

Serta Simmons Bedding - Modern Slavery Report 2024



# 2024 Modern Slavery Report

Serta Simmons Bedding, LLC, on behalf of itself, its parent, Dreamwell, Inc., and its subsidiaries, SSH Bedding Canada Co. and SSB Manufacturing Company (collectively, “SSB”), submits this 2024 Modern Slavery Report (the “Report”) in compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada)(the “Act”), and the *Transparency in Supply Chains Act* (California) for the reporting period January 1<sup>st</sup> – December 31<sup>st</sup>, 2023.

## Introduction

SSB has long acknowledged its obligation to combat forced labour, child labour, and human trafficking (“Modern Slavery”). We require those with whom we conduct business, wherever we may be around the world, to commit to human rights and ethical business practices, and to act in accordance with those universally recognized human rights codified in US, Canadian, and international law, including all applicable labour laws. This includes a commitment to freedom from Modern Slavery. We act with integrity and strive to ensure that our operations and products, and the supply chains that support them, adhere to the highest ethical standards.

We are committed to the prevention, mitigation, and remediation of any adverse human rights impacts related to our business activities. Our dedication extends beyond compliance to embracing a proactive stance in safeguarding human rights within our company and throughout our supply chains.

At SSB, we are dedicated to maintaining our established strategies to combat modern slavery.

### 1. Our Business

SSB has been manufacturing mattresses and foundations in North America for nearly 150 years. We own, manage and globally license iconic sleep brands, including Simmons®, Beautyrest®, Serta® and Tuft & Needle®. SSB is a privately held Delaware limited liability company headquartered in Doraville, Georgia, USA and its wholly owned subsidiary SSB Manufacturing Company, a Delaware corporation, operates 16 manufacturing plants across the United States, while SSB’s wholly owned Canadian subsidiary, SSH Bedding Canada Co., a Nova Scotia, Canada company, is headquartered in Vaughan, Ontario, Canada and operates manufacturing plants in Alberta and Ontario, Canada. Our operations and all of our employees are located exclusively in the United States and Canada, although we source materials globally. Dreamwell, Inc., a privately held Delaware corporation without operations or a supply chain, headquartered in Doraville, GA, USA, is the ultimate parent of SSB, and SSB is governed by the board of directors of Dreamwell, Inc. (the “Board”).

Employees at our manufacturing plants in Calgary, Alberta and Vaughan, Ontario, Canada are represented by labour unions, and we comply with all Canadian labour laws and regulations. Similarly, employees at some of our factories in the United States are represented by labour unions, and we comply with all federal, state and local labour and employment laws in the US.

### 2. Our Supply Chains and Supplier Relationships

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Our supply chains include the raw materials and equipment to produce mattresses, foundations, adjustable bases, bed frames, headboards, and licensed bedding and sleep accessories. The significant majority of our suppliers provide raw materials for mattresses and foundations, with a small number providing finished goods. During 2023, we acquired equipment from Croatia and Turkey, and used raw materials from Italy, Mexico, China, India, and Poland. We do not use cottons sourced in China. The foreign supplier is usually the importer of record.

### 3. Our Policies

- SSB's *Code of Business Conduct and Ethics* was first adopted in July 2003, is frequently updated, most recently in 2023, and is a statement of the fundamental principles and key policies and procedures that govern the conduct of our business. It establishes that nothing is more important to SSB than conducting business with integrity and in compliance with applicable laws, and expressly obligates us to require everyone with whom we conduct business to be committed to human rights and ethical business practices, and to act in accordance with those human rights universally recognized in international, as well as US and Canadian law, including all applicable labour laws, including specifically a commitment to freedom from forced or compulsory labour, human trafficking and child labour. All of our employees are required to review our Code of Conduct during annual compliance training and acknowledge their understanding of and commitment to its requirements.
- SSB's *Supplier Code of Conduct* was adopted in July 2015, and details the requirements and expectations we have of our suppliers, and their supply chains. We review our Supplier Code of Conduct on an annual basis to ensure that this policy remains in line with current best practices. Our Supplier Code of Conduct applies to all third-party suppliers and vendors of SSB, including direct raw material suppliers, direct finished goods suppliers, indirect suppliers and service providers. It includes an express requirement that each of our suppliers ensure that their downstream partners meet the same standards. We expect our suppliers to comply with all applicable legal requirements in the jurisdictions in which they operate and consistently monitor and enforce our Supplier Code of Conduct in their own operations and supply chain. Our Supplier Code of Conduct expressly establishes our expectation that those with whom we do business are committed to human rights and ethical business practices, and that they will act in accordance with those universally recognized human rights codified in US, Canadian, and other international law, including all applicable labour laws. This includes a commitment to freedom from forced or compulsory labour, human trafficking and child labour. We review this policy annually to ensure that it remains consistent with best practices.

We engage with suppliers who will commit to these standards as a condition of doing business with us. The Supplier Code of Conduct is communicated to each new supplier during the qualification process, is periodically communicated during the course of the relationship, and is expressly incorporated into our supplier contracts.

- SSB's Open Door Policy, which has been in existence for decades, and our Alert Line, which was established in 2003, encourage our employees and everyone with whom we do business to report good faith concerns that SSB policies or laws are being violated or actions are occurring which are not in accordance with SSB values, including compliance and integrity concerns. Such concerns may be brought directly to a leader or supervisor, human resources person, or any member of management or the executive team or reported via SSB's Alert Line. SSB's Alert Line is available by toll-free call or by digital report via a web address in numerous languages. Alert Line reports may be made anonymously. Information on the Alert Line and how to report concerns is prominently posted in each of our facilities, in multiple languages. All SSB employees and suppliers may access the Alert Line, and

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instructions for doing so are included in our Code of Conduct and our Supplier Code of Conduct. Every Alert Line report is reviewed, responded to, and investigated as appropriate.

### 4. Due Diligence

We expect third parties with which we work to adhere to business principles and values similar to our own and to comply with all applicable laws and regulations. Before making any commitments to do business with third parties, we engage in risk-based due diligence, as set out below, in an effort to evaluate the other party's business practices and commitment to values consistent with our own.

We acknowledge that employees working in our suppliers' facilities are at potential risk of forced labour or child labour or other human rights violations. In order to mitigate this risk, we follow a due diligence approach that may include (1) conducting facility visits and audits during the vendor qualification phase and periodically throughout the vendor relationship (during these visits, our employees perform observations to identify any anomalies or activities that raise concerns, such as excessive working hours, forced labour, presence of underage workers, and insufficient safety measures); (2) formal acknowledgement of our Supplier Code of Conduct, which expressly prohibits forced and child labour, requires each supplier to impose the same requirements on its downstream suppliers, and requires compliance with all applicable laws and regulations; and, (3) contractual affirmation of compliance with our Supplier Code of Conduct.

### 5. Risk Assessment and Mitigation

We recognize that our global raw material supply chain is the principal source of risk in our operations for Modern Slavery. Our global supply chain, including specifically the locations of our global raw materials suppliers, is reviewed annually. In 2023, we had no suppliers located in countries currently identified by the United Nations International Labour Organization and other sources as areas of concern for Modern Slavery. In addition, due to concerns about Modern Slavery, we do not use cottons that are sourced in China.

### 6. Remediation measures

We have not identified any instances of Modern Slavery in our operations or supply chains, consequently, we have not undertaken any remediation measures.

Given that no instances of Modern Slavery have been identified in our operations or supply chain, we have not identified any loss of income to the most vulnerable families resulting from any measure taken to eliminate the use of child or forced labour, and consequently, we have not undertaken steps to remediate any loss of income.

### 7. Training

SSB requires annual mandatory compliance training for all employees, which includes review and acknowledgement of our Code of Conduct and other compliance policies. Every new employee of SSB must complete mandatory online training on our values and policies, including our Code of Business Conduct and Ethics, and is informed of how to report wrongdoing under our Open Door and Alert Line Policies. Our global sourcing employees are also familiar with, understand and communicate the requirements SSB's Supplier Code of Conduct to our global supply chain, including with respect to forced and child labour.

### 8. Our Progress and Effectiveness

As part of our governance processes, each quarter, the Corporate Compliance Officer reviews all reports to the Alert Line, and the related investigations, and issues a mandatory compliance disclosure questionnaire to employees across the organization to ensure that known concerns involving violations of policy, law and ethics are reported and addressed.

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No concerns or information related to forced labour, child labour, slavery or human trafficking were reported during 2023.

### 9. Signature

In accordance with paragraph 11(4)(b)(ii) of the Act, this Report was approved by the Audit Committee of the Board on May 22, 2024, and was subsequently approved by the Dreamwell, Inc. Board, the governing body of SSB, on \_\_\_\_\_. It has been submitted to the Minister of Public Safety and Emergency Preparedness in Canada. This Report is also available on our company website at [www.sertasimmons.com](http://www.sertasimmons.com) and at [www.sertasimmons.ca](http://www.sertasimmons.ca).

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this Report for SSB. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this Report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting period January 1st – December 31<sup>st</sup>, 2023.

[SIGNATURE]   
Mark Genender  
Chair, Board of Directors  
Dreamwell, Inc.

**DATE: May 29, 2024**