



NASDAQ: MLHR

Design for the Good of Humankind

Baird Global Industrial Conference
November 10, 2020

Jeff Stutz, Chief Financial Officer

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FORWARD LOOKING STATEMENTS

This information contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act, as amended, that are based on management's beliefs, assumptions, current expectations, estimates, and projections about the office furniture industry, the economy, and the company itself. Words like "anticipates," "believes," "confident," "estimates," "expects," "forecasts," "likely," "plans," "projects," "should," variations of such words, and similar expressions identify such forward-looking statements.

These statements do not guarantee future performance and involve certain risks, uncertainties, and assumptions that are difficult to predict with regard to timing, extent, likelihood, and degree of occurrence. These risks include, without limitation, the success of our growth strategy, our success in initiatives aimed at achieving long-term profit optimization goals, employment and general economic conditions, the pace of economic recovery in the U.S. and in our International markets, the increase in white-collar employment, the willingness of customers to undertake capital expenditures, the types of products purchased by customers, competitive-pricing pressures, the availability and pricing of raw materials, changes in global tariff regulations, our reliance on a limited number of suppliers, our ability to expand globally given the risks associated with regulatory and legal compliance challenges and accompanying currency fluctuations, changes in future tax legislation or interpretation of current tax legislation, the ability to increase prices to absorb the additional costs of raw materials, the financial strength of our dealers and the financial strength of our customers, our ability to locate new retail stores and studios, negotiate favorable lease terms for new and existing locations and implement our studio

portfolio transformation, our ability to attract and retain key executives and other qualified employees, our ability to continue to make product innovations, the success of newly introduced products, our ability to serve all of our markets, possible acquisitions, divestitures or alliances, our ability to integrate and benefit from acquisitions and investments, the pace and level of government procurement, the outcome of pending litigation or governmental audits or investigations, political risk in the markets we serve, natural disasters, public health crises, disease outbreaks, and other risks identified in our filings with the Securities and Exchange Commission.

Therefore, actual results and outcomes may materially differ from what we express or forecast. Furthermore, Herman Miller, Inc. undertakes no obligation to update, amend or clarify forward-looking statements.

Headquarters:
Zeeland, MI, USA
Founded: **1905**
Employees: **~7,600**

FY20 Revenue: **\$2.49B**
FY20 Adj. Operating
Income: **\$206M**

Omni-Channel distribution model

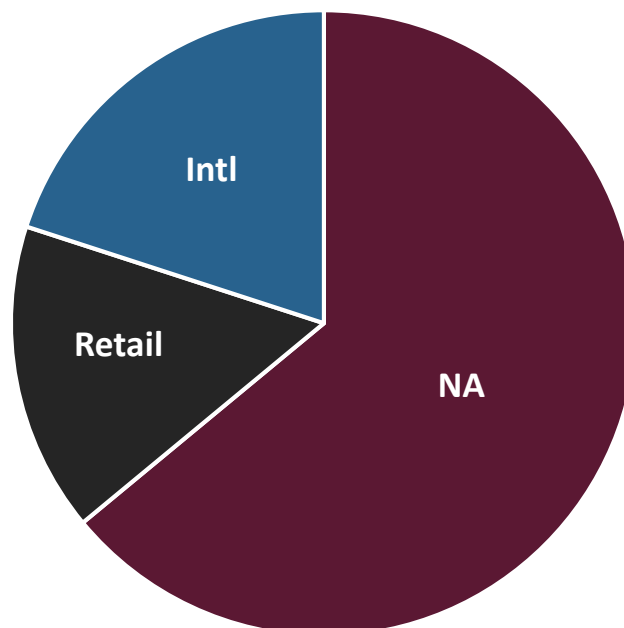
- Over 700 contract dealers in 110 countries
- 38 Retail studios
- Multiple global e-commerce storefronts

FY20 Revenue Mix

North America **64%**

Retail **16%**

International **20%**



**Broad product library across
Herman Miller Group of
Brands**

Herman Miller Group

A collection of leading brands



A global leader in design and furnishings
for the home or workplace



A UK-based designer of high-performance
tools for work



Retailer of authentic
modern furnishings

GEIGER

Maker of exquisitely crafted designs for
refined working environments

HAY

Inspired furniture and accessories
for modern living

maars LIVING WALLS®

A global designer and maker
of interior partitions

maharam

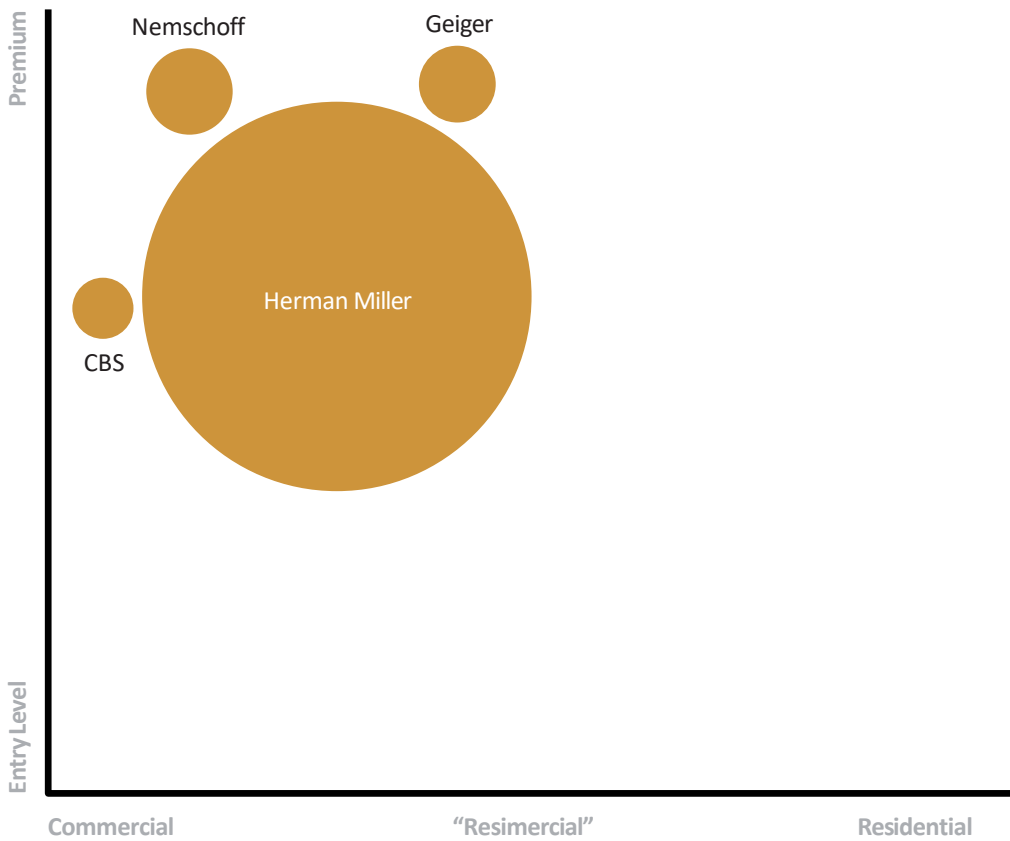
Creator of textiles known for its rigorous commitment
to design

naughtone

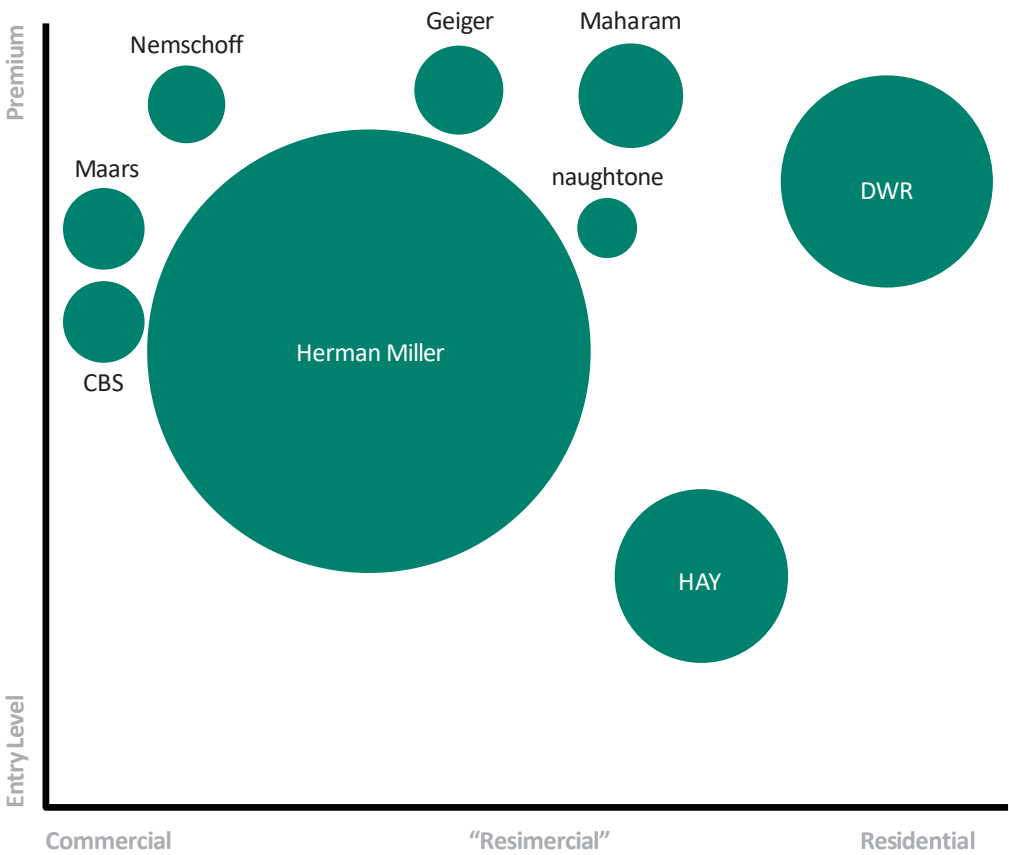
Contemporary furnishings for workplace,
education, and hospitality environments

Our Diversified Portfolio

Ten Years Ago



Today





Digital Disruption



Rise Of Direct-to-consumer
Business Models



Safe and Healthy Working
Conditions



Changes In Where & How
People Work



Environmental, Social, and
Governance Imperative



Focus on Home
Environments

Recent C-Suite perspectives align with our research that the office remains a critical element of distributed work

“It’s a much harder way to work for anything that requires a personal relationship...I think we’re going to find that being together delivers value in productivity and creativity and relationships that is irreplaceable.”

Arne Sorenson, Marriott International Inc. CEO on remote work

“Most of us are not hermits...We need that social interaction, not only from a business standpoint but truly from a kind of personal-development standpoint.”

Jim Fish, Waste Management Inc. CEO

“In all candor, it’s not like being together physically. And so I can’t wait for everybody to be able to come back into the office. I don’t believe that we’ll return to the way we were because we’ve found that there are some things that actually work really well virtually.”

Tim Cook, Apple Inc. CEO

“I don’t see any positives. Not being able to get together in person, particularly internationally, is a pure negative.”

Reed Hastings, Netflix Inc. co-CEO, on working from home

“I think going back to work is a good thing. I think there are negatives to working from home. We’ve seen productivity drop in certain jobs and alienation go up in certain things. So we want to get back to work in a safe way.”

Jamie Dimon, JPMorgan Chase & Co. CEO

“There’s sort of an emerging sense behind the scenes of executives saying, ‘This is not going to be sustainable.’”

Laszlo Bock, Humu chief executive and former HR chief at Google, on the state of remote work

“What I worry about the most is innovation. Innovation is hard to schedule—it’s impossible to schedule.”

Ellen Kullman, CEO of 3-D printing startup Carbon Inc., on her concerns about remote work

Operating from a Position of Strength



Broad Product Assortment



Multi-Channel Distribution



Workplace Knowledge and Research

Our strategy is centered around four strategic priorities

1

**Unlock The Power of One
Herman Miller**

2

**Build a Customer-Centric,
Digitally-Enabled Business Model**

3

**Accelerate
Profitable Growth**

4

**Reinforce Our Commitment
To Our People, Our Planet,
& Our Communities**

1 Unlock the Power of One Herman Miller

Objectives:



Build an agile, collaborative, globally-connected organization fit for continuous evolution



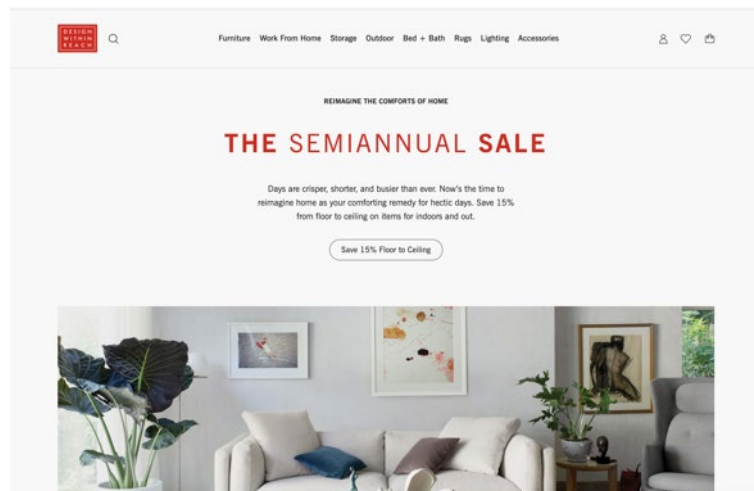
Simplify and tailor our go-to-market approach



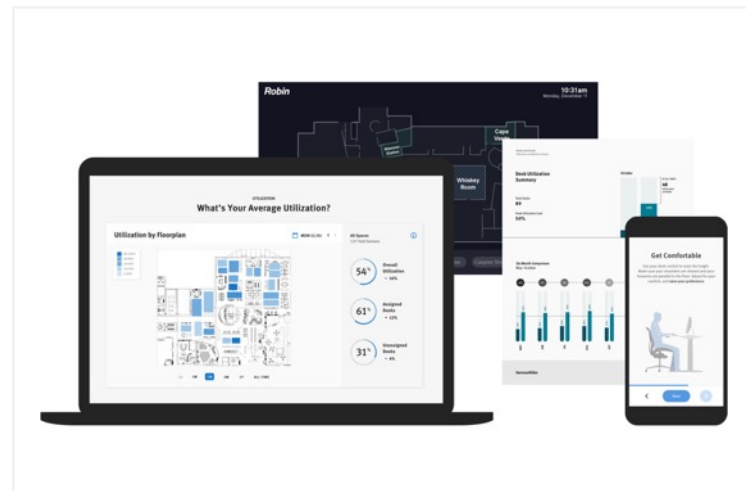
Continue to lead in Product and Innovation

2 Build a Customer-Centric, Digitally-Enabled Business Model

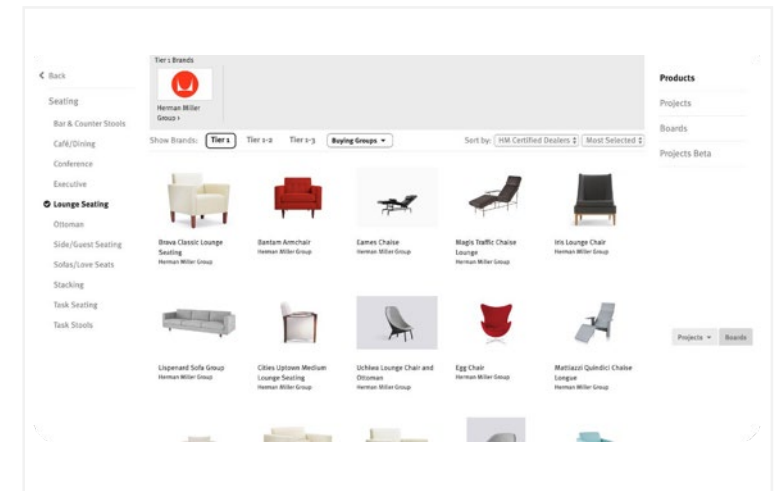
Objectives:



Leverage deep understanding of customer journeys to deliver inspired products and frictionless customer experiences



Drive step-change in our data, analytics, marketing, and brand capabilities



Strengthen our core technology backbone

3 Accelerate Profitable Growth

Objectives:



Continued leadership in North America
Contract business



Drive outsized growth in International



Transform our Retail business

4 People, Planet, and Communities

Objectives:



Build, develop, and retain world-class talent



Shape an inclusive and diverse ecosystem



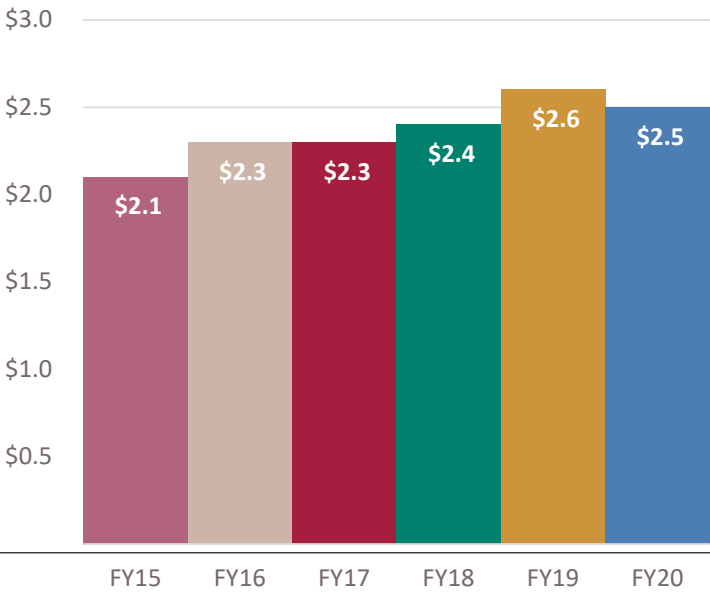
Elevate Our Better World Commitment

Strong track record of financial performance

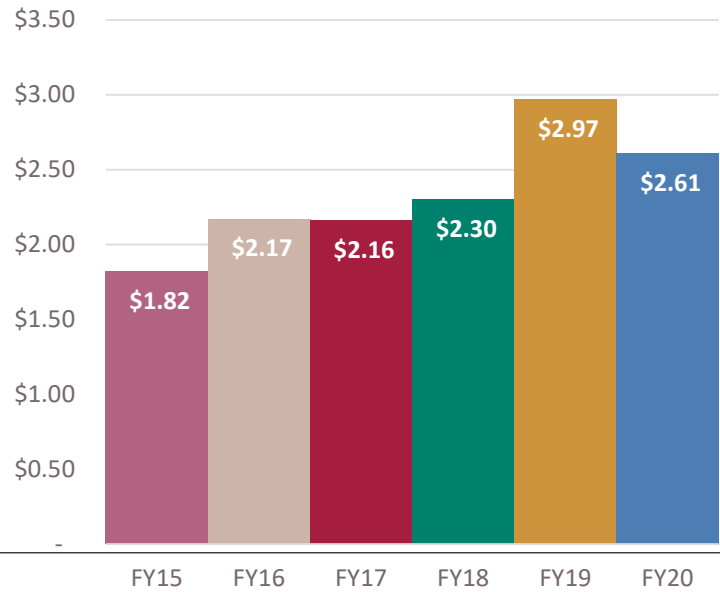
5 yr. organic revenue growth of 3.3%

Robust EPS and free cash flow generation over past 5 years

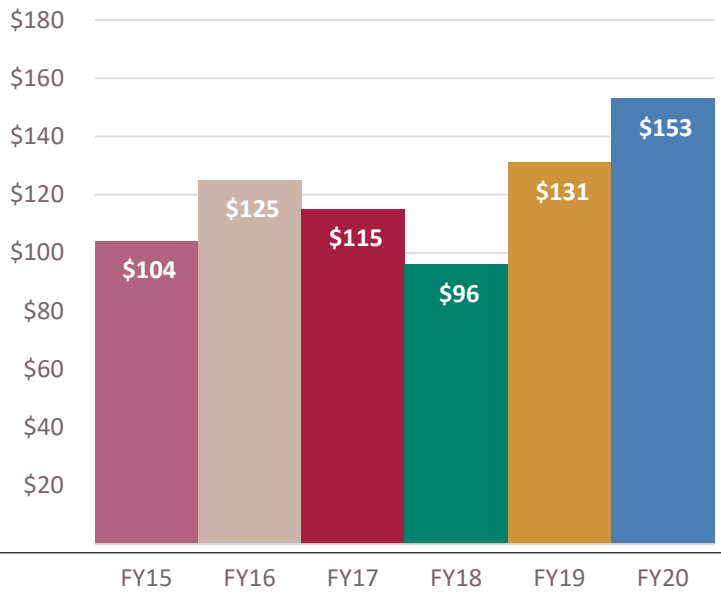
Revenue
(\$ billions)



Adjusted EPS

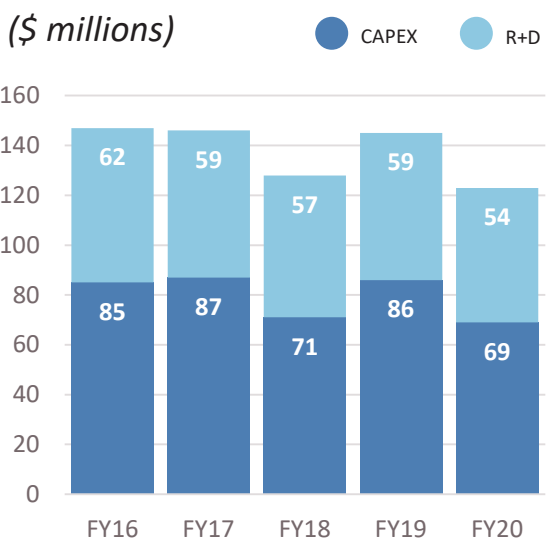


Free Cash Flow ⁽¹⁾
(\$ millions)



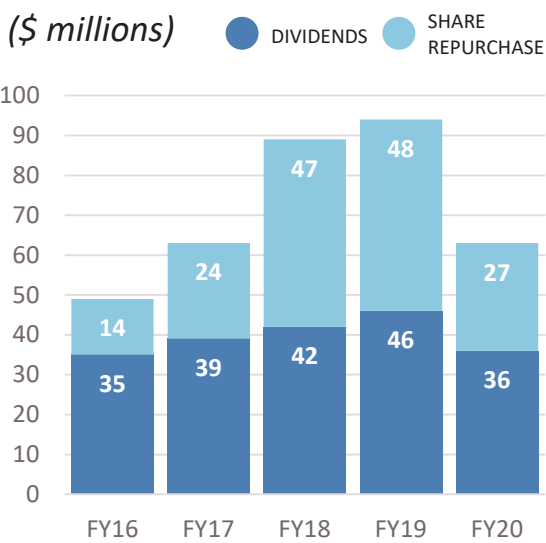
(1) Cash flow from operations less CAPEX

Disciplined capital allocation approach focused on value creation



Investments in M&A,
including naughtone, HAY,
and Maars Living Walls


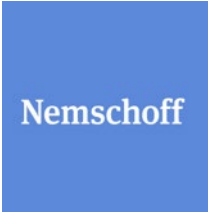






	Q1 FY21
Cash	\$297M
Long-term Debt	\$325M
Leverage Ratio	1.1x
Revolver Avail.	\$266M



Average annual adjusted return on invested capital of 22% over past 5 years

Note: Dividend and share repurchase programs temporarily suspended in Q4 FY20 as part of managing liquidity in COVID pandemic. Quarterly dividend re-established in Q2 FY21.

Focused acquisition and partnership strategy

	FY10		FY12	FY13	FY15	FY16/FY20	FY19	FY19/FY20
Strategic Rationale								
Audience		✓			✓			✓
Channel			✓	✓	✓			
Geography			✓			✓	✓	✓
Product	✓	✓	✓	✓	✓	✓	✓	✓

Opportunity for continued revenue growth over the next five years

Revenue

Core Industry	2-3%
New Products and Initiatives	1-2%
Retail Growth	1-2%

Estimated Annual Organic Revenue Growth *	4-7%
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** Assumed to be through an economic cycle*



Operating income growth of 2x to 2.5x the rate of organic revenue growth

Structurally higher operating margins driven by:

- Growth in high margin product categories
- Digital transformation
- Retail growth and optimization
- Scale advantages
- Profit improvement initiatives



Driving Value Creation



Distinct Capabilities



Clear strategic priorities



Strong track record of financial performance and compelling outlook

