

Sleep Number Announces Inducement Grants under Nasdaq Listing Rule 5635(c)(4)

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MINNEAPOLIS--(BUSINESS WIRE)-- Sleep Number Corporation (Nasdaq: SNBR) today announced that it granted equity awards on April 15, 2025, as a material inducement to the employment of the company's newly-hired President and Chief Executive Officer, Linda A. Findley.

As previously disclosed, in connection with the appointment of Findley as President and Chief Executive Officer effective April 7, 2025, Sleep Number granted Findley employment inducement awards consisting of: (i) 362,057 shares in a time-vested restricted stock unit award with a stock performance modifier that vests in three equal installments on each anniversary from the date of grant; (ii) 181,028 shares in a performance stock unit award vesting on the third anniversary of the date of grant with the number of shares to be earned based on actual company performance for fiscal years 2025 to 2027 and the company's relative total shareholder return; and (iii) 181,029 shares in a time-vested restricted stock unit award that vests in three equal installments on each anniversary from the date of grant. All grants are subject to continued employment and the terms of the respective award agreements.

The inducement awards to Findley were granted as a material inducement to her employment and were approved by Sleep Number's Board of Directors on March 29, 2025, in accordance with Rule 5635(c)(4) of The Nasdaq Stock Market LLC. The awards were granted outside Sleep Number's equity incentive plan.

About Sleep Number Corporation

Sleep Number is a sleep wellness company. We are guided by our purpose to improve the health and wellbeing of society through higher quality sleep; to date, our innovations have improved nearly 16 million lives. Our sleep wellness platform helps solve sleep problems, whether it's providing individualized temperature control for each

sleeper through our Climate360® smart bed or applying our 32 billion hours of longitudinal sleep data and expertise to research with global institutions.

Our smart bed ecosystem drives best-in-class engagement through dynamic, adjustable, and effortless sleep with personalized sleep and health insights; our millions of Smart Sleepers are loyal brand advocates. And our 3,700 mission-driven team members passionately innovate to drive value creation through our vertically integrated business model, including our exclusive direct-to-consumer selling in nearly 650 stores and online.

To learn more about life-changing, individualized sleep, visit a **Sleep Number® store** near you, our **newsroom** and **investor relations** sites, or **SleepNumber.com**.

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