



Environmental Initiatives

As the world's largest bedding manufacturer, Sealy recognizes the importance of environmental sustainability and takes seriously our corporate responsibility for good stewardship in this effort. We produce high-quality, durable sleep sets that provide our customers with the highest levels of comfort and wellness.

Our goal is to reach an acceptable balance between sustainability and product quality, performance and durability, based upon the practical application of the most advanced technologies available. We are currently embarking on a two-fold approach to reduce our environmental footprint:

- 1. To ensure that our current operations, and the operations of our suppliers, are as environmentally friendly as possible.**
- 2. To search for economically feasible ways to improve the sustainability of our products.**

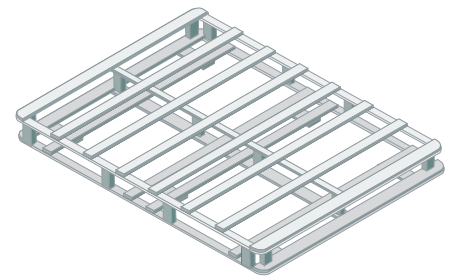
Listed below are steps Sealy has taken to improve the environmental sustainability of our products.

WOOD*

Sealy's lumber resource is certified to SFI (Sustainable Forestry Initiative) and CSA (Canadian Standard Association) standards. This lumber company:

- Supplied 66% of its fuel needs through "green" fuel sources (biomass, i.e. bark and sawdust, as well as landfill gas) in 2008.
- Self-generates 46% of its energy needs (fuel and electricity) using renewable sources (co-generation from biomass and hydroelectricity).
- Reduced greenhouse gas emissions by 31% in intensity (per ton) and 52% total since 2000.

* Relevant Sealy product: Foundation (frame)

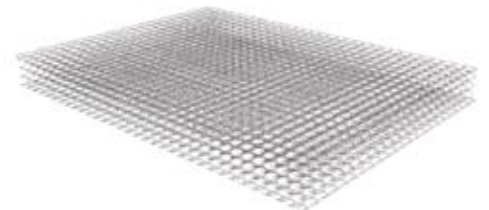


Foundation

STEEL*

- 100% of the steel products in Sealy® sleep sets come from recycled steel.
- Because of our patented design, Sealy innerspring units can be compressed instead of baled, so more innerspring units fit in a truckload. Fewer truckloads provide greater fuel efficiency and reduced emissions.

* Relevant Sealy products: Mattress (innerspring), Foundation (nails and staples)



Innerspring

FOAMS*

- Sealy's foam supplier recycles 100% of its polyurethane scrap for use in the production of other consumer products (i.e. carpet).

* Relevant Sealy product: Mattress (comfort layers)



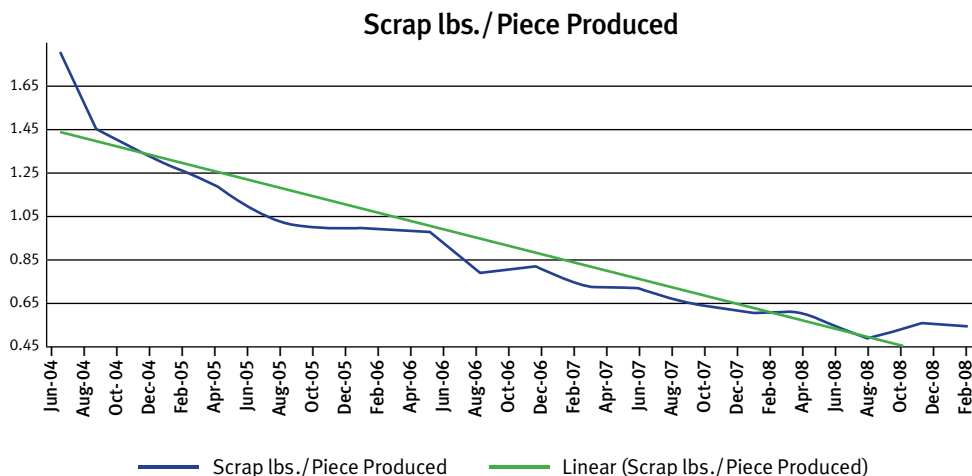
Comfort Layers

LEAN MANUFACTURING

Sealy has been using Lean Manufacturing methods since 2004. Lean Manufacturing is the production of goods using less of everything compared to common mass production practices. Specific Sealy initiatives as they relate to Lean Manufacturing include:

1. Scrap Reduction

- Sealy has reduced its scrap by 69% from approximately 1.8 lbs. per piece produced in June 2004 to approximately .55 lbs. per piece produced in June 2008.
- In the first quarter of 2009, Sealy reduced its recycled scrap 4.2% ahead of target (lbs. per unit sold).



2. Recycling

- 100% of manufacturing scrap in Sealy plants is taken by a third-party company to be recycled for other products. Scrap includes textiles, foams and plastics.
- Both wood and metal pallets are sent back to Sealy plants for reuse.

3. Logistics

- Sealy uses a route optimization software system that streamlines delivery and minimizes the fuel use of our truck fleet.
- Sealy has consolidated transportation in North America where appropriate.
- Sealy has selected suppliers based on their proximity to Sealy's plants.
- Subsequently, Sealy had a 13.6% reduction in carbon dioxide emissions.

4. Non-essential Materials Reduction

Sealy has minimized the use of secondary materials that are not critical to bed manufacturing and has developed environmentally preferable options (i.e. reduced corrugated packaging).

FIRE RETARDANT MATERIALS

Sealy chose to use only environmentally friendly fire retardant materials to meet the new U.S. Code of Federal Regulations, Title 16, Part 1633 of the Standard for the Flammability (Open Flame) on Mattress Sets. By design, Sealy's fire-retardant materials have inherent fire-retardant properties. As a result, no chemicals, including halogens, or harsh metals are used in Sealy's fire retardant sleep sets.

SECONDARY BEDDING

Sealy has set up an entire division to channel excess production to secondary bedding markets. This minimizes the amount of products and materials going to landfills, and includes:

- Sleep sets produced from excess raw materials
- Production overruns
- Off-specification sleep sets
- Prototypes and experimental sleep sets