



TEMPUR+SEALY

TPX CORPORATE SOCIAL VALUES SNAPSHOT

2024 CSVR SNAPSHOT

We are pleased to share our 2024 Corporate Social Values Report (CSVr), a testament to our ongoing commitment to making a positive impact in the world. We understand that corporate responsibility is an evolving journey, and we are dedicated to continually improving our practices to contribute to a better, more sustainable future. This snapshot provides a high-level overview of our approach and progress related to our key Environmental, Social, Governance (ESG) priorities. **For additional information regarding our ESG initiatives please refer to the full [2024 CSVr](#).**

We have again aligned our sustainability reporting with the SASB Standards and the Task Force on Climate-Related Financial Disclosure (TCFD). We also continue to highlight how our business is helping to advance the United Nations Sustainable Development Goals (SDGs). Please see the **Appendix** for additional details.

Below are highlights of the progress we made on our priorities in the trailing twelve months ended September 30, 2023.



ENVIRONMENT

- Achieved zero waste to landfill status at our Canadian and Mexican manufacturing operations and maintained our zero waste to landfill status at our U.S. and European manufacturing operations
- Achieved zero waste to landfill status at 75% of our corporate offices and R&D labs, in line with our goal to achieve zero landfill waste at our corporate offices and R&D labs by 2025
- Progressed towards our goal of achieving carbon neutrality by 2040 through reducing greenhouse gas emissions at our wholly owned manufacturing and logistics operations by 4%* compared to the prior year
- Summarized and published our approach to comprehensive chemical supply management in a [Chemical Safety Policy](#)

**This excludes the impact of new facilities opened in the trailing twelve-month period. Including the impact of new facilities, we reduced greenhouse gas emissions at our wholly owned manufacturing and logistics operations by 1% compared to the prior year.*

PURPOSE

- Continued to bring industry-leading innovation to market that provides consumers with access to higher quality sleep at a variety of price points, including the new U.S. product launches of TEMPUR-Breeze®, TEMPUR-Ergo® Smart Base, and Stearns & Foster, and the new international launches of TEMPUR® products
- Contributed approximately \$800,000 through the Tempur Sealy Foundation and donated more than 12,100 mattresses worth approximately \$16.9 million, bringing our ten-year donation total to over \$100 million

PEOPLE

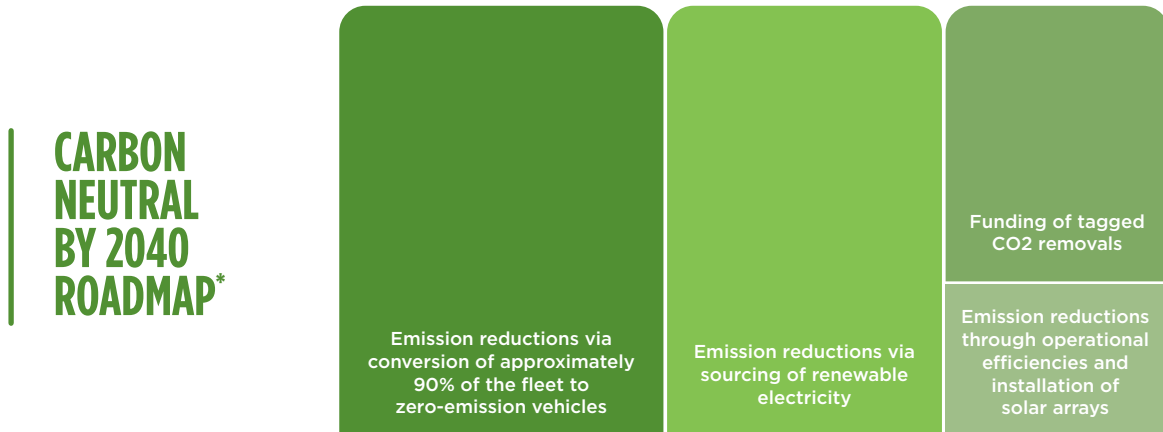
- Increased transparency and expanded disclosures around Employee Health & Safety, Ethics Line, and Employee Satisfaction & Engagement
- Embedded ESG performance as a factor in executive leadership's 2023 compensation program

OUR APPROACH TO SUSTAINABLE BUSINESS PRACTICES

ENVIRONMENTAL INITIATIVES

CARBON NEUTRAL BY 2040

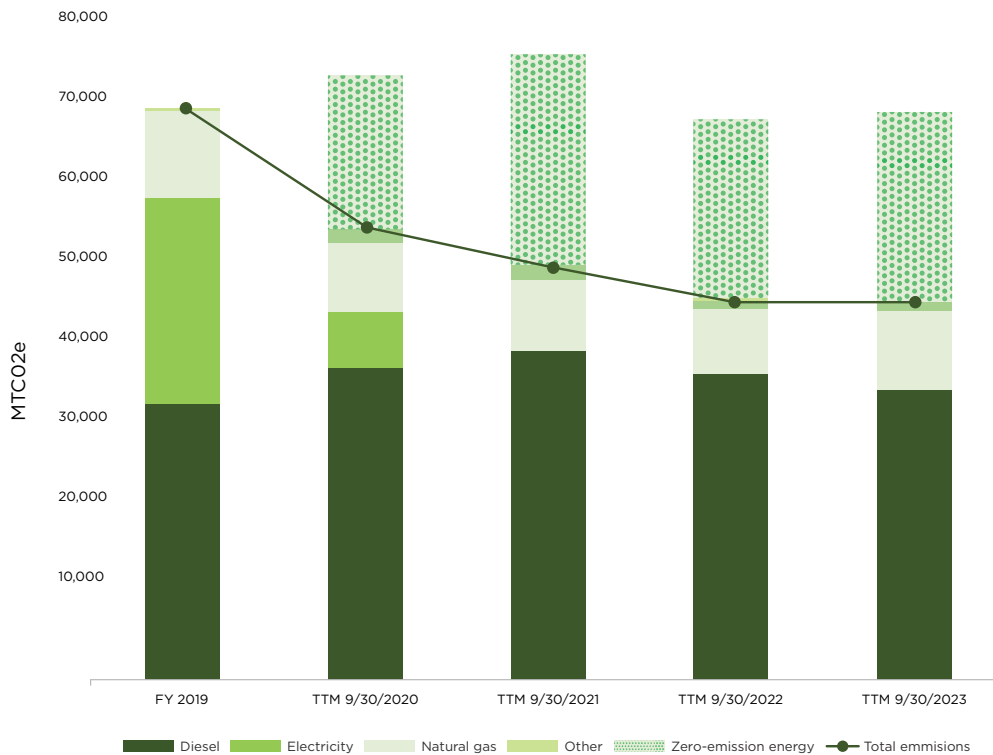
Our objective is to reduce or offset 100% of Scope 1 and 2 greenhouse gas emissions and achieve carbon neutrality in our operations by 2040.



*Indicative roadmap uses 2021 data as a baseline – these values are estimates and subject to change

Estimated GHG emissions associated with natural gas, electricity, diesel, and propane from global wholly owned manufacturing and logistics operations in 2023 were 45,594 MTCO₂e, a reduction of 1% over the same period in 2022. Excluding the impact of new facilities opened in the trailing twelve-month period, we achieved an emissions reduction of 4% over the same period last year using consistent methodology.

MANUFACTURING AND LOGISTICS OPERATION SCOPE 1 AND SCOPE 2 GREENHOUSE GAS EMISSIONS*



*Values reported in MTCO₂e (diesel, electricity, natural gas, other) or MTCO₂e avoided (zero-emission energy)

ZERO-EMISSIONS VEHICLES

In 2023, we permanently deployed our first zero emissions electric vehicle in California. The electric vehicle replaced a diesel vehicle and is expected to result in an annualized 34 MTCO₂ reduction in emissions.

RENEWABLE ENERGY

In 2023, the Company made significant investments in resource efficiency and enhanced production and distribution processes across our global operations.

100% of our global wholly owned manufacturing and logistics facilities' electricity needs were powered by renewable energy in the trailing twelve months ended September 30, 2023.

OPERATIONAL EFFICIENCIES

Our foam-pouring facility in Duffield, VA leverages railways to efficiently move raw materials across the U.S. Since 2021, this facility has converted approximately 25% of the overall truck traffic for bulk chemicals to deliver via rail which has meaningfully decreased the greenhouse gas emissions associated with our logistics operations. Our new foam-pouring facility in Crawfordsville, Indiana also leverages railways to efficiently move raw materials. We anticipate this facility will source over 75% of the bulk chemicals via rail going forward, significantly decreasing the emissions associated with our supply chain.

RECYCLING AND WASTE MANAGEMENT

We are committed to reducing waste through recycling and waste minimization efforts across our global operations. To ensure progress is monitored effectively, we meticulously track waste generated during production, leverage an internal reporting system for continuous assessment, and leverage third-party waste management services to gain comprehensive insights worldwide.

U.S. manufacturing recycling efforts in the trailing twelve months ending September 30, 2023, were equivalent to:

SAVING **102,075** BARRELS OF OIL

PLANTING **731,540** trees

AND AVOIDING **43,892 tons** OF CO₂E

ZERO WASTE TO LANDFILL

Manufacturing:

In 2023, our Canadian and Mexican manufacturing facilities joined our wholly owned U.S. and European Tempur manufacturing facilities in achieving zero waste to landfill status. For the trailing twelve months ended September 30, 2023, 100% of the waste generated at our wholly owned U.S.* and European manufacturing operations was diverted from landfill, 96% of the waste generated at our Canadian manufacturing operations was diverted from landfill, and 91% of the waste generated at our Mexican manufacturing operations was diverted from landfill.

As of September 30, 2023, 100% of our global wholly owned manufacturing waste is diverted from landfill.

U.S. MANUFACTURING WASTE DIVERTED FROM LANDFILL*

(in tons)	U.S.**	Canada	Mexico	Denmark	European bedbase manufacturer	Dreams	Total
Recycled	31,290	1,133	585	4,441	67	444	37,960
Incinerated	2,455	331	63	2,737	62	254	5,902
Landfilled	84	58	65	0	0	0	207
Total	33,829	1,522	713	7,178	129	698	44,069

*These figures were calculated using the U.S. EPA greenhouse gases equivalency methodology.

**100% waste diverted as permitted by local and state regulations.

Corporate Offices and R&D Labs:

In 2023, we improved our waste streams and waste management practices to achieve zero waste to landfill status at one of our two U.S. corporate offices and R&D labs, our Denmark corporate office and R&D lab, and our Dreams corporate office. We expect to leverage the learnings from converting these locations to zero waste to drive the remaining U.S. corporate office and R&D lab to achieve zero waste to landfill status by 2025.

PRODUCT AND PACKAGING

In 2023, we formally integrated sustainability into our U.S. product development process. Every new product plan considers the lifecycle of the proposed product and evaluates opportunities to further enhance the sustainability of the new product. Such opportunities include minimizing manufacturing scrap, leveraging recyclable inputs, and enhancing the product's recyclability and cyclicity.

SOCIAL INITIATIVES

IMPROVING SLEEP

In 2023, we launched a new line of TEMPUR-Breeze® mattresses. The innovative technology included in the new TEMPUR-Breeze® line results in a mattress that feels up to 10 degrees cooler*, providing relief to consumers whose quality of sleep is impacted by sleeping hot. We also launched a refreshed Tempur-Ergo® Smart Base powered by Sleeptracker-AI® lineup that features incremental innovation in 2023. In addition to expanded ergonomic benefits, the refreshed line features Sleeptracker 2.0 technology and is equipped with a range of relaxation features to help prepare consumers mind and body for deep, rejuvenating sleep.

**LuxeBreeze® feels up to 10 degrees cooler based on the average heat index increase of TEMPUR-LuxeBreeze® compared to TEMPUR-ProAdapt® models measured over an 8-hour period. ProBreeze® feels up to 5 degrees cooler based on the average heat index increase of TEMPUR-ProBreeze® compared to TEMPUR-ProAdapt® models measured over an 8-hour period.*

CHARITABLE GIVING

The mission of the Tempur Sealy Foundation is to improve the lives of children and families through investing in high-impact healthcare, social service and educational organizations that make a positive difference in the lives of those most in need. In 2023, the Foundation donated more than \$800,000 dollars to support these causes.

Since its launch in 2017, the Tempur Sealy Foundation has provided over 60 grants totaling more than \$4 million dollars in charitable contributions to local, national, and international organizations that support this mission.

>60 GRANTS

MORE THAN \$4 MILLION
IN CHARITABLE CONTRIBUTIONS

PRODUCT DONATIONS

Our mattress donation program helps us deliver on our Company purpose of "improving the sleep of more people, every night, all around the world." Since 2011, we have donated more than 240,000 mattresses to charities, including more than 10,000 in 2023. Many different types of charities have benefitted from our donation program, including Disaster Relief Organizations, Veterans Homes, Military Charities, and Homeless Shelters.



OUR PEOPLE

Diversity Equity and Inclusion:

We have approximately 12,000 employees, comprised of approximately 7,000 U.S. employees and 5,000 employees in the rest of the world. We are committed to continuing our efforts to ensure that we have a workforce diverse in demographic, thought, and experience.

The following are some of the actions that we are taking to realize our commitment to a more diverse workforce:

- Promotion of a diverse slate of qualified candidates during the hiring process
- Employ a uniform, global process for determining compensation based on experience and skillsets to remove potential biases
- Outreach with organizations in each of our local communities to increase the flow of minority, female, veteran, and disabled applicants for employment
- Analyze gender and minority pay equity periodically
- Participate in external, community-based activities sponsored by local organizations, including those that assist women, minorities, and veterans

MANUFACTURING AND LOGISTICS EMPLOYEE HEALTH AND SAFETY

Our goals are focused on ensuring compliance with health and safety best practices, requiring employee health and safety training for 100% of our applicable employees, raising workplace awareness through safety initiatives, and identifying risk elimination opportunities. Adherence to our health and safety priorities is driven by a team of regional safety managers and on-site safety coordinators.

We diligently track our manufacturing safety rates worldwide and leverage the data to drive continuous safety improvements across our manufacturing footprint. See ESG data table for a summary of our safety KPIs*.

**These metrics are calculated using OSHA methodology*

EMPLOYEE SATISFACTION AND CULTURE

We continue to complete annual engagement surveys for all our employees globally, and we develop multi-pronged action plans to address the feedback we receive. Our Company's commitment to employee engagement is unwavering, as evidenced by our Engagement Score of 73% surpassing the industry average by 2%*. This metric, derived from a comprehensive survey of employee sentiment, reflects the level of enthusiasm, motivation, and commitment that our workforce exudes. We had 87% participation in our 2023 salaried employee engagement survey.

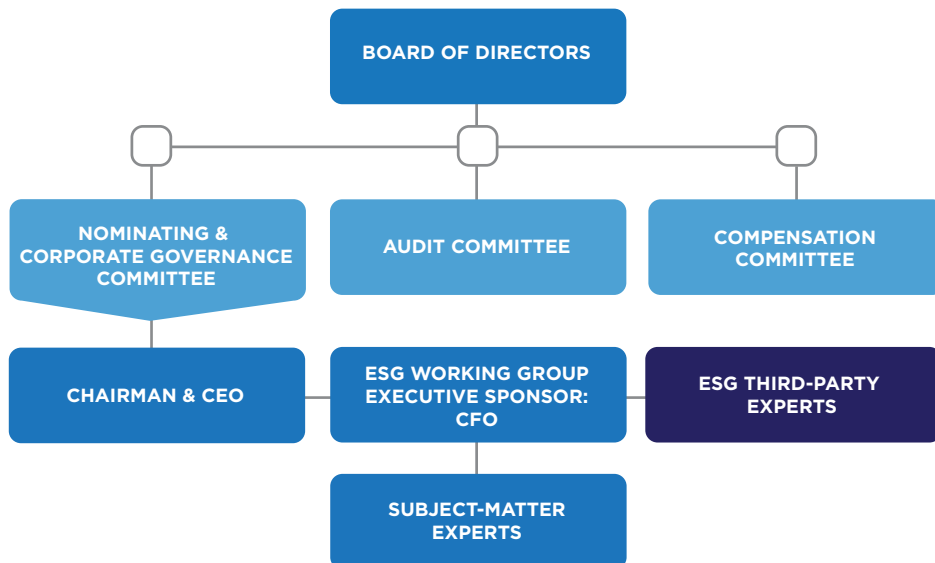
**The industry standard is established by calculating the mean engagement score across our third-party engagement survey vendor's customer base. Our benchmark comparison is specifically aligned with the Consumer and Durable goods sector.*

GOVERNANCE INITIATIVES

BOARD OVERSIGHT OF ESG

The Nominating and Corporate Governance (“NCG”) Committee has primary responsibility for oversight of risk associated with leadership structure, corporate governance matters, and the Company's ESG practices and positions. The NCG Committee reviews our practices and positions relating to ESG issues that may affect the business and key stakeholders and for exercising oversight on matters relating to ESG. The NCG Committee regularly reviews the effectiveness of management's strategies, programs, and policy implementation with respect to responsible sourcing, climate change, waste management, energy initiatives, corporate governance practices and procedures and stakeholder management.

The Compensation Committee has primary responsibility for oversight of risk related to compensation, diversity, equity, and inclusion initiatives, and human rights considerations.



CYBERSECURITY

Our Audit Committee and Board devote significant time and attention to cybersecurity and cyber incident preparedness and response. Our Audit Committee receives quarterly reports from our Senior Vice President, Chief Information Officer and management on cyber threats and incident response. These reports address a range of topics, including updates on technology trends, policies and practices, and specific and ongoing efforts to prevent, detect, and respond to internal and external critical threats.

100% of salaried employees received Information Security training and Cybersecurity training in 2023.

CODE OF BUSINESS CONDUCT AND ETHICS

We have a [Code of Business Conduct and Ethics](#) that applies to our entire organization. On an annual basis 100% of our global employee base receives training on the Code of Business Conduct and Ethics policy.

ETHICS LINE

We maintain transparency and oversight in our Ethics Line management process by regularly reporting hotline information and metrics to the Audit Committee of our Board of Directors.

In 2023, approximately 10% of the concerns raised through the Ethics Line were substantiated. The vast majority of concerns raised were related to employee relations. There were no substantiated material concerns raised through the Ethics Line related to financial reporting in 2023.



APPENDIX

ESG DATA TABLE

For quick reference, the below table highlights key ESG metrics, policies, and programs discussed in this report and in other public documents. For further information, please refer to the page numbers located in our 2024 Corporate Social Values Report.

TOPIC	TRAILING 12-MONTH PERIOD ENDED SEPTEMBER 30, 2023*	TEMPUR SEALY DISCLOSURE IN THE 2024 CORPORATE SOCIAL VALUES REPORT
ENVIRONMENT		
RESOURCE CONSERVATION		
Estimated Total GHG Emissions—Scope 1 and 2 (MTCO ₂ e)	45,594 MTCO ₂ e	Pgs. 13-14 “Carbon Neutral by 2040”
Change in Total GHG Emissions (%)	-1%	Pgs. 13-14 “Carbon Neutral by 2040”
Electricity Use (millions of kWh)	60.3M kWh	Pgs. 13-14 “Carbon Neutral by 2040”
Natural Gas Use (MMBTU)	178k MMBTU	Pgs. 13-14 “Carbon Neutral by 2040”
Diesel Use (millions of gallons)	3.4M gallons	Pgs. 13-14 “Carbon Neutral by 2040”
Percentage of consumed energy from the grid (%)	49%	Pgs. 16-17 “Renewable Energy”
Percentage of energy used that is derived from renewable sources	54%	Pgs. 16-17 “Renewable Energy”
Aggregate energy consumption from renewable sources	65.3M kWh	Pgs. 16-17 “Renewable Energy”
WASTE MANAGEMENT		
Waste recycled or used in energy production (%) in our global wholly owned manufacturing operations as of September 30, 2023 (%)	100%	Pgs. 20-23 “Waste Management”
Global R&D and corporate offices operating at zero waste to landfill status as of September 30, 2023	75%	Pgs. 20-23 “Waste Management”
Returned Tempur Pedic products that were diverted from landfill (%)	100%	Pgs. 20-23 “Waste Management”
KEY DOCUMENTS		
Environmental Policy Chemical Safety Policy		
PURPOSE		
CHARITABLE GIVING		
Total monetary and in-kind donations (\$)	-\$17.7M	Pgs. 4-5 “Letter From the CEO”

*Unless otherwise noted

ESG DATA TABLE CONTINUED

OUR PEOPLE		
BOARD COMPOSITION		
Total directors (#)	7	–
Average age as of March 28, 2023 (years)	63.6	–
Average tenure (years)	7.7	–
Independent directors (%)	71%	–
BOARD COMPOSITION BY GENDER (%)		
Female	43%	Pgs. 41-48 “Ethics & Diversity”
Male	57%	Pgs. 41-48 “Ethics & Diversity”
BOARD COMPOSITION BY ETHNIC DIVERSITY (%)		
Minority	14%	Pgs. 41-48 “Ethics & Diversity”
Non-minority	86%	Pgs. 41-48 “Ethics & Diversity”
OUR TEAM		
TOTAL EMPLOYEES (#)*		
Full-time Employees (#)	-12,000	Pgs. 41-48 “Ethics & Diversity”
U.S. Employees (%)	52%	Pgs. 41-48 “Ethics & Diversity”
Non-U.S. Employees/Located Offshore (%)	48%	Pgs. 41-48 “Ethics & Diversity”
U.S. WORKFORCE BY GENDER (%)		
Female	32%	Pgs. 41-48 “Ethics & Diversity”
Male	68%	Pgs. 41-48 “Ethics & Diversity”
EXECUTIVE LEADERSHIP BY GENDER (%)		
Female	18%	Pgs. 41-48 “Ethics & Diversity”
Male	82%	Pgs. 41-48 “Ethics & Diversity”
U.S. WORKFORCE ETHNIC DIVERSITY (%)*		
Minority	50%	Pgs. 39-45 “Ethics & Diversity”
Non-minority	50%	Pgs. 39-45 “Ethics & Diversity”
EXECUTIVE MANAGEMENT ETHNIC DIVERSITY (%)		
Minority	18%	Pgs. 41-48 “Ethics & Diversity”
Non-minority	82%	Pgs. 41-48 “Ethics & Diversity”

*Excludes Sherwood

EMPLOYEE HEALTH & SAFETY		
Employees in manufacturing/logistics completing health and safety training (%)	100%	Pgs. 49-52 "Wellness—Health & Safety"
U.S. manufacturing employee injury rate	3.94	Pgs. 49-52 "Wellness—Health & Safety"
# of U.S. manufacturing employee fatalities	0	Pgs. 49-52 "Wellness—Health & Safety"
# of U.S. manufacturing contractor fatalities	0	Pgs. 49-52 "Wellness—Health & Safety"
U.S. manufacturing lost workday rate	0.91	Pgs. 49-52 "Wellness—Health & Safety"
ETHICS & COMPLIANCE		
Employees and contractors trained on Code of Business Conduct and Ethics (%)	100%	Pgs. 41-48 "Ethics & Diversity"
% of total Ethics Line concerns substantiated	10%	Pg. 46 "Ethics Line"
Employee hardship total \$\$ provided	\$314,000	Pg. 54 "Employee Hardship Program"
EMPLOYEE ENGAGEMENT AND DEVELOPMENT		
U.S. salaried Employee Engagement Survey Participation (%)	87%	Pg. 53-54 "Employee Engagement & Satisfaction"
U.S. salaried Employee Engagement Survey Score (%)	73%	Pg. 53-54 "Employee Engagement & Satisfaction"
U.S. salaried employees who received a performance review (%)	93%	Pg. 53-54 "Professional Development"
KEY DOCUMENTS		
Code of Business Conduct & Ethics		
Conflict Minerals Policy		
Supplier Code of Conduct		
Human Rights Policy		
Governance Ethics Line Information		
General Privacy Policy		

SASB INDEX

The table below references relevant sections of the report and other sources of disclosure that align with the SASB topics most relevant to our company including those for the Building Products and Furnishings and Multiline and Specialty Retailers and Distributors industries. We will continue to deepen our alignment and disclosure over time. For further information, please refer to the page numbers located in our [2024 Corporate Social Values Report](#)

Topic	Description	SASB Code	2024 FULL CSVR CONTENT REFERENCE
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	CG-MR-130a.1 CG-BF-130a.1	See Environment on pg. 16
Wood Supply Chain Management	(1) Total weight of wood fiber materials purchased, (2) percentage from third-party certified forestlands, (3) percentage by standard, and (4) percentage certified to other wood fiber standards, (5) percentage by standard	CG-BF-430a.1	See Lumber Supply Chain Management and Due Diligence on Timber pgs. 26-27
Data Security	Description of approach to identifying and addressing data security risks	CG-MR-230a.1	See Ethics and Risk Management on pages 44 & 46
	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	CG-MR-230a.2	There were no material data breaches involving PII in 2023.
Labor Practices	(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region	CG-MR-310a.1	See People Development and Training on pg. 53-54
	(1) Voluntary and (2) involuntary turnover rate for in-store employees	CG-MR-310a.2	
Workforce Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees ⁴	CG-MR-330a.1	See Diversity, Equity, and Inclusion on pg. 41-42
Product Sourcing, Packaging & Marketing	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	CG-MR-410a.2	See Product and Packaging on pg. 25
	Discussion of strategies to reduce the environmental impact of packaging	CG-BF-250a.1	See Product and Packaging on pgs. 24-29
	(1) Total weight of wood fiber materials purchased, (2) percentage from third-party certified forestlands, (3) percentage by standard, and (4) percentage certified to other wood fiber standards, (5) percentage by standard	CG-BF-430a.1	See Product and Packaging on pg. 26
Product Lifecycle Environmental Impacts	Description of efforts to manage product lifecycle impacts and meet demand for sustainable products	CG-BF-410a.1	See Improving Sleep on pgs. 31-35
	(1) Weight of end-of-life material recovered, (2) percentage of recovered materials recycled	CG-BF-410a.2	See Waste Management on pgs. 20-23

Product Sourcing, Packaging & Marketing	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	CG-MR-410a.2	See Product and Packaging on pg. 25
	Discussion of strategies to reduce the environmental impact of packaging	CG-BF-250a.1	See Product and Packaging on pgs. 24-29
	(1) Total weight of wood fiber materials purchased, (2) percentage from third-party certified forestlands, (3) percentage by standard, and (4) percentage certified to other wood fiber standards, (5) percentage by standard	CG-BF-430a.1	See Product and Packaging on pg. 26
Product Lifecycle Environmental Impacts	Description of efforts to manage product lifecycle impacts and meet demand for sustainable products	CG-BF-410a.1	See Improving Sleep on pgs. 31-35
	(1) Weight of end-of-life material recovered, (2) percentage of recovered materials recycled	CG-BF-410a.2	See Waste Management on pgs. 20-23
Management of Chemicals in Products	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	CG-BF-250a.2	See Chemical Supply Chain Management and Chemical Safety Strategy pg. 25
	Percentage of eligible products meeting volatile organic compound (VOC) emissions and content standards	CG-BF-250a.2	See Chemical Safety Strategy (100% VOC free) pgs. 25-26

TCFD INDEX

TCFD Pillar	TCFD Disclosure Recommendation
Governance Disclose the organization's governance around climate-related risks and opportunities.	a. Describe the Board's oversight of climate-related risks and opportunities. - The Nominating and Corporate Governance (NCG) Committee, on behalf of the Board, is responsible for reviewing the Company's practices and positions relating to ESG issues that may affect the Company's business and key stakeholders and for exercising oversight on matters relating to ESG, including climate-related risks and opportunities. The NCG Committee regularly reviews the effectiveness of management's strategies, programs, and policy implementation with respect to responsible sourcing, climate change, waste management, energy initiatives, corporate governance practices and procedures and stakeholder management. Additionally, the Audit Committee reviews and discusses with management and internal audit the Company's risk management processes and internal controls over the Company's disclosures surrounding its environmental, social and governance efforts.
	b. Describe the management's role in assessing and managing climate-related risks and opportunities. - Our Chairman and CEO has the ultimate responsibility for the Company's ESG performance. Executive officers are held accountable for the Company's ESG performance through the Company's performance-based long-term equity incentive plan. This includes climate-related risk and opportunity management. In 2021, 2022, and 2023, ESG factors collectively accounted for 10% of the annual performance based restricted stock unit awards - Our ESG Working Group is a cross functional group tasked to operationalize ESG by working with subject matter experts across the Company. One focus of this group is to better understand how climate related risks impact the Company and explore climate related opportunities on the horizon. This group is advised by a third party that brings external ESG insights to help inform our strategic objectives and is overseen by the Chief Financial Officer.

<p>Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.</p>	<p>a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p> <ul style="list-style-type: none"> - Our ESG Working Group has engaged with a third-party sustainability specialist to help us further our ESG program and understand how climate change impacts our business. - The risks identified throughout this process are transitional risks related to supply chain disruption and physical risks associated with natural disasters. - Loss of suppliers and disruptions in the supply of our raw materials and components could increase our costs of sales and reduce our ability to compete effectively. We maintain relatively small supplies of our raw materials and components at our manufacturing facilities, and any disruption in the shipment of supplies, including climate impacts, could interrupt production of our products. - Damage to a manufacturing facility or distribution center from a natural disaster could impact our operations by reducing the ability to meet our customers' demands. We operate in a highly competitive industry, and if we are unable to compete successfully, we may lose customers and our sales may decline. - We have also identified opportunities relating to lower-emission energy sources and more efficient use of resources throughout the manufacturing and distribution process. Both areas provide the chance to lessen the Company's impact on the environment while improving operational efficiency and lessening the reliance on and cost of energy used in operations. <p>b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</p> <ul style="list-style-type: none"> - We expect to address this topic in future ESG reporting. <p>c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p> <ul style="list-style-type: none"> - We expect to address this topic in future ESG reporting.
<p>Risk Management Disclose how the organization identifies, assesses, and manages climate-related risks.</p>	<p>a. Describe the organization's processes for identifying and assessing climate-related risks.</p> <ul style="list-style-type: none"> - When identifying and assessing climate related risk, our ESG working group categorizes climate-related risks as both physical and transitional risks. Once the risks are identified, we assess how the risk will affect the business against different physical and transitional scenarios. During the process, we meet with internal key stakeholders and our external sustainability experts to ensure we are identifying key climate-related risks to our business. <p>b. Describe the organization's processes for managing climate-related risks.</p> <ul style="list-style-type: none"> - We utilize our ERM process to identify risks related to global environmental exposure and site environmental matters. We have an ERM group that manages this process. Their activities include assessing, prioritizing, and measuring the risks, implementing mitigation plans, and auditing the results. This team formally presents to our Board of Directors on an annual basis. In addition to the formal presentation, the executive team and the Board receive updates from the ERM group throughout the year. <p>c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.</p> <ul style="list-style-type: none"> - Please see above statements.

<p>Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</p>	<p>a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>- We expect to address this topic in future ESG reporting.</p>
	<p>b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.</p> <p>- Between October 1st, 2022, and September 30th, 2023, our global wholly owned manufacturing and shipping operations consumed 60.3M kWh of electricity, 178K MMBtu of natural gas, and 3.4M gallons of diesel. Estimated GHG emissions associated with natural gas, electricity, diesel, and propane from these operations were 45,594 MTCO₂e, a reduction of 1% over the same period last year using a consistent methodology. Excluding the impact of new facilities opened in the trailing twelve-month period, we achieved an emissions reduction of 4% over the same period last year using consistent methodology.</p>
	<p>c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p> <p>- In 2020, we announced our commitment to achieving carbon neutrality in our global operations by 2040. Our aim is to reduce or offset 100% of Scope 1 and 2 greenhouse gas emissions from our wholly owned manufacturing, retail, and logistics operations.</p> <p>- In 2022, we achieved our goal to have zero landfill waste at each of our wholly owned U.S. manufacturing facilities and our European Tempur manufacturing facility by the end of 2022.</p> <p>- In 2022, we set a goal to achieve zero waste to landfill status at our corporate offices and research and development labs worldwide by 2025.</p> <p>- In 2023, we achieved our goal to have zero waste to landfill at each of our Canadian and Mexican manufacturing facilities.</p> <p>- In 2023, we achieved zero waste to landfill status at 75% of our corporate offices and research and development labs.</p>

FORWARD-LOOKING STATEMENTS

This report may be deemed to include statements that are “forward-looking” within the meaning of the federal securities laws, which include information concerning one or more of the Company’s plans, objectives, goals, strategies, and other information that is not historical information. When used in this report, the words “believe,” “expect,” “anticipate,” “hope” and variations of such words or similar expressions are intended to identify such statements. Any forward-looking statements contained herein are based upon current expectations and beliefs and various assumptions. These forward-looking statements include, without limitation, statements relating to the Company’s expectations regarding sustainability goals; including our goal of achieving carbon neutrality in our global wholly owned operations by 2040; commitments and programs; business plans; initiatives and objectives; assumptions and expectations; the scope and impact of corporate responsibility risks and opportunities; and standards and expectations of third parties. There can be no assurance that the Company will realize these expectations or that these beliefs will prove correct. Numerous factors, many of which are beyond the Company’s control, could cause actual results to differ materially from any that may be expressed herein as forward-looking statements. These risk factors include the risk factors discussed under the heading “Risk Factors” in Part I, ITEM 1A of the Company’s Annual Report on Form 10-K for the year ended December 31, 2022, and as updated from time to time in our other periodic reports filed with the SEC. There may be other factors that may cause the Company’s actual results to differ materially from the forward-looking statements. The Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made.