

Code of Conduct

January 2022



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1 | CEO Message



Message from Stewart



At Sleep Country Canada, holding ourselves to the highest standards of integrity and trust plays a critical role in achieving our purpose — to transform lives by awakening Canadians to the power of sleep, and our vision — to champion sleep as a key to a healthier and happier life.

As we continue our incredible growth and expansion, we all must be guided by a clear and consistent Code of Conduct (the “Code”) and values that lay the foundation for how we serve our customers and how we work together in a respectful, transparent and fair way.

Living the principles in our Code requires us to approach every decision with empathy, integrity and a customer-centric mindset. Whether you’re on the frontlines, part of our operations teams, or in a store support role, we all must have the best interests of our customers and colleagues at the heart of everything we do.

We are all responsible to show up as our best selves with one another and to act in a way that’s respectful and in line with our values. We must also live up to the expectations of our shareholders, external partners, regulators and the communities we serve.

Our Code reminds all of us of the expectations we have to bring our purpose to life each and every day. Please take a moment to understand how it applies to your work. If you have questions, require additional resources, or if something simply doesn’t feel right, the Code will help you understand who to talk to or where you can get the support you need.

We want to thank you all in advance for being personally accountable, to our customers and each other. We also want you to know that you should feel safe and protected if you find yourself in circumstances where you become aware of behaviour that may fall below the standards set out in the Code.

I truly believe we have the best team in Canada, and I look forward to continuing to build a stronger Sleep Country Canada with you.



Our Code of Conduct applies to all associates, contract workers and directors of Sleep Country Canada. An annual acknowledgement and confirmation of your commitment to the Code of Conduct must be provided by all.



2| Leading With Integrity



Leading With Integrity



Human Rights

At Sleep Country Canada, we recognize our responsibility to respect and protect the human rights of our associates, customers and partners through formal policies, such as this Code. Our Code outlines standards to protect human rights and provide a safe and respectful work environment for our associates and our customers. Our Code has been written so that it meets or exceeds the standards set out in the Human Rights Legislation in force in all of the Provinces in which we work.



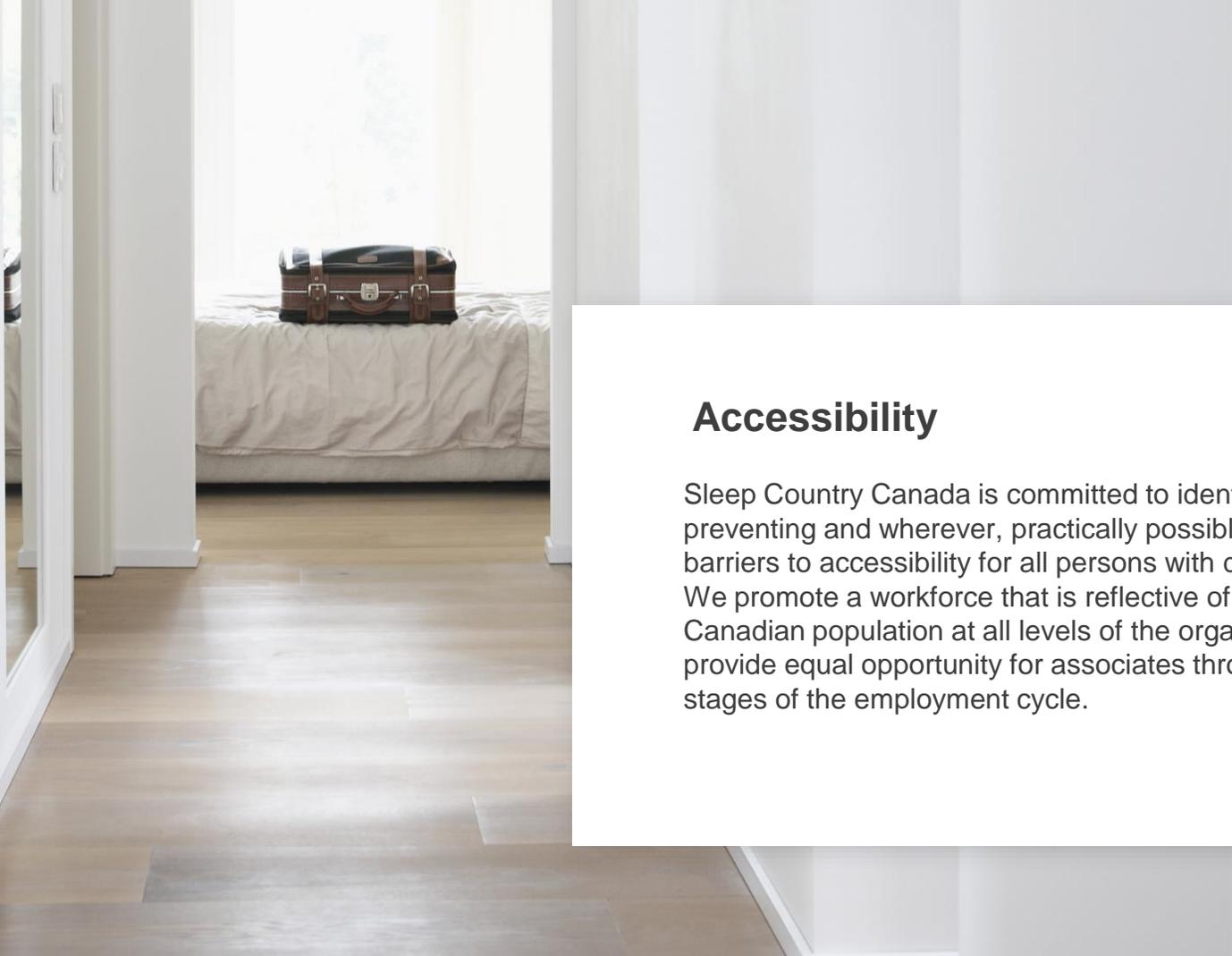
Equity, Diversity, Inclusion & Belonging

We celebrate diversity and are committed to building an equitable and inclusive culture where differences are embraced, valued and appreciated. We are dedicated to creating a company that fosters a great sense of belonging and provides a safe environment for all our associates, as well as our customers. We respect one another and treat each other equitably, without discrimination so as to allow everyone to contribute to their full potential.

We are all called upon to do our best to recognize and avoid bias and engage in conversations to learn more about the diverse individuals and perspectives in our workplaces and communities. We are all encouraged to be allies for each other, and to include each other while at the same time, valuing each other's differences.

[Equity, Diversity and Inclusion Policy](#)

Leading With Integrity

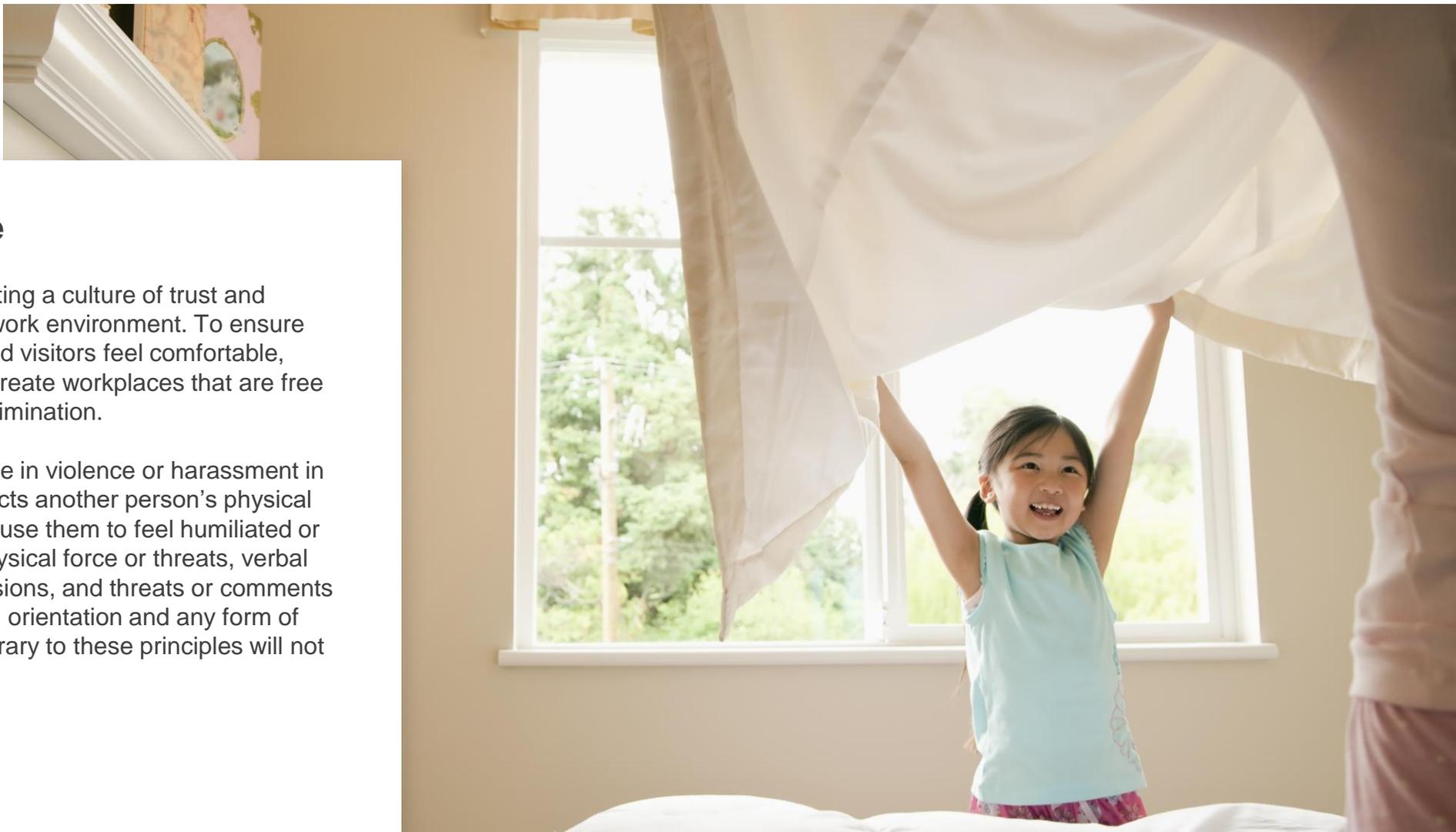


Accessibility

Sleep Country Canada is committed to identifying, preventing and wherever, practically possible, removing barriers to accessibility for all persons with disabilities. We promote a workforce that is reflective of the Canadian population at all levels of the organization and provide equal opportunity for associates throughout all stages of the employment cycle.

When someone requests accommodation in respect to their employment, and equal access to our products, services and programs, we must prioritize working with them to eliminate barriers and support their needs. We expect persons with disabilities to be treated fairly and with respect, taking into account their unique accessibility needs.

Leading With Integrity



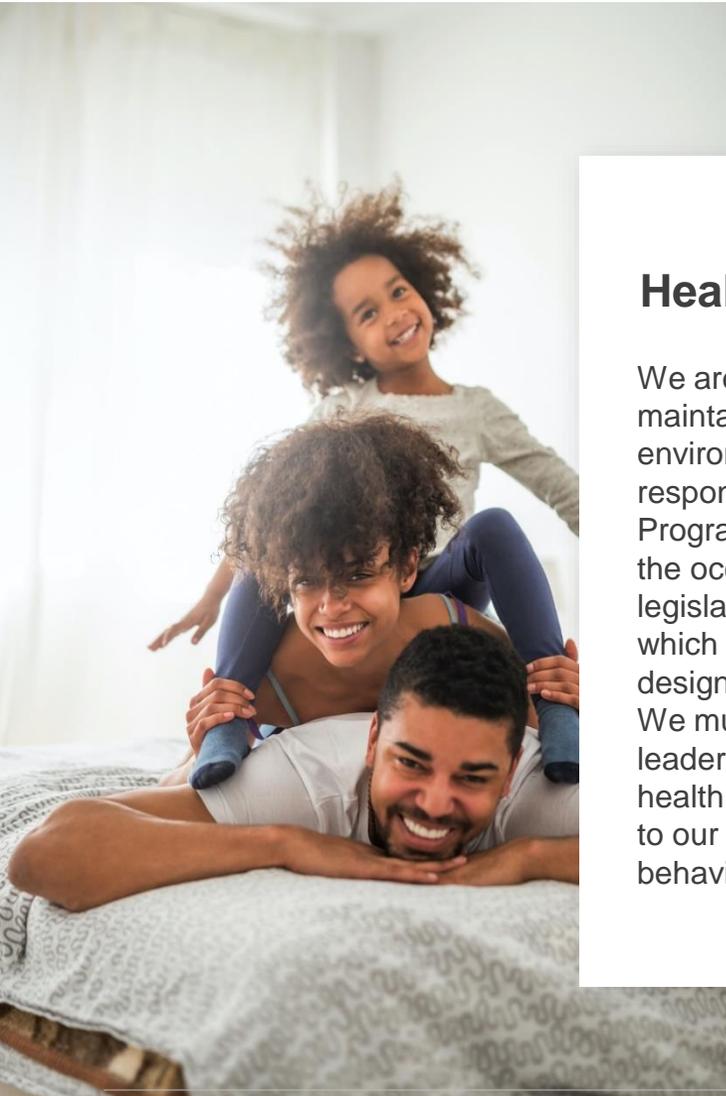
Respectful Workplace

Each of us is responsible for creating a culture of trust and respect that promotes a positive work environment. To ensure that our associates, customers and visitors feel comfortable, supported, healthy and safe, we create workplaces that are free of violence, harassment and discrimination.

We expect that you will not engage in violence or harassment in the workplace that negatively affects another person's physical or mental-well-being that could cause them to feel humiliated or intimidated. This could include physical force or threats, verbal comments, bullying, microaggressions, and threats or comments related to race, creed, sex, sexual orientation and any form of sexual harassment. Conduct contrary to these principles will not be tolerated by the Company.

[Respectful Workplace Policy](#)

Leading With Integrity



Health & Safety

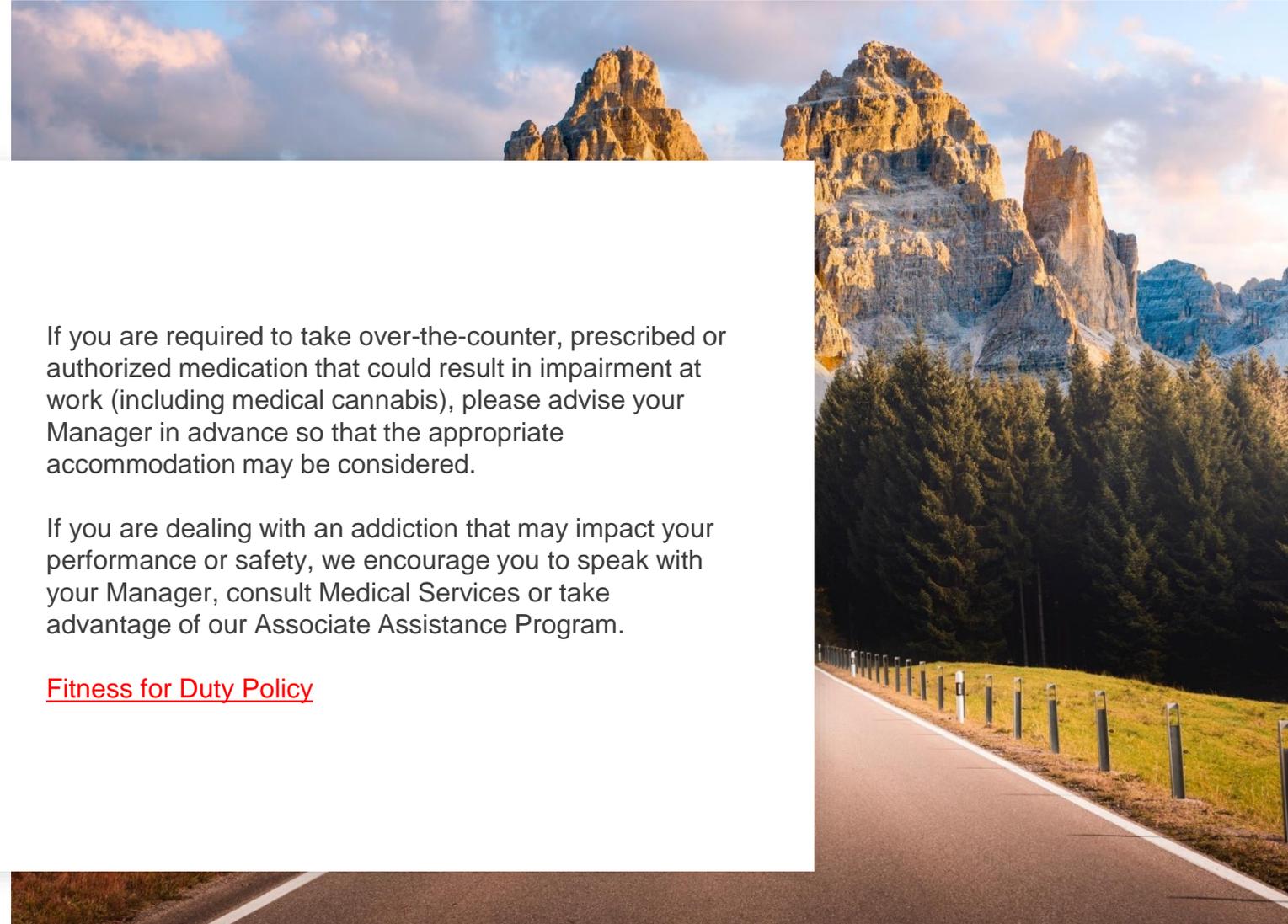
We are committed to providing and maintaining a safe and healthy work environment. Safety is everyone's responsibility. Our Health and Safety Program is designed to comply with the occupational health and safety legislation in place in all provinces in which we operate and, as such, it is designed to prevent harm or injury. We must set an example of safe leadership, be vigilant in following the health and safety policies that apply to our roles and correct unsafe behaviour immediately.

We expect you to work and act in a way that does not endanger your safety or that of our associates and our customers, including wearing and using the appropriate protective equipment, clothing and devices as required by your role. If you don't have the appropriate training, knowledge or equipment to complete a task safely, you should speak to a Supervisor prior to starting it.

If you see something that is unsafe or could cause harm, immediately report the condition to your Supervisor/Manager, Health & Safety Manager or a member of the Joint Health and Safety Committee (JHSC).

[Health and Safety Policy](#)

Leading With Integrity



Sobriety: Drugs and alcohol at work

We are committed to a safe and healthy workplace where all associates are expected to come to work, focused and ready to do their job.

Being impaired from alcohol and or drugs while at work negatively affects your judgement and can cause serious injury to associates, customers and our partners.

We expect that our associates do not come to work impaired, and refrain from consuming illegal drugs, alcohol, or recreational cannabis, while at work or before work if consuming these items results in you being impaired at work. If you are impaired, advise your Supervisor and do not come to work.

If you are required to take over-the-counter, prescribed or authorized medication that could result in impairment at work (including medical cannabis), please advise your Manager in advance so that the appropriate accommodation may be considered.

If you are dealing with an addiction that may impact your performance or safety, we encourage you to speak with your Manager, consult Medical Services or take advantage of our Associate Assistance Program.

[Fitness for Duty Policy](#)



3 | Building Trust & Transparency

Building Trust & Transparency

Confidentiality

We all have the responsibility to keep company information that has not been publicly disclosed and can be attractive to third parties, including competitors, criminals and the media confidential. This includes but not limited to sales and financial information, project and marketing plans, processes and supplier, associates and customers' information.



At Sleep Country Canada, we protect our confidential information from improper use and respect other confidential information entrusted to us by third parties, regardless if is oral, in writing or electronic. Unauthorized use of such information can lead to serious implications for the Company.

Only share confidential information if you are required to do so and have consulted with your manager, HR or the Finance Department. If you don't know whether information is confidential, ask your Manager or contact the HR or Finance Department.

Privacy

Our privacy policies are designed to comply with privacy legislation in all provinces in which we do business.

Protecting the privacy of our associates and customers is vital to building trust and safeguarding our brand and reputation. We collect, maintain or transfer personal information through our many interactions in our retail stores, distribution centres and offices across the country.

We should always respect the privacy of personal information and ensure that we comply with all our customer and associate privacy policies.

Non-compliance with our company policies and privacy law can have significant consequences for Sleep Country Canada in the form of privacy breaches, fines and penalties.

If you are unsure what is considered personal information, please ask your Manager.

Conflict of Interest

A conflict of interest arises or may be perceived to arise when your personal interests either appear to influence, or do in fact influence, your ability to make the right decisions on behalf of Sleep Country Canada. This can include the misuse of the company's property or your position in any way to support outside or personal activities.

Conflicts of interest may include: conducting business on behalf of Sleep Country Canada with a company from which you or a family member might benefit; hiring or managing a person who you have a close personal relationship with; investing in one of our competitors or suppliers, or receiving compensation from a supplier, if you have a business relationship with the supplier in your role; accepting a payment or benefit from another entity for work that you perform on our behalf; taking for yourself (or diverting to others) a business opportunity that is intended for us; or accepting employment with a competitor or potential competitor, regardless of the nature of the employment, while you are working here. This is not an exhaustive list.

Declaration of any activity that may cause a real or perceived conflict of interest is the best way to avoid being off side of the Code, as such, if you believe you may be in a conflict, you should disclose it to your Manager or HR who can provide you with guidance as to what is the best course of action in the circumstances. It is our shared responsibility to ensure that nothing interferes with our ability to make honest business decisions in good faith, that are always seen first and foremost through the lens of what is in the Company's best interest.



Building Trust & Transparency

Managing gifts and entertainment

An associate must never allow personal interests or relationships to influence their ability to make objective business decisions. For this reason, Sleep Country Canada (“the Company”) follows strict rules relating to gifts to and from persons, organizations or groups doing business or seeking to do business with the Company. Associates must not accept or provide, directly or indirectly, gifts of value, including goods, services, entertainment, hospitality, cash, cash equivalents, or any other benefit. Associates must never accept or provide a gift that takes the form of cash or cash equivalents (such as gift cards), or that could reasonably be seen as:

- improperly influencing your professional decision-making;
- creating a conflict of interest between your personal interests and the interests of Sleep Country Canada; or
- excessive in terms of value or frequency.

If an associate is not sure if a gift or benefit is acceptable, they should contact the Human Resources Department.



Gifts or entertainment may be accepted from and given to third parties if they meet all the following criteria:

- Gifts or entertainment accepted from or provided to third parties must have a legitimate business purpose and be consistent with Company values and policies.
- Gifts or entertainment accepted from or provided to third parties should generally not exceed \$100 per gift or \$500 during any 12 month period.
- Gifts and entertainment accepted from or provided to third parties should be infrequent.
- Multiple gifts or entertainment functions accepted from or provided to the same third party in a short period of time is discouraged.
- Gifts and entertainment should never be requested or reflect negatively on your reputation or the reputation of the Company.
- Never accept or provide gifts and entertainment that are illegal.
- Gifts of cash, cash equivalents, gift certificates, gift cards, stock, bonds, stock options, or loans may never be accepted from or provided to third parties.
- Never accept or provide any gift, favor, business courtesy, or entertainment that may create a feeling of obligation, compromise your judgment, or appear to inappropriately influence you or the recipient.
- Associates directly involved in the negotiation with a Company supplier may only accept or provide gifts of nominal value or modest entertainment (i.e., meals or refreshments).
- No gifts or entertainment may be accepted from or given to competitors.

For more information or guidance, please refer to the Company’s [Gifts, Awards and Entertainment Policy](#). In all cases surrounding the acceptance and giving of gifts, associates must comply with this policy.

Building Trust & Transparency

Electronic devices and acceptable use

Use of electronic devices that belong to or are paid for by Sleep Country Canada, such as mobile phones, computers and laptops, are for the benefit of the Company. It is important that we handle these assets securely and protect them from misuse, theft or damage.

Always ensure you are protecting your company access, network ID's and passwords.

If you are using company owned or paid for devices for personal use, you should be aware that we have the right to access these assets at any time. Please refer to our [Acceptable Use Policy](#) for more information.

[Internet and eMail Policy](#)



Cyber and information security

We strive to maintain secure information systems that are equipped with internal controls to protect against unauthorized access, loss, disclosure or modification of confidential information, accidents or natural disasters, or malicious acts by individuals.

Information security is a responsibility that must be shared by all of our associates, independent contractors, agents and our third-party affiliates.

We encourage you to be aware of your cyber security responsibilities as they pertain to your role. All information security policies are modelled after the internationally recognized ISO/IEC standard. These policies are found on Sleep Net under IT > IT policies & Procedures.

[Mobile Device Policy](#)
[Password Policy](#)



Building Trust & Transparency

Social media and media enquiries

The content that we share on our social networks and online communities is how we portray ourselves to the public. It should be respectful and accurate. When sharing content on behalf of the Company, use sound judgement and common sense and respect intellectual property rights.



It is important to always state your affiliation with the Company when posting about SCC/DV on your personal social media accounts; for example, by using the hashtag **#SCCassociate** or **#DVassociate**

Do not post or share anything negative about the company, our customers, associates, competitors or suppliers.

Do not engage with negative online customer feedback on behalf of the company (this will be handled by a trained team member).

Do not share images, video or text of customers or other team members on social networks without their permission.

Do not create public groups or profiles on behalf of the company.

Do not send friend requests to customers or vendors for business motives.

[Social Media / Media Policy](#)

A young girl with blonde hair is lying in bed, laughing joyfully. She is wearing a dark, ruffled top. The bed has white linens. In the background, there is a window with a view of a building. The overall scene is bright and cheerful.

4| Conducting Business Fairly

Conducting Business Fairly

Fair dealing and fair competition

We serve Canadians and represent brands that are trusted in this country. We compete fairly in the markets in which we operate and comply with competition and anti-trust legislation.

Legislation exists to protect competition, and non-compliance can have significant consequences for the Company and you personally in the form of reputational damages, lawsuits, financial and criminal penalties.

Always act fairly and independently from our competitors or suppliers. We expect our associates to avoid becoming intermediaries between competitors or suppliers. Neither provide nor request future retail pricing, product volumes, promotions or information about the markets in which we will or will not operate. Associates must not share our confidential, non-public or commercially sensitive information, such as business strategy or promotional plans, with our

competitors or suppliers, and if information is received in error, report it, delete it and do not share further. You are required to consult with your manager prior to meeting or communicating with competitors, for any reason.

We champion transparent marketing practices and do not produce misleading or inaccurate advertising. We must all strive to ensure that we are compliant with Competition Bureau regulations and that our marketing and savings claims are substantiated by the business processes we have in place.

Conducting Business Fairly

Securities trading

Sleep Country Canada encourages all associates to become shareholders of the Company and believes everyone should make investment decisions based on information that is publicly available.

In our roles, we are often exposed to information about Sleep Country Canada and our affiliates that is not publicly known, or if it was known, that may influence the market price of the company's securities. This insider information is called "material undisclosed information" and trading based on this information is strictly against the law. Examples of this kind of information include strategic plans, proposed acquisitions or mergers, positive or negative earnings, financial results or forecasts, changes in executive management, significant litigation or mergers and acquisitions.

If you are aware of material undisclosed information, buying or selling stock or other securities of Sleep Country Canada or its affiliates either directly or indirectly (i.e. through friends or family members), is prohibited. Disclosing or "tipping off" material information to others is a form of insider trading and is also against the law. We may announce trading blackouts or

trading windows when you are prohibited from trading in our company securities until the restrictions have been lifted.

If you are not sure if information is considered "material undisclosed", ask the office of the CFO about it by email or in writing before trading.

Any inquiry from financial analysts or anyone from the financial and investment communities should also be directed to the CFO. Please refer to [Corporate Disclosure Policy](#) and [Insider Trading and Blackout Policy](#) for more information.

We expect you to report any violation of this Code, including any potential or suspected violations of accounting standards or securities laws as stated in our [Complaints Reporting Procedure and Non-Retaliation Policy](#).

Conducting Business Fairly

Anti-bribery, corruption and anti-money laundering

We buy from suppliers around the world, operate retail stores across Canada, and interact with many third parties on a regular basis. These interactions may create a risk of bribery, corruption and money laundering.

Bribes include giving or receiving monetary payments of any size, gifts, travel, hospitality and even offering employment to relatives of third parties. Corruption is the wrongful use of power by an individual for private benefit and includes a range of unethical behaviours from accepting bribes in exchange for preferential treatment, conflicts of interest and anti-competitive behaviour. Money laundering is an effort by individuals or organizations to hide proceeds of their crimes by making those proceeds look legitimate.

These are serious crimes that would have a significant impact on our operations, financial results and company reputation. We have zero tolerance for any form of bribery, corruption or money laundering, and strictly follow anti-bribery and corruption laws in the markets in which we operate. You must not seek, accept, pay or offer bribes, payments or gifts to obtain a favourable outcome. Making corporate donations to improperly influence others is also prohibited.

We expect that all the affiliates we work with, in particular those who perform services on our behalf, also follow our zero-tolerance approach to bribery, corruption and money laundering. We must do our due diligence on our suppliers, including understanding ownership, and ensure they provide us with accurate information so we can determine if payments are appropriate and legitimate.

Be vigilant and if something doesn't seem right, report any potential violations to your manager.

Conducting Business Fairly

Anti-Fraud

Fraud can include an intentional act of deception, forgery, lying or concealment of material facts to obtain an unfair advantage. It is a serious crime that can impact our operations, profits and reputation and may result in legal action against the Company and the individuals involved.

Any act of fraud will not be tolerated by the Company, regardless of how immaterial it may be. Every associate has a personal responsibility to protect our company assets, whether tangible (such as equipment and facilities) or intangible (corporate opportunities, intellectual property, trade secrets and business information) from misuse or misappropriation. We expect you to be clear in your dealings with customers and third parties that we will not tolerate fraudulent activities.

We expect associates to ensure proper use of our company benefit programs, and act in compliance with our travel, entertainment and credit card policies.

Compliance with generally accepted accounting principles and internal controls and procedures is expected at all times, and all of the Company's books, records and other documents must accurately account for and report all assets, liabilities and transactions.

Every associate has a responsibility to report any suspected case of internal or external fraud. Contact your Manager or HR if you have any questions or concerns.

[Corporate Card Policy and Procedures Guide](#)

[Travel & Business Expense Policy](#)



5| Raising a Concern – Speaking Up

Raising a Concern – Speaking Up

Understanding and complying with the Code is a condition of working with us and is critical to earning each other's trust as well as the trust of our customers and partners. You are expected to read our policies referenced throughout the Code, and you are encouraged to bring forward any question you may have to your manager, HR or senior leadership. Failure to complete the annual mandatory acknowledgement and confirmation that the code has been read in a timely manner is subject to disciplinary action.

We are committed to a culture of trust and transparency and encourage you to speak up if you suspect there has been a violation of the Code.

We are all responsible for immediately reporting suspicious activities, unethical practices, discriminatory or disrespectful

behaviour, non-compliance and suspected non-compliance with laws, regulations, the Code or Company policies, procedures or training. We will respect confidentiality and will deal with all reports fairly and appropriately. Information will be shared only on a "need to know" basis or if required by the law.

Rest assured, associates will not be retaliated against if they speak up. Any associate who retaliates against anyone who has reported an incident or potential incident in good faith, or any associate, third party, director or officer who compromises or violates the Code, is subject to discipline, up to and including dismissal. In order to maintain the integrity of the Code, intentionally false or misleading complaints made under the Code, will not be tolerated.



Raising a Concern – Speaking Up

There are many ways to raise a concern...

For any matter, you can contact:

- Your Manager or any member of the Management Team
- Your Regional HR Manager
- Email: AllHR@sleepcountry.ca
- Compliance and Internal Controls
allinternalcontrolcompliance@sleepcountry.ca
- Whistleblower Hotline
 - Call: 1-888-SLEEP88 x22341
 - <http://portal.sleepcountry.ca/sites/IC/Pages/Feedback.aspx>

For questions or concerns about employment, benefits and workplace matters contact:

- Your manager
- Email: AllHR@sleepcountry.ca

We take your concerns seriously.

