



Deforestation and Forest Degradation Policy

Purpose

Somnigroup International Inc.¹ recognizes that forests play a critical role in the health of the global environment.

The primary deforestation-linked commodity used in our business is the lumber sourced to produce our wood-based products at our manufacturing facilities in Canada, Mexico, Estonia and the United Kingdom.

Our efforts are directed towards preventing deforestation and forest degradation by eliminating lumber linked to deforestation from our supply chain.

These initiatives are aligned with our broader sustainability strategy, which aims to enhance the sustainability of our entire product lifecycle, from sourcing raw materials to end-of-life disposal process.

In support of our deforestation and forest degradation commitment, Somnigroup prioritizes:

Traceability

Somnigroup complies with or exceeds all relevant deforestation and forest degradation laws and regulations. We conduct annual due diligence on all suppliers of timber products which supply our global operations, adhering to the latest worldwide deforestation regulatory requirements and official guidance. This ensures only legally harvested timber is used in our products.

Our due diligence includes:

- Verifying supplier declarations and certifications
- Checking sourcing origins to ensure compliance
- Monitoring deforestation-related certifications, authorizations, and other standards

Standards and Certifications

The lumber used to manufacture our lumber-based products at our wholly-owned manufacturing facilities worldwide is sourced from suppliers that are Sustainable Forestry Initiative (SFI) or Forest Stewardship Council (FSC) Chain of Custody certified.

¹ When used in this policy, the terms "Somnigroup," "Company," "we," "our," and "us" refer to Somnigroup International Inc., and its subsidiaries.

Supplier Expectations and Compliance Requirements

We believe in doing business with suppliers, vendors, contractors, manufacturers, distributors, and consultants (“suppliers”) who uphold our values as ethical and responsible corporate citizens. As well as requiring our suppliers to comply with all local, state, and national environmental laws and regulations, our [Supplier Code of Conduct](#) establishes our standards that we desire our Suppliers to uphold and is aligned with our [Human Rights](#) and [Environmental Policies](#). We also encourage our Suppliers to have similar expectations of their vendors in order to drive environmental responsibility further up the value chain.

Carbon-recapture Forestry Program

Tempur Sealy purchased 695 acres of land in 2024 with the goal of reforesting more than 345,000 pine and hardwood trees. We expect this forest will offset 45,000 tons of greenhouse gas emissions once fully matured, meaningfully reducing our net carbon footprint. We are also partnering with Stephen F. Austin University to provide college students with hands-on opportunities to reforest and manage the land and support student scholarships and assistantships.

Governance and Reporting

Somnigroup’s Nominating and Corporate Governance (“NCG”) Committee has primary responsibility for oversight of risk associated with leadership structure, corporate governance matters, and the Company’s sustainability practices and positions. The NCG Committee reviews our practices and positions relating to sustainability issues that may affect the business and key stakeholders and for exercising oversight on matters relating to sustainability. As part of this oversight, the NCG Committee reviews the effectiveness of management’s strategies and programs in progressing towards the Company’s goals.

We will continue to document and communicate our progress on preventing deforestation and forest degradation through:

- Our annual Corporate Social Values Report (CSVV)
- Monitoring and reporting our environmental performance against targets and objectives on a regular basis
- Engaging with stakeholders to solicit feedback that feeds into the continuous improvement of our sustainability strategy
- Providing updates on our sustainability initiatives to our executive leadership and the board of directors

Transparency and Continuous Improvement

We are committed to upholding ethical and legal standards, including compliance with all current and future local, national, and international laws and regulations that apply to our business. We value transparency and intend to reflect any significant changes to our sustainability practices or lumber management approach in future reports and communication with stakeholders.