



SSB CODE OF BUSINESS CONDUCT AND ETHICS

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SSB Code of Business Conduct and Ethics

This SSB Code of Business Conduct and Ethics (the “Code of Conduct”) identifies the high standards which define the way in which Serta Simmons Bedding Company, LLC (“SSB”) conducts business.

When we say “SSB” or the “Company”, we mean Dawn Holdings, Inc. (“Dawn Holdings”) and all of its direct and indirect subsidiaries (together, we refer to this group as the “SSB Companies”). The SSB Companies include:

- Dawn Holdings, Inc. (“Dawn Holdings”)
- Serta Simmons Bedding, LLC (“Serta Simmons Bedding”)
- National Bedding Company L.L.C. (“Serta”)
- Simmons Bedding Company, LLC (“Simmons”)
- SSB Manufacturing Company (“SSB Manufacturing”)
- SSH Bedding Canada Co. (“SSH Bedding Canada”)
- The Simmons Manufacturing Co., LLC (“TSMC”)
- Serta, Inc.
- Simmons Caribbean Bedding, Inc. (“Simmons Caribbean”)
- World of Sleep Outlets, LLC (“WOS”)
- Simmons Contract Sales, LLC (“SCS”)
- Dreamwell, Ltd. (“Dreamwell”)

This Code of Conduct replaces all previous codes of conduct adopted by any of the SSB Companies. It is in addition to (and does not replace) any policies that are already in place or may be implemented at the SSB subsidiary by which you are employed. To the extent one of those policies differs from the policies included in this Code of Conduct, the **more stringent** of the two will be controlling.

Our Code of Conduct will guide us in our day-to-day dealings. Our reputation shines because it reflects the honesty and integrity of each of our employees. Key guidelines include:

Be Fair - “Fair” does not mean “equal” but it means to treat all people in the same circumstance in the same way.

Respect the Individual - We value our differences in ideas, gender, physical capabilities, ethnicity, religious beliefs, and political beliefs.

Act from Integrity - We can all act “with” integrity, but we want to behave and act “from” integrity.

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Foster Growth and Development - The Company prospers when its individual employees grow through continuous learning.

The Company provides competitive compensation and benefits and its employees are recognized and rewarded for their individual and team contributions.

We strive to provide an environment in which employees can speak their minds and offer suggestions without fear. We are fully empowered participants who communicate in an open, honest culture that is multi-lingual and multi-directional. It is our goal to be the employer of choice in our industry.

This Code of Conduct is a statement of the fundamental principles and key policies and procedures that govern the conduct of our business. This Code of Conduct does not alter the terms and conditions of your employment, your relationship with the Company, or the terms of any agreement you have with the Company. Rather, it helps each of us know what is expected of us to make sure we always act with integrity. It is not intended to and does not create any obligations to or rights in any employee, client, supplier, competitor, director, shareholder or any other person or entity.

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PURPOSE OF THE SSB CODE OF CONDUCT

Why Have a Code of Business Conduct and Ethics?

SSB is committed to conducting business with integrity and in compliance with applicable laws. Failing to meet this standard could expose the Company to very serious harm. Moreover, illegal or unethical conduct is wrong. Integrity means living up to the standards – laws and our own policies – to which we commit. Nothing is more important to the Company.

The SSB Code of Business Conduct and Ethics (“Code of Conduct” or “Code”), provides an introduction to important laws and policies that everyone working for the Company must follow. This Code is designed to help each of us:

- Understand and follow the basic compliance and integrity rules that apply to our jobs
- Know when to ask for advice
- Know how to report actual or suspected violations, and
- Identify who to call on for help and guidance

Responsibility for oversight of and compliance with this Code of Conduct has been entrusted to the SSB Compliance Committee by the Audit Committee of the Board of Directors of Dawn Holdings.

While very important, this Code could not possibly discuss every unethical or illegal business practice in detail. Other policies adopted by SSB or any of the SSB Companies further implement the standards in this Code. Make sure you know the policies and rules that apply to you. And remember that the best guidelines are individual conscience, common sense, and an unwavering commitment to compliance with applicable laws and regulations.

Your Personal Pledge to Do the Right Thing

This Code represents a commitment to doing what is right. By working for the Company, or serving as a member of its Board of Directors, you are agreeing to uphold this commitment. You also need to understand the standards of this Code that apply to your job – and always follow them. Those who fail to follow these standards put themselves, their colleagues, and the Company at risk. They are also subject to disciplinary action, up to and including termination.

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What About Those Who Supervise Others?

Those who supervise others have additional responsibilities under this Code to:

- Set an example – show what it means to act with integrity
- Ensure that those who report to them have adequate knowledge and resources to follow this Code's standards
- Monitor compliance of the people they supervise
- Enforce the standards of this Code and all related standards, and
- Support employees who in good faith raise questions or concerns about compliance and integrity

What About Different Laws in Different Countries?

This Code specifically encompasses the laws of the United States and Canada.¹ If you do any business for the Company outside of the United States and Canada, you may be subject to the laws of different countries and organizations such as the European Union. Each of us has a responsibility to know and follow the laws that apply to us where we work. Remember that U.S. law can apply even when business activities are conducted outside the U.S. Other countries may apply their laws outside their boundaries as well.

ASKING QUESTIONS AND RAISING CONCERNS

Where Do I Go For Help?

If you have a question or concern about ethical or legal standards, what should you do? We work hard to foster an environment of open, honest communication. So if you have a concern about a legal or business conduct issue, or if you are unsure about what to do in a particular situation, you have options. The most important thing that you can do is to ask the questions or raise the concerns.

The person you report to is usually a good place to start with a legal or business conduct issue. You may also get help or advice from:

¹ Puerto Rican laws are generally consistent with those of the United States with respect to the issues addresses in this Code; where necessary a variance is noted.

- Your supervisor’s supervisor
- The head of your department
- Your local HR Manager
- Executive Vice President, Vice President or Director of Human Resources
- The General Counsel, or another lawyer in the SSB Legal Department, or
- If you ever feel unsure about where to go, or are uncomfortable using one of the other resources identified in this Code, call the SSB Alert Line at 1-800-932-5378 or 1-855-343-6079, the SSH Canada Alert Line at 1-866-418-2857, or submit a digital report at <https://SSB.alertline.com>.

The purpose of the SSB Alert Line is to answer questions and respond to concerns about compliance, integrity, and the Company’s policies and procedures. Calls may be made anonymously. The SSB Alert Line is operated by an independent company and operates 24 hours per day/seven days a week. There are operators who can assist you in numerous languages, including English, French and Spanish.

If you raise a question or make a report about a legal or business issue, a violation of this Code, Company policy, or any other matter, and the person to whom you reported fails to take action or does not understand the question or appreciate the nature of the issue you are raising, you should escalate the matter and seek help or advice from the Executive Vice President of Human Resources, the General Counsel, or by reporting your concern via the SSB Alert Line.

Reporting Suspected Misconduct

If you know of or suspect a violation of applicable law or regulation, this Code, or the related policies of an SSB Company, you must immediately report that information through one of the avenues described under “Where Do I Go For Help,” above. You must also immediately report any complaints or concerns regarding accounting, internal accounting controls and auditing matters (“Accounting Matters”) promptly. Reports regarding Accounting Matters may be made to the General Counsel, Internal Audit, Executive Vice President of Human Resources or to the SSB Alert Line. As noted above, reports may be made to the SSB Alert Line anonymously.

After the Company Receives a Report

Reports of suspected violations will be appropriately investigated and will be treated confidentially to the extent reasonably possible. You should **never** conduct your own preliminary investigation. Investigations of suspected misconduct may involve complex legal issues, and acting on your own may compromise an investigation and adversely affect both you and the Company. The Company will look into all reported issues and, whenever called for, see that corrective action is taken.

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What Happens If I Call? Can I Call Anonymously?

If you call the SSB Alert Line, the outside service will listen and make a detailed summary of your call. The outside service will then forward the information to the appropriate individual at the Company's headquarters to look into the matter.

If you wish, your call can be made anonymously. The service assigns a tracking number so that employees who do not want to give their names can still check back to receive a response or provide more information. Of course, giving your name can often help us look into the matter, and as explained below, the Company has a firm policy against retaliation for raising a good faith concern. If you give your name your identity will be kept confidential, to the extent reasonably possible, given our need to investigate and appropriately address the issue.

Every effort will be made to respond quickly to the allegations raised in your call, especially when circumstances make a timely response necessary. In some cases, however, your call will be promptly acknowledged, but a response will not be provided until an investigation can be completed.

Retaliation Will Not Be Tolerated

Any employee, who in good faith seeks advice, raises a concern or reports misconduct is following this Code – **and doing the right thing**. SSB will not allow retaliation against that person. If you suspect that you or someone you know has been retaliated against for raising a compliance issue, immediately contact your HR Manager or the SSB Alert Line. You may also bring your concerns regarding retaliation directly to the Executive Vice President of Human Resources or the General Counsel. We take claims of retaliation seriously. Allegations of retaliation will be investigated and appropriate action taken.

Disciplinary Action

Violations of this Code, laws, regulations, or policies implemented by an SSB Company can have severe consequences for the Company and you. Violations can jeopardize our business relationships, and some violations may be criminal in nature and punishable by fine or imprisonment of individuals. Employees who violate this Code, laws, regulations or policies are subject to disciplinary action, up to and including termination.

CONDUCTING BUSINESS

Competitive Practices and Fair Dealing

SSB competes vigorously for business in all aspects of its business, but some conduct in the name of competition is not consistent with the law or the Company's commitment to integrity. There are laws, referred to as antitrust or competition laws, which prohibit agreements between competitors that decrease competition, such as agreements to fix prices, or to divide customers or territories. The Company strictly adheres to such laws.

- ▶ Never agree to or cooperate in any way with competitors to fix prices.
- ▶ Never share or discuss competitively sensitive information with competitors.

Competitively sensitive information includes information about prices, rebates, discounts, margins, conditions of supply, cost structures, territories, customers, and new products.

- ▶ Never agree with any competitor to share or allocate markets or customers, including with respect to products, territories, or sources of supply.
- ▶ If you are at a trade association or other meeting with competitors and competitively sensitive information is exchanged, you should make clear that you believe the discussion is inappropriate and immediately leave the meeting and contact the SSB Legal Department.
- ▶ Do not condition the sale of a product on the customer's purchase of a second product.

We deal fairly with our customers, suppliers, and competitors. The Company shall not engage in any anti-competitive activities, such as:

- ▶ Stealing or misusing a competitor's confidential information
- ▶ Below cost pricing: do not charge very low prices (below cost) with an intent to eliminate a competitor
- ▶ Making false statements about competitors
- ▶ Cutting off a competitor's sources of supply
- ▶ Paying bribes

Contact the SSB Legal Department if you have any questions or concerns about dealings with our competitors, customers or suppliers.

Information Sharing

- ▶ SSB Employees: SSB employees routinely share information internally in order to do their jobs effectively, although certain component cost, new product design, marketing strategy, and other

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integral confidential information may be subject to restrictions on sharing between Serta and Simmons. Brand sensitive information of either Serta or Simmons should never be used to obtain an advantage by the other brand.

► **Brand Specific Information:** Employees of Serta, Simmons, and SSH Bedding Canada who are employed in brand-specific sales, marketing and product development functions should avoid the routine exchange of brand-specific sales and marketing information, except in those situations in which senior management directs that information be shared.

Contact your Brand President, the Executive Vice President of Human Resources, or the General Counsel if you have any questions about whether the sharing of specific information is or should be restricted.

► **Serta Licensees:** Serta, Inc. has independent licensees (the “Serta Licensees”) who manufacture and distribute Serta-branded product in specific territories in the U. S. and Canada. Serta and SSB provide certain services to the Serta Licensees, and the Serta Licensees are entitled to receive certain information from Serta, Inc. and Serta. Only those employees who interact with the Serta Licensees as part of their job duties should provide information to the Serta Licensees. No Simmons confidential information (whether or not it is competitively sensitive information) should be shared with the Serta Licensees unless senior management specifically approves the disclosure.

Contact Serta’s VP of Licensee Development or the SSB Legal Department if you are in doubt about whether specific information should be shared with a Serta Licensee.

Accurate and Complete Books, Records and Accounting

A company’s credibility is judged in many ways – one very important way is the integrity of its books, records and accounting. Every employee must help ensure that reporting of business information, is accurate, complete and timely. This includes accurately booking costs, sales, time sheets, vouchers, bills, payroll and benefits records, regulatory data, and other essential information.

Contact the General Counsel, Internal Audit, Executive Vice President of Human Resources or the SSB Alert Line with any questions about how to record financial transactions properly.

Sales Practices

Enduring customer relationships are based on integrity and trust. Our sales representatives and other employees involved in selling our products must accurately represent our products and services and must never engage in deceptive or unethical sales practices.

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Trademarks, Copyrights, and Patents

► **Trademark** - Our logos and the names Serta®, Simmons®, Beautyrest® and iComfort® are examples of Company trademarks. You must always properly use our trademarks and advise your supervisor or the Legal Department if others use or misuse Company trademarks. Similarly, the trademarks of others must be used properly.

► **Copyright** - Books, articles, computer software, music and other types of “works of authorship” may be covered by copyright laws. It is a violation of those laws and of the Company's policies to make unauthorized copies of copyrighted materials. SSB respects the copyrights of others. Do not load any unlicensed software on any Company computer and only copy documents and materials (including computer software) that are NOT copyrighted (for example, a government report) or when you have specific permission to do so.

► **Patent Protection** - A patent is a government-granted right that permits an inventor to exclude others from making, using, or selling his or her invention during the term of the patent. Subject to applicable law, innovations and ideas concerning research, products, manufacturing processes and Company-developed software are owned by the Company and may be eligible for patent protection. They should always be maintained as confidential information. Such innovations and ideas should be communicated to the Legal Department to ensure proper protection. We also protect the interests of third parties who have patents. Employees must not use inventions that are patented by others unless the Company has obtained permission.

Please refer to the Inventions & Proprietary Information Agreement for additional information.

Conflicts of Interest

We each have an obligation to conduct business in an honest and ethical manner, which includes the ethical handling of conflicts between our personal interests and the interests of the Company. A conflict of interest occurs when your private interests interfere, or even appear to interfere, with the interests of SSB or any of its subsidiaries. Conflicts can arise when you or an immediate family member:

- Have a financial interest in any supplier, vendor or customer with whom the Company does or is considering doing business
- Have a financial interest in a competitor of the Company or in any entity that deals in a competitor's product
- Are in a position to influence a decision on behalf of the Company that may result in a personal gain for you, a relative, or someone with whom you have a close personal relationship

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- Accept a part-time job or consulting position with another company while employed by the Company
- Accept gifts or entertainment (other than customary business courtesies) or discounts from companies with whom the Company does or is considering doing business. A customary business courtesy is something of nominal value, usually less than \$200, such as a dinner, tickets to an event, or branded paraphernalia
- Have a personal or familial relationship with another employee of the Company, or a vendor, customer, supplier, consultant or service provider
- Take for yourself a business opportunity that you discovered through the use of corporate property or information or through your position at the Company

If you find yourself in one of the situations discussed above, or in any other situation that creates or appears to create a conflict of interest, you must immediately disclose the situation to your supervisor, Human Resources, or the Legal Department. The Company will instruct you as to steps to take to minimize the impact of the conflict on the Company.

Special rules apply to all Executive Officers² who engage in conduct that creates a conflict of interest. Before engaging in any such conduct, Executive Officers must make full disclosure of all facts and circumstances to the General Counsel, who shall inform and seek the prior approval of the Audit Committee of the Board of Directors.

Gifts and Entertainment

Employees or members of the Board of Directors who interact with any person who has business dealings with the Company (including customers and suppliers) must conduct these activities in the best interests of the Company. We must be careful in accepting gifts from employees of our suppliers, vendors or customers because they have the potential of influencing our business decisions.

You may not ask for any gift or entertainment opportunities from anyone who has business dealings with the Company, such as suppliers, contractors, or otherwise. Moreover, you may not accept any gift or entertainment opportunities that could influence your business decisions on behalf of the Company. Never accept a gift or anything of value that is given in return for, in recognition of, or in anticipation of some service or act. Receipt of a payment or gift in the nature of a bribe or kickback is absolutely prohibited.

² For purposes of this Code of Conduct, the term “Executive Officer” means the CEO of SSB and his direct reports.

Unsolicited gifts and business courtesies, including meals and entertainment opportunities, are permissible if they are customary and commonly accepted business courtesies; not excessive in value (less than \$200); and given and accepted without an express or implied understanding that you are in any way obligated by your acceptance of the gift. Payment for ordinary business meals with the same supplier or vendor should alternate between the Company and the supplier or vendor representative or be split. Gifts that are extravagant in value or unusual in nature should not be accepted without the prior written approval of the Legal Department. It is never permissible to accept a gift of cash or cash equivalents, such as gift cards or certificates, stocks, bonds or other forms of marketable securities.

Gifts to or entertainment of the immediate family of a Company employee or member of the Board of Directors is considered the same as gifts to or entertainment of the Company employee or Board Member.

Any illegal or improper conduct by a customer, supplier or vendor should be promptly reported to the Senior Vice President of Global Strategic Sourcing, the General Counsel or the SSB Alert Line.

Giving Gifts and Entertainment

Just as we have strict rules for receiving gifts and entertainment opportunities, we must be careful in how we offer them. Occasionally exchanging entertainment opportunities or gifts of nominal value with a non-governmental individual or entity is appropriate unless the recipient's employer forbids this practice. Any courtesy should always comply with the policies of the recipient's organization.

Never offer or provide a gift, entertainment or anything of value if it is:

- Illegal
- Cash or a cash equivalent (such as gift certificates, loans)
- Unsavory, sexually-oriented, or otherwise in violation of our commitment to mutual respect
- A "quid pro quo" (offered for something in return)
- Not recorded properly on Company books

When the Government Is Our Customer

Contracting with a federal, state or local government is a unique part of our business. When we contract with a governmental body, we are in a position of trust, with special responsibilities. Always avoid activities that may be perceived as improper attempts to influence government agencies, officials and employees. Because of the special rules that apply to dealings with

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government officials, we must never offer or provide gifts, gratuities or entertainment to government officials or employees without prior written approval of the Legal Department.

International Trade

Every country, including the United States and Canada, has laws that govern importing and exporting goods, services and information into and out of the country. There are also U.S. and Canadian laws that prohibit companies from doing business in certain countries and that prohibit companies from cooperating with unlawful trade restrictions imposed by other countries. If you are involved in imports or exports on behalf of the Company, you must be familiar with applicable laws. Contact the Legal Department for additional information.

We require others 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 labor laws. This includes a commitment to freedom from forced or compulsory labor, human trafficking and child labor.

International Bribery

The United States, Canada and other countries prohibit bribes to foreign government and other officials (such as political candidates, political parties, employees of government-owned businesses, UN officials, etc.). A violation is a serious criminal offense for both companies and individuals, which can result in fines, loss of export privileges, and imprisonment for individuals. The Company abides by anti-bribery laws and strictly prohibits bribery or other improper payments to government officials.

If you need further information on international bribery laws, contact the Legal Department. In addition, as a general matter, if you are involved in international business, contact the Legal Department to make sure you understand the standards that may apply to your business activities.

Privacy of Customer and Other Information

We each have a responsibility to protect the privacy of confidential information that customers, suppliers, contractors and others entrust to us. Employees who do not have a business reason to access confidential information of others should never seek to do so, and those who do have legitimate access should take measures to ensure that no unauthorized release or use of confidential information occurs.

TREATMENT OF EMPLOYEES

Equal Employment Opportunity

We value differences in ideas, gender, physical capabilities, race, ethnicity, religious beliefs and political beliefs; they add value to our Company. The Company is committed to complying with all applicable civil rights, human rights and labor laws; to providing equal employment opportunity to employees and job applicants; and to maintaining a workplace free from illegal discrimination, harassment, intimidation and retaliation. For additional information, see the EEO Policy in your employee handbook. Contact Human Resources with questions regarding any aspect of our EEO policy or call the SSB Alert Line.

Harassment-Free Work Environment

At the Company, we treat each other with respect and dignity. Behavior that is offensive and unwelcome or unreasonably disrupts another person's work has no place at any location where the Company conducts business. The Company is committed to providing a work environment free of any form of unlawful harassment. Improper conduct that is related to or based upon another person's nationality, origin, race, color, religion, gender, sexual orientation, gender identity, age, body, disability or appearance is prohibited. If you believe that you or another employee has been subject to harassment, promptly report the matter to your supervisor, Human Resources or the SSB Alert Line. This procedure should also be followed if you believe that a non-employee with whom you are required or expected to work has engaged in prohibited conduct. For additional information, see the Company's Policy Prohibiting Harassment.

Health, Safety and Security of Employees

The Company is committed to providing a safe and healthy workplace free of recognized hazards. Meeting this commitment is a responsibility shared by the Company and each of its employees. We can minimize the chances of anyone being hurt on the job by following the law, Company policies and common-sense practices, such as keeping our work sites clean and orderly, never making safety devices inoperable, using safe lifting techniques, and knowing the location of fire extinguishers near our work stations.

The Company seeks to maintain a workplace free of violence, illegal drugs, and the inappropriate use of alcohol. It is our policy that the possession, use, transfer, manufacture or sale of alcohol, illegal drugs, or legal drugs without a valid prescription on Company property or on Company time will result in disciplinary action up to and including termination. It is our policy to help and encourage those employees with substance abuse problems when they voluntarily come forward and ask for help. In the United States, applicants identified as being substance abusers will be denied employment on the grounds of safety and may be encouraged to seek help. All U.S. applicants will be required to undergo a drug-screening test as part of the hiring process.

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The Company is committed to providing a safe and healthy workplace for all employees. To that end, abusive or profane language, verbal threats or gestures regardless of magnitude, gross insubordination or actual fighting by an employee will not be tolerated. Any such behavior by an employee may result in immediate disciplinary action, up to and including termination.

Employee Confidentiality

The Company respects the confidentiality of our employees' personal information. This means that access to personal records is limited to those who have appropriate authorization and a clear business need for that information. Employees who have access to personal information must adhere to the highest standards of confidentiality regarding their use of personal information.

Never provide personal employee information requested by anyone outside of the Company without authorization from the Executive Vice President of Human Resources or General Counsel.

Hiring Relatives

Serta Simmons has special rules governing the hiring of relatives of employees as employees, interns, independent contractors or consultants, and all such situations must be disclosed to the Executive Vice President of Human Resources or the General Counsel. The employment of relatives of employees is permitted by the Company as long as all selection standards and qualifications for the position are met and employing the relative will not, in the opinion of SSB, create an actual or perceived conflict of interest. For the purpose of this policy, "relative" means spouse, parent, child, siblings, nephew and niece, either by blood or marriage, or unmarried persons living together. Employment or placement of relatives in an immediate and direct supervision position is not permitted.

Special rules apply to all Executive Officers. Before hiring any relative, Executive Officers must make full disclosure of all facts and circumstances to the General Counsel, who shall inform and seek the prior approval of the Audit Committee of the Board of Directors.

For more information contact the Executive Vice President of Human Resources or the General Counsel.

CUSTOMERS AND CONSUMERS

Product Quality and Safety

Maintaining the high quality and safety of our products is critical to maintaining the reputation and value of our brands, and is essential to our continued success. We always act in accordance

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with Company quality and safety commitments. Remember that SSB's reputation for quality and safety is in your hands. If you learn of a product safety or quality issue or problem, report it immediately to your supervisor, the Legal Department, the EVP of Manufacturing, or the SSB Alert Line.

Consumer Protection and Disclosure

SSB has an unambiguous policy of fully, clearly and directly informing our customers of the terms and conditions of our services and agreements. This policy applies to all communications with our customers, as well as consumers/end users of our products. All advertising, point of sale, customer service, and direct sale communications must always comply with this policy. No one is permitted to deceive a customer or consumer/end user of our products. All marketing material is to be prepared by either the Serta or Simmons Marketing Department, with final approval by the Legal Department.

COMPANY RESOURCES AND INFORMATION

Internal Control Systems

Internal controls are put into place to safeguard the Company's assets, to provide for the accuracy and reliability of its financial reporting and to assure compliance with the law. You are responsible for complying with the Company policies and procedures and for advising your supervisor when business controls are ineffective or being circumvented. You can also contact the SSB Alert Line if you have questions or information to report.

Company Time, Funds, and Property

To be successful, every employee must make the best use of his or her time and that of co-workers. All employees are expected to fulfill their job responsibilities and devote the necessary time to their work, while pursuing their individual work-life goals. Those required to report their hours worked must do so truthfully and accurately.

How you use Company funds impacts profitability, so follow a simple rule: protect Company funds as you would your own, guarding against misuse, loss or theft. This includes making sure that all claims, vouchers, bills and invoices are accurate and proper. Company funds include both cash and its equivalents, such as currency, checks, postage, charge cards, bills, vouchers, and reimbursement claims.

We are each responsible for using good judgment to ensure that Company property is not misused or wasted. Company property and assets are intended to help us achieve business goals. Careless, inefficient or illegal use of Company property has a direct impact on the Company's profitability and hurts all of us. Except as specifically authorized, Company assets are to be used only for Company business. Company assets must be returned to the Company upon termination of employment.

Of course, the unauthorized taking of mattresses or other property from our plants, retail locations, or any other Company location is stealing, is absolutely prohibited, and is grounds for immediate discharge.

When arranging for business travel, you should comply with SSB's Travel and Entertainment Policy, and never request nor modify flights, hotel accommodations or other arrangements for the purpose of accumulating additional personal "frequent flyer" and other types of travel points if it results in a higher cost to the Company or is otherwise inconsistent with the best interests of the Company.

Confidential Information

The Company regularly produces valuable, non-public ideas, strategies and other kinds of business information. This information is "confidential information." Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company or its customers, if disclosed. Because it is the product of the Company's own hard work, various laws allow the Company to protect this information from use by outsiders. Some examples of Company confidential information are:

- Financial Information
- Marketing strategies and plans
- Personnel records
- Research and technical data
- Customer/Supplier lists
- Customized software and analytical tools
- Manufacturing technology, methods and processes
- New product information
- Strategic operations plans
- Price lists, and
- Proposals

You should protect the Company's confidential information to ensure that the Company can reap the benefits of its own hard work.

Sometimes we may need to share confidential information with persons outside SSB– for example, so that a commercial business partner the Company has selected to work with can be an effective partner for us. However, even when there may seem to be a legitimate reason to share confidential information, never disclose such information without your supervisor’s prior approval and without requiring the third party to sign a written confidentiality agreement approved by the Legal Department

Even after you leave the Company, you must continue to maintain the confidentiality of the Company’s confidential information.

Using the Company’s confidential information on behalf of another employer or otherwise disclosing the information outside the Company without appropriate authorization would violate your continuing obligation not to use and disclose Company’s confidential information. Contact the Legal Department if you have any questions about confidential information, or if someone outside the Company requests information that you think may be confidential.

Computer Use and Network Security

Computer technology – hardware, software, networks, digital storage devices, and the information that runs on them – are critical to business success. Everyone who uses a computer, tablet, smart phone or similar device plays a role in ensuring that these resources operate as they should. All employees must use such devices responsibly and protect the security of our systems and networks. When you use Company resources to send e-mail, text, voice mail or to access the Internet, you are acting as a representative of the Company. Improper use of these resources may reflect poorly on the Company, damage its reputation, and expose you and the Company to liability.

All e-mail, text, voicemail and personal files stored on Company computers are Company property. You have no expectation of personal privacy in connection with these resources. The Company may, from time to time and at its sole discretion, review any files stored or transmitted on its computer and communication resources, including e-mail messages, for compliance with Company policy.

Please contact the Chief Information Officer or the General Counsel for additional information on appropriate use of the Company’s computer and information technology systems.

Insider Trading

Many employees and members of Serta Simmons Board of Directors have access to or learn material information about Serta Simmons or other companies before it is made public. “Material information” means information that a reasonable investor would likely consider important in deciding whether to purchase or sell a security. Information is considered “non-public” unless it

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has been publicly disclosed and adequate time has passed for the securities markets to digest the information. “Inside information” is material, non-public information that, if disclosed to the public, could affect the market value of Serta Simmons’ or other companies’ securities. Inside information may come to you through your business dealings on behalf of the Company, in hallway conversations, by overhearing a meeting, or finding a document left on the copier or fax machine. Examples of inside information that could affect the price of a security or influence a trader to buy, sell or hold a security include earnings announcements, information regarding a prospective acquisition or merger, a change in management, or an anticipated product recall. Using material, non-public information for your financial or other personal benefit or disclosing such information to others is a violation of this policy, and may be a violation of the law.

“Insider trading,” that is, buying or selling securities of any company either directly or through a family member or other person, while you are aware of inside information about the company is a violation of Company policy and is illegal. “Tipping,” that is, recommending or suggesting to anyone else that they buy or sell the securities of any company based on your awareness of inside information about the company is also a violation of Company policy and is illegal.

You should avoid buying or selling a security because you hear or learn of inside information at work that you think will make the price go up or down once it’s publicly announced. It is also prudent to avoid trading activity around the time of a significant company announcement. You should also avoid discussing Company business publicly, or with family and friends. When you are working on a confidential project, you should be careful not to disclose what you are working on, who you are meeting with and where you are going on Company business.

Records Management

Employees will be notified when certain records are placed on “legal hold.” A legal hold suspends all destruction procedures to preserve records under special circumstances, such as litigation, audits or government investigations. The Legal Department determines when a legal hold is appropriate and for which types of records and notifies the appropriate business units.

If you learn of a subpoena or a pending or contemplated litigation or government investigation, immediately contact the Legal Department. You must retain all records that may be responsive to the subpoena or that may pertain to the litigation or the investigation until you are advised by the Legal Department as to how to proceed. You must also preserve all relevant records that would otherwise automatically be destroyed or erased (such as e-mails and voice mail messages). Destruction of such records, even if accidental, could seriously prejudice the Company.

COMMUNITIES AND SOCIETY

Social Media

Social networking through the use of Internet-based social media tools is a part of everyday life. It is important to keep in mind that when using social networking platforms, the lines between one's professional and personal life can become blurred. The Company has therefore created the following guidelines to eliminate any confusion concerning the use of social media.

- ▶ **Use social media on your own time** – During working time, every Employee is expected to devote their time and energy to their assigned duties. You should avoid using personal social media sites during working hours, whether from a personal or Company computer or device.

- ▶ **Not a Spokesperson** – When you post online, you are expressing your own individual views. Only the Company's official spokespersons are authorized to speak on behalf of the Company. When you publish to a blog or some other form of social media and you are endorsing any of the Company's products, you should disclose your relationship to the Company. If your posts concern the Company, you should make clear that you are not speaking on behalf of the Company. It is helpful to include a disclaimer such as "The opinions on this site are my own and do not necessarily reflect the views of the Company."

- ▶ **Respect People and Privacy** – When using social networking sites, you should take care to be fair and courteous to our employees, officers, customers, suppliers and competitors. If you decide to post complaints or criticism, avoid using statements, photographs, video or audio that reasonably could be viewed as malicious, obscene, threatening or intimidating. Examples of such conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion or any other status protected by law or Company policy. If you are being harassed, bullied or victimized as a result of another employee's post to an internet site, you should immediately report that information through one of the avenues described under "Where Do I Go For Help," above.

- ▶ **Official Usage of Social Media** – The Company's sites, pages, applications, or other Company-sponsored Social Media activities are to be authorized only by the Company's marketing executives and are to be maintained only by authorized employees.

Only the Serta or Simmons Marketing Departments may establish an official Social Media site, application, channel, or other form of Social Media. Unless expressly authorized by one of the Marketing Departments, no individual department, business unit or individual employee is authorized to create, establish, or maintain a Company Social Media application or site, or otherwise post messages on behalf of or in representation of the Company.

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Departments, business units and/or individuals wishing for specific communications to be posted to the official Company Social Media applications should contact the Director of Communications at SSB for approval and posting.

Environmental Compliance

Compliance with environmental laws is only the starting point of the Company's environmental commitment. We are also committed to reducing the environmental impact of our activities and promoting the sustainability of the natural resources on which we depend, while providing quality products that meet the needs of consumers. We each must know the environmental responsibilities that apply to our jobs, and conduct business in accordance with all applicable environmental laws, regulations, requirements and corporate commitments.

If you have questions or concerns relating to the Company's environmental compliance requirements or activities, contact the Legal Department or the SSB Alert Line.

Political Activity

You should only engage in the political process on your own time and with your own resources. Federal and state laws set strict limits on contributions by corporations to political parties and candidates, and violators are subject to very serious penalties. To ensure compliance with these laws, you may not make any direct or indirect political contribution on behalf of the Company. This includes contributions to candidates, office holders and parties. Contributions can include such things as:

- Buying tickets for a political fundraising event
- Providing goods or services
- Loaning personnel during working hours for fundraising activities, or
- Paying for advertisements and other campaign expenses

Government Inquiries or Investigations

Periodically, the Company's facilities are inspected by OSHA or other government entities. We cooperate fully with the inspectors.

You may also be approached by a government investigator. Government investigators have the right to contact employees and request an interview. Employees have the right to speak with investigators as well as the right to decline to be interviewed. Employees also have the right to consult with a lawyer before deciding whether to speak to government investigators and the right to have a lawyer present during any conversation they have with government investigators. When speaking to government investigators, any information provided must be truthful.

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If you are approached by a government investigator regarding SSB or anything related to your employment at the Company, you are encouraged (but not required) to notify the Legal Department or Human Resource Department whether or not you consent to speak to the investigator.

Company records are the property of the Company (regardless of who creates, keeps or updates them). Company records should not be produced in response to subpoenas or document requests without first contacting the Legal Department. If served with a subpoena or search warrant regarding the production of Company records or search of any Company property, you must immediately contact the Legal Department. You should never alter or destroy any documents in this circumstance even if permitted under our Record Retention Policy.

Speaking on Behalf of the Company

Employees who receive oral or written inquiries about the Company from outside parties (such as the press, securities analysts, other members of the financial community or outside lawyers) should not respond unless specifically authorized to do so. You should refer any such inquiries to the EVP of Human Resources or to the General Counsel.

Additionally, any press release involving SSB requires CEO and/or Board approval. This is true even if customers wish to issue a press release that refers to the Company.

WAIVERS OF THIS CODE

The Company will waive application of the policies set forth in this Code only where circumstances warrant granting a waiver. Employees seeking a waiver of any policy in this Code should make full disclosure of all circumstances to their supervisor or the Legal Department. Executive officers seeking a waiver should make full disclosure to the General Counsel, who shall seek the approval of the Audit Committee of the Board of Directors.

Waivers of this Code for Executive Officers may be made only by the Board of Directors as a whole or the Audit Committee of the Board and must be promptly disclosed as required by law or regulation.

The SSB Code of Business Conduct and Ethics provides information about the standards of integrity that SSB expects all of its employees to follow. Employees are required to comply with this Code as a condition of employment. This Code does not address every situation or set forth every rule, nor is it a substitute for the responsibility of every employee to exercise good judgment.

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This Code is not a contract of employment and does not create or provide you with a right of continued employment with SSB. SSB's non-union employees in the US are employed at-will and for no fixed duration. Either the non-union US employee or SSB may terminate the employment relationship at any time and for any reason not prohibited by law, excluding only those instances in which the Company has entered into an express employment agreement directed to a specifically identified employee that is signed by the employee and the EVP of Human Resources. Employees who are represented by a Union should refer to the termination provisions of the collective bargaining agreement between the Company and their Union.

Where local country laws contain mandatory requirements that differ from the provisions of this Code, such requirements prevail for employees working in those countries.

Any employee may seek guidance of any sort or report a concern or incident by calling the SSB Alert Line at **1-800-932-5378** or **1-855-343-6079** or the SSH Canada Alert line at **1-866-418-2857**. Company policy prohibits retaliation because of a good faith report of suspected misconduct.