

NEWS RELEASE

# Sleep Number® Smart Beds May be an Eligible HSA/FSA Purchase, Helping More Sleepers Achieve Quality Sleep

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MINNEAPOLIS--(BUSINESS WIRE)-- Today, **Sleep Number Corporation** (Nasdaq: SNBR), a wellness technology leader, announced that –with the recommendation from a health care provider to help with a medical condition – sleepers may be able to apply their Health Savings Account (HSA) and Flex Spending Account (FSA) to their Sleep Number smart bed purchase. The cutting-edge Sleep Number smart beds provide unmatched value: they use the science of each individual's personal sleep to effortlessly adjust firmness for their one-of-a-kind needs; they monitor vital personal health data and sleep trends using research-grade sensors; and continuously analyze and personalize sleep insights in partnership with leading sleep health experts.

Today, Sleep Number announced that – with the recommendation from a health care provider to help with a medical condition – sleepers may be able to apply their HSA and FSA to their Sleep Number smart bed purchase. (Photo: Business Wire)

<https://www.sleepnumber.com/pages/hsa-fsa-eligibility> to learn more or contact their HSA/FSA plan administrator to determine their eligibility. If a sleeper's FSA benefits expire at the end of the year, they have until December 31, 2023 to purchase a Sleep Number smart bed with their FSA dollars for the current calendar year. If a sleeper has unused funds in their HSA at the end of the year, those funds will carry over to 2024.

"HSA and FSA eligibility sends a clear message: your bed plays a key role in your health," said Annie Bloomquist, Executive Vice President and Chief Innovation Officer, Sleep Number. "We are proud to help more people get the highest quality sleep for their health and wellness and are excited to improve even more lives through continued collaboration with health care providers. By applying HSA/FSA dollars to their smart bed purchase, we are able to

reach a broader group of sleepers who will benefit from our innovations.”

Quality sleep is vital to health and well-being, and Sleep Number’s 23 billion hours of longitudinal sleep data informs the development of the brand’s science-backed solutions, such as the all-new Sleep Number app, which delivers a one-of-a-kind, connected sleep experience, including the ability to download the monthly wellness report. Smart sleepers can choose to share their report with their health care providers for a more holistic picture of their health.

The following science-backed innovations may be eligible:

- Next gen Sleep Number smart beds: Sleep Number’s latest smart beds allow each sleeper to choose their ideal level of firmness, their Sleep Number® setting. Every Sleep Number smart bed, which start at \$1,099\* to accommodate every budget, helps alleviate temperature challenges by cooling up to eight times faster.\*\* Plus, 94% of Sleep Number smart bed sleepers report better sleep quality vs a non-smart bed.\*\*\*
- Sleep Number Climate360 smart bed: According to a Sleep Number survey, regulating temperature during sleep is an issue for most people, with 80% of couples reporting one or both partners sleep too hot or cold.\*\*\*\* The Climate360® smart bed is the world’s first and only sleep solution to help address temperature concerns, keeping sleepers at their ideal temperature throughout the night, and to effortlessly respond to each sleeper.† And, Sleep Number data show that Climate360 smart bed sleepers get up to 44 minutes more restful sleep per night.‡
- FlexFit smart adjustable bases: Paired with a smart bed, Sleep Number® smart adjustable bases elevate the sleep environment and allow sleepers to easily adapt and customize their bed to individual comfort preferences. The adjustable bases include features such as endless head and foot positions, underbed lighting, Foot Warming to help sleepers fall asleep faster and let sleepers gently raise their partner’s head to help alleviate snoring.§
- DualTemp Layer: Available in half sizes to allow each sleeper to individualize their side of the bed, the DualTemp™ layer delivers enhanced airflow performance and ultimate comfort, with multiple temperature settings – from cool to warm – at the touch of a button. While it works optimally with Sleep Number smart beds, DualTemp layer may also be used with non-Sleep Number beds.

To learn more, visit <https://www.sleepnumber.com/pages/hsa-fsa-eligibility>. HSA and FSA plans may vary, so sleepers should check with their plan administrator for details and to confirm eligibility.

Sleep Number does not provide medical, health care benefit, legal, or tax advice. We do not intend any of our content, products, or services to replace medical care, medical diagnosis, or the relationship between an individual and their physician or other medical provider. Individuals should consult their own medical professional and/or HSA/FSA provider before engaging in any transaction.

\*Prices higher in Alaska and Hawaii.

\*\*Based on third-party testing of our ceramic infused foam vs a leading performance foam.

\*\*\*Based on self-reported data from 90 incentivized, first-time users 3/23-6/23; 6 weeks with smart bed features disabled, then 6 weeks enabled.

\*\*\*\*Results from a 2020 Sleep Number survey of 1,004 respondents who reported they or their partner sometimes sleep too hot or too cold.

†Based on use of temperature features and our proprietary Responsive Air® technology.

‡Based on average SleepIQ® data 11/1/22 - 2/28/23 of Climate360® sleepers engaging with Sleep Number® setting, SleepIQ®, adjustable base and temperature settings vs. non-Climate360 sleepers who have certain of these features but did not similarly engage.

§May temporarily relieve common mild snoring in otherwise healthy adults. Partner Snore™ technology is available with Split King and FlexTop® King mattresses on FlexFit™ 2 and 3 adjustable bases.

## About Sleep Number Corporation

Sleep Number is a wellness technology 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 over 15 million lives. Our wellness technology platform helps solve sleep problems, whether it's providing individualized temperature control for each sleeper through our Climate360 smart bed or applying our 23 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 digital sleep and health insights; our millions of Smart Sleepers are loyal brand advocates. And our almost 4,500 mission-driven team members passionately innovate to drive value creation through our vertically integrated business model, including our exclusive direct-to-consumer selling in over 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**.

## Forward-looking Statements

Statements used in this news release related to future plans, such as statements about the potential eligibility of our products for certain HSA or FSA benefits, continued collaboration with health care providers, and future product capabilities are forward-looking statements subject to certain risks and uncertainties. Additional information concerning these, and other risks and uncertainties, is contained in the company's filings with the Securities and Exchange Commission (SEC), including the Annual Report on Form 10-K and other periodic reports

filed with the SEC. The company has no obligation to publicly update or revise any of the forward-looking statements in this news release.

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