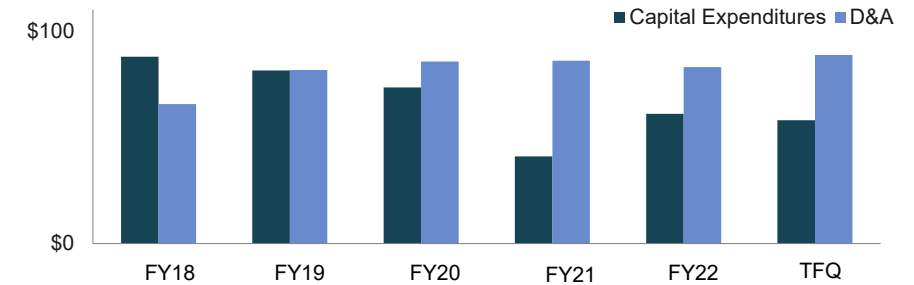
## Capital Allocation Priorities

– Reinvestment in the business – Acquisitions – Dividends – Opportunistic share repurchases

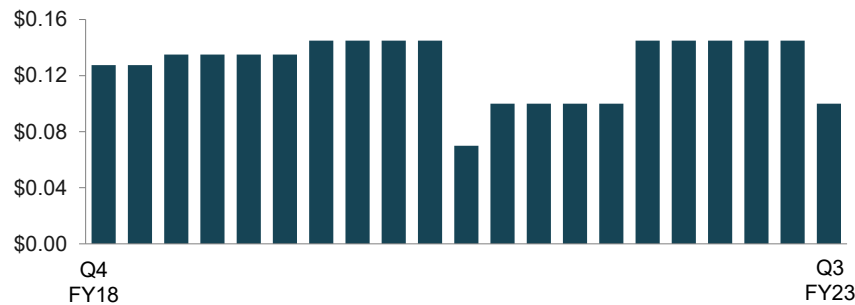
**ADJUSTED EBITDA**  
(\$ MILLIONS)



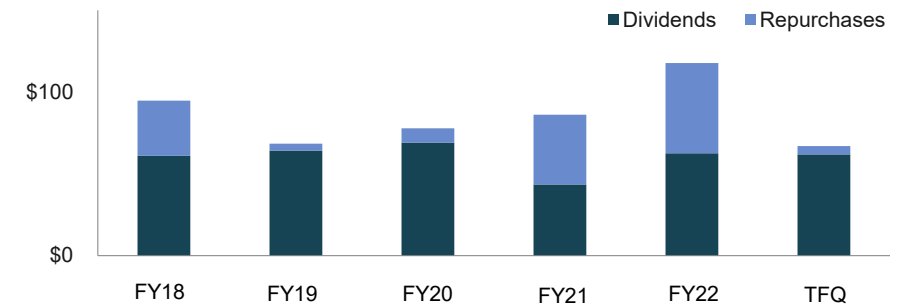
**CAPITAL EXPENDITURES VS. DEPRECIATION AND AMORTIZATION**  
(\$ MILLIONS)



**QUARTERLY DIVIDENDS PAID PER SHARE**



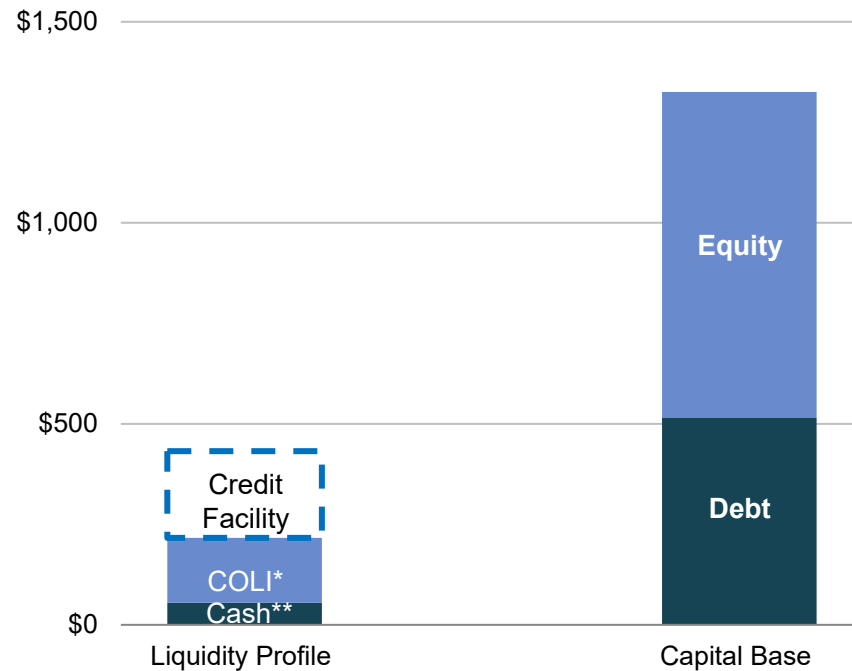
**DIVIDENDS AND SHARE REPURCHASES**  
(\$ MILLIONS)



# Our Balance Sheet Provides Stability Through Business Cycles

Steelcase Q3, 2023

Q3 FY23



## Credit facility covenant information

- (1) maximum leverage ratio covenant, which is measured by the ratio of indebtedness less liquidity to trailing four quarter adjusted EBITDA (as defined in the credit agreement) and is required to be less than 3:5:1
- (2) minimum interest coverage ratio covenant, which is measured by the ratio of trailing four quarter adjusted EBITDA (as defined in the credit agreement) to trailing four quarter interest expense and is required to be no less than 3:0:1.

As of November 25, 2022, we were in compliance with all covenants under the facility.

\*COLI: Company-owned life insurance

\*\* Cash and Cash Equivalents

# Appendix

---

# Forward Looking Statements

Steelcase Q3, 2023

From time to time, in written and oral statements, the company discusses its expectations regarding future events and its plans and objectives for future operations.

These forward-looking statements discuss goals, intentions and expectations as to future trends, plans, events, results of operations or financial condition, or state other information relating to the company, based on current beliefs of management as well as assumptions made by, and information currently available to, the company. Forward-looking statements generally are accompanied by words such as "anticipate," "believe," "could," "estimate," "expect," "forecast," "intend," "may," "possible," "potential," "predict," "project," "target" or other similar words, phrases or expressions. Although the company believes these forward-looking statements are reasonable, they are based upon a number of assumptions concerning future conditions, any or all of which may ultimately prove to be inaccurate. Forward-looking

statements involve a number of risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements and vary from the company's expectations because of factors such as, but not limited to, competitive and general economic conditions domestically and internationally; acts of terrorism, war, governmental action, natural disasters, pandemics and other Force Majeure events; cyberattacks; the COVID-19 pandemic and the actions taken by various governments and third parties to combat the pandemic; changes in the legal and regulatory environment; changes in raw material, commodity and other input costs; currency fluctuations; changes in customer demand; and the other risks and contingencies detailed in the company's most recent Annual Report on Form 10-K and its other filings with the Securities and Exchange Commission. Steelcase undertakes no obligation to update, amend or clarify forward-looking statements, whether as a result of new information, future events or otherwise.

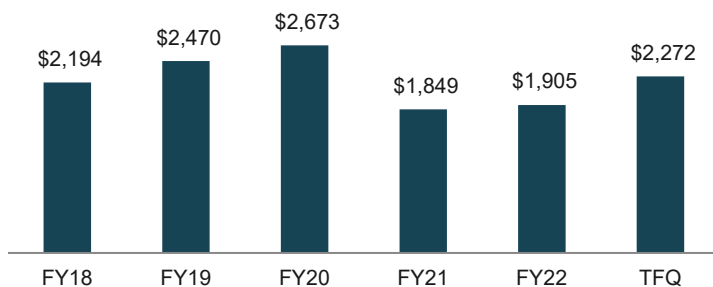


# Appendix

## Segment revenue and earnings

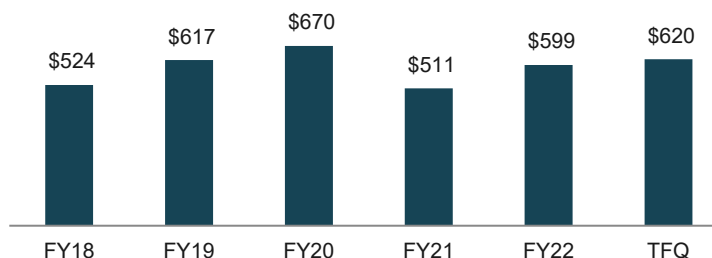
### AMERICAS – REVENUE

(US\$ millions)



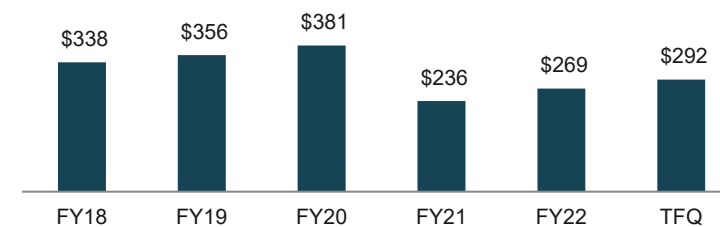
### EMEA – REVENUE

(US\$ millions)



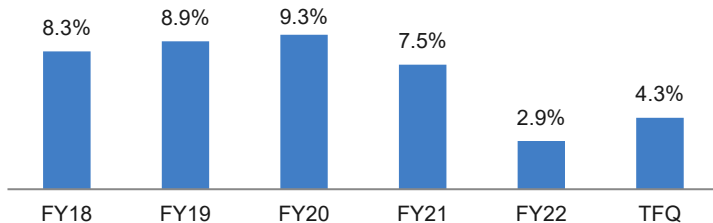
### OTHER CATEGORY – REVENUE

(US\$ millions)



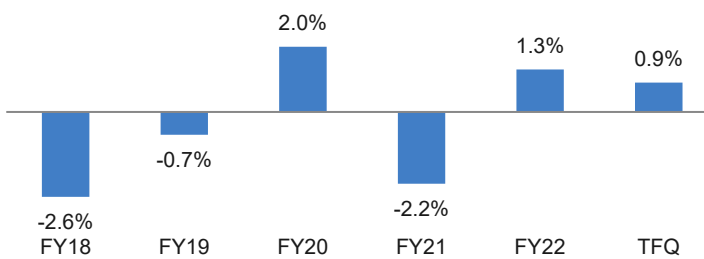
### AMERICAS – ADJUSTED OPERATING INCOME MARGIN \*

(Percent of Revenue)



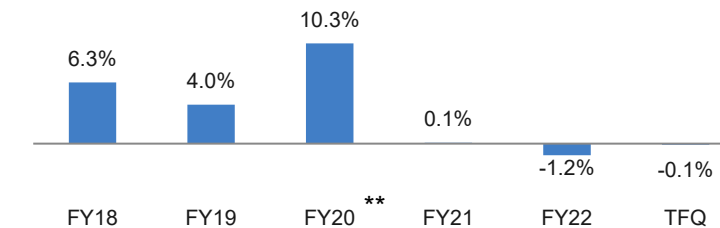
### EMEA – ADJUSTED OPERATING INCOME (LOSS) MARGIN \*

(Percent of Revenue)



### OTHER CATEGORY – OPERATING INCOME (LOSS) MARGIN

(Percent of Revenue)



\* Operating income restated due to implementation of ASU No. 2017-07, Compensation - Retirement Benefits (Topic 715). Please see Q1 FY19 10-Q for more information.

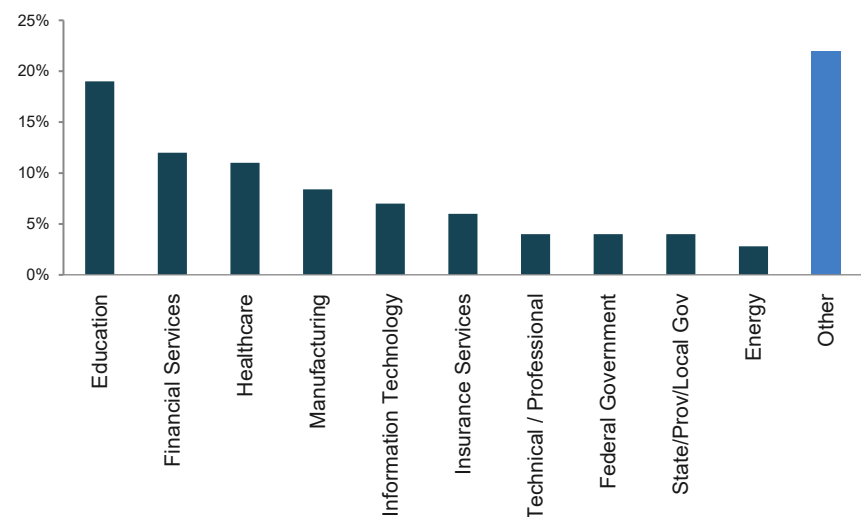
\*\* Q4 FY20 included a ~\$21M gain on the sale of PolyVision in the Other Category

# Appendix

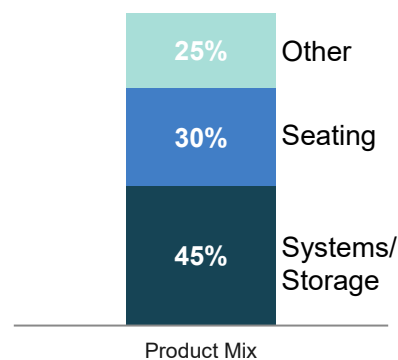
## Select segment statistics (as of February 25, 2022)

END OF FISCAL YEAR 2022	AMERICAS	EMEA	OTHER CATEGORY
Number of Steelcase dealer locations	~ 390	~ 340	~ 70
Employees – non-manufacturing	~ 2,700	~ 1,400	~ 800
Employees – manufacturing	~ 4,600	~ 1,400	~ 900
Number of primary manufacturing locations	Michigan – 2 Alabama – 1 Mexico – 2 Texas – 1	France – 1 Germany – 1 Spain – 1 Czech Republic – 1 U.K. – 1	China – 1 Malaysia – 1 India – 1

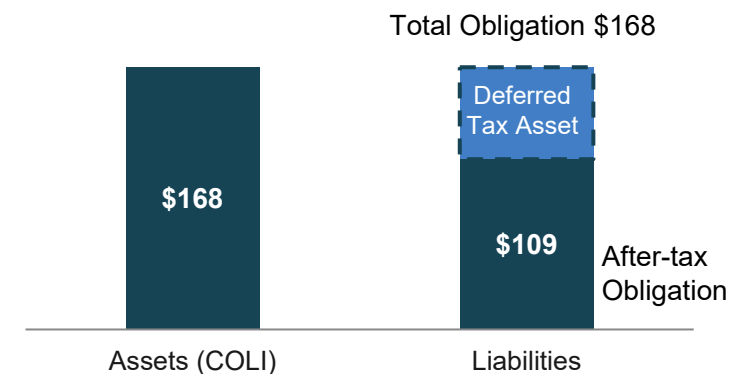
### FY22 VERTICALS IN THE AMERICAS SEGMENT



### FY22 PRODUCT MIX



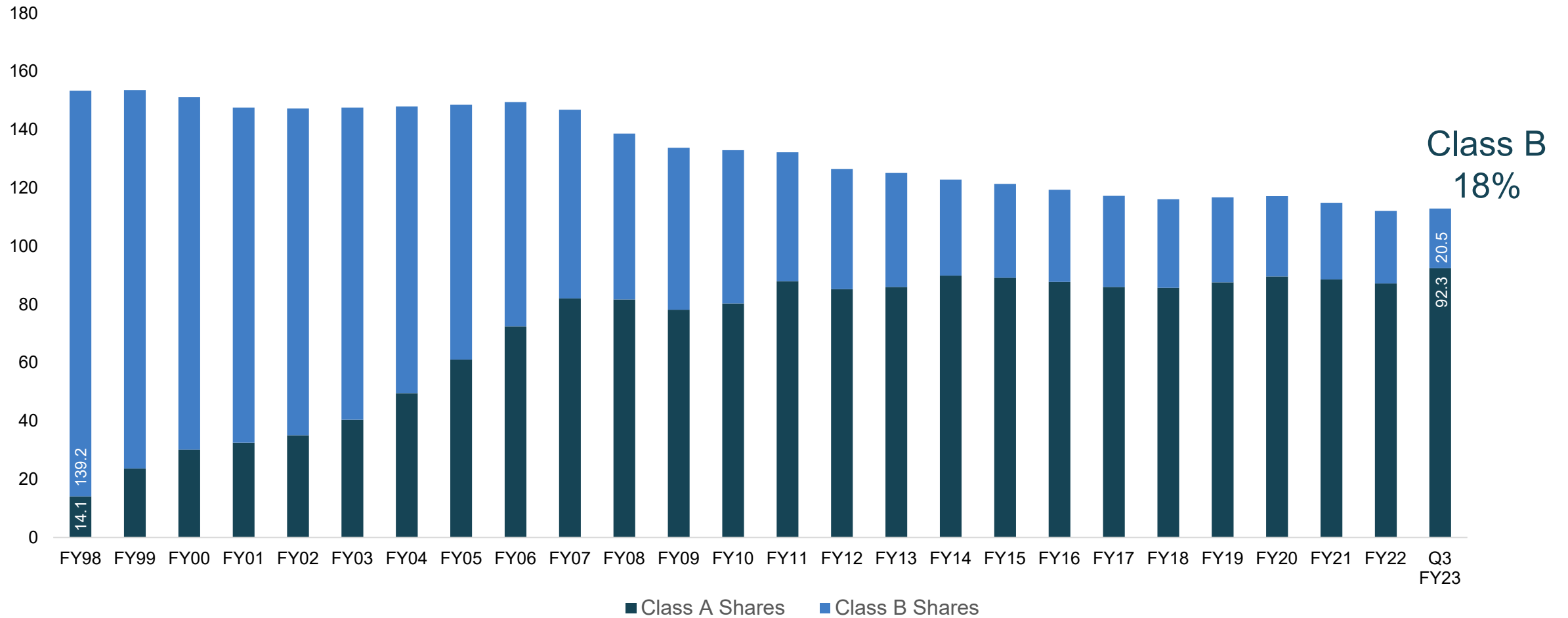
### FY22 LONG-TERM EMPLOYEE BENEFIT OBLIGATIONS FUNDING STATUS (\$ millions)



# Historical Shares Outstanding

Steelcase Q3, 2023

## SHARES (IN MILLIONS)

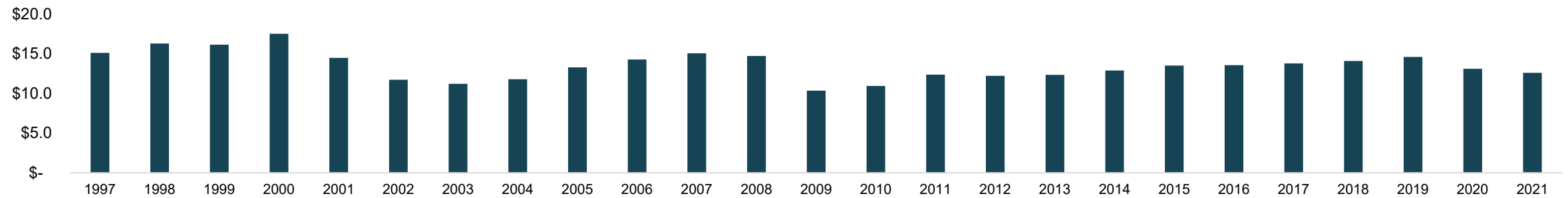


# Historical Market Data

Steelcase Q3, 2023

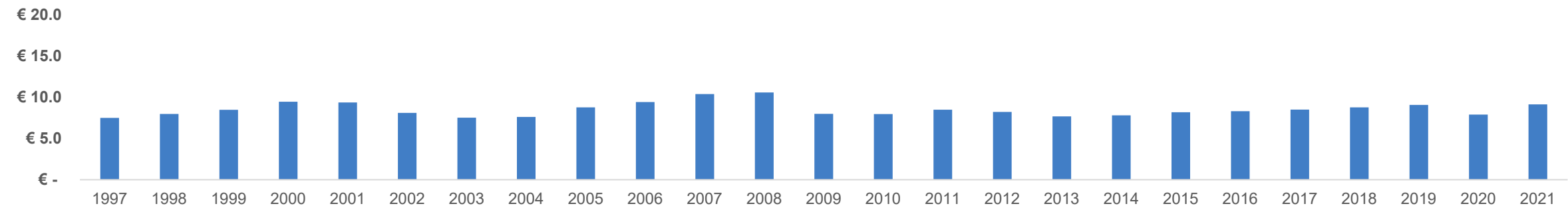
## ESTIMATED U.S. OFFICE FURNITURE SHIPMENTS

(USD billions)



## EUROPEAN OFFICE FURNITURE CONSUMPTION

(EUR billions)



Sources: 1997-2015: internal Steelcase estimates, 2015-2021: BIFMA, CSIL

# Non-GAAP Financial Measures

Steelcase Q3, 2023

This presentation contains certain non-GAAP financial measures. A “non-GAAP financial measure” is defined as a numerical measure of a company’s financial performance that excludes or includes amounts so as to be different than the most directly comparable measure calculated and presented in accordance with GAAP in the condensed consolidated statements of operations, balance sheets or statements of cash flows of the company. The non-GAAP financial measures used within this presentation are: (1) adjusted operating income (loss) margin, which represents operating income (loss), excluding amortization of purchased intangible assets, restructuring costs and goodwill and intangible asset impairment charges, each as a percentage of revenue, (2) adjusted EBITDA, which represents earnings before interest, taxes, depreciation and amortization (“EBITDA”), adjusted to exclude share-based compensation, restructuring costs and goodwill and intangible asset impairment charges, (3) net debt, which represents total debt less cash and cash equivalents and COLI and (4) net debt to adjusted EBITDA ratio, which represents net debt divided by adjusted EBITDA. Pursuant to the requirements of Regulation G, the company has provided a reconciliation of each of the non-GAAP financial measures to the most directly comparable GAAP financial measure. These measures are supplemental to, and should be used in conjunction with, the most comparable GAAP measures. Management uses these non-GAAP financial measures to monitor and evaluate financial results and trends.

# Non-GAAP Financial Measures

Steelcase Q3, 2023

## AMERICAS ADJUSTED OPERATING INCOME MARGIN \*

(Percent of Revenue)

	FY18	FY19	FY20	FY21	FY22	TFQ
<b>Operating Income Margin as Restated *</b>	8.2%	8.5%	9.0%	5.2%	2.3%	3.0%
<b>Amortization of purchased intangible assets</b>	0.1%	0.4%	0.3%	0.7%	0.6%	0.7%
<b>Restructuring costs</b>	-	-	-	1.6%	-	0.7%
<b>Adjusted Operating Income Margin</b>	<b>8.3%</b>	<b>8.9%</b>	<b>9.3%</b>	<b>7.5%</b>	<b>2.9%</b>	<b>4.3%</b>

\* Operating income restated due to implementation of ASU No. 2017-07, Compensation - Retirement Benefits (Topic 715). Please see Q1 FY19 10-Q for more information.

## EMEA ADJUSTED OPERATING INCOME (LOSS) MARGIN \*

(Percent of Revenue)

	FY18	FY19	FY20	FY21	FY22	TFQ
<b>Operating Income (Loss) Margin as Restated *</b>	(2.7%)	(1.1%)	1.5%	(6.3%)	0.6%	0.2%
<b>Amortization of purchased intangible assets</b>	0.0%	0.4%	0.6%	0.7%	0.7%	0.8%
<b>Goodwill and intangible asset impairment charges</b>	-	-	-	3.4%	-	-
<b>Adjusted Operating Income (Loss) Margin</b>	<b>(2.6%)</b>	<b>(0.7%)</b>	<b>2.0%</b>	<b>(2.2%)</b>	<b>1.3%</b>	<b>0.9%</b>

\* Operating income restated due to implementation of ASU No. 2017-07, Compensation - Retirement Benefits (Topic 715). Please see Q1 FY19 10-Q for more information.

# Non-GAAP Financial Measures

Steelcase Q3, 2023

## ADJUSTED EBITDA, NET DEBT and NET DEBT / ADJUSTED EBITDA

\$ Million	FY18	FY19	FY20	FY21	FY22	TFQ
Income (loss) before income tax expense (benefit)	\$162	\$164	\$245	\$26	\$2	\$26
Interest Expense	\$18	\$38	\$27	\$27	\$26	\$28
Depreciation and amortization	\$66	\$82	\$86	\$86	\$83	\$88
Share-based compensation	\$18	\$17	\$16	\$20	\$15	\$20
Restructuring costs	-	-	-	\$28	-	\$15
Goodwill and intangible asset impairment charges	-	-	-	\$18	-	-
<b>Adjusted EBITDA</b>	<b>\$264</b>	<b>\$301</b>	<b>\$374</b>	<b>\$205</b>	<b>\$126</b>	<b>\$177</b>
<b>Total Debt</b>	<b>\$295</b>	<b>\$487</b>	<b>\$484</b>	<b>\$484</b>	<b>\$482</b>	<b>\$516</b>
<b>Cash and COLI</b>	<b>\$455</b>	<b>\$417</b>	<b>\$701</b>	<b>\$659</b>	<b>\$369</b>	<b>\$216</b>
<b>Net Debt</b>	<b>\$(160)</b>	<b>\$70</b>	<b>\$(217)</b>	<b>\$(175)</b>	<b>\$113</b>	<b>\$300</b>
<b>Net Debt / Adjusted EBITDA</b>	<b>(0.6)</b>	<b>0.2</b>	<b>(0.6)</b>	<b>(0.9)</b>	<b>0.9</b>	<b>1.7</b>