

Share option scheme

Rules for award of Options 2016 (2015 result) and subsequent years

1. The Right of Option is personal.

2. The Option Holder will not be authorised to transfer or encumber the Right of Option.

3. The Right of Option will expire on the date on which the Option Holder or Option Issuer terminates the employment contract between the parties in writing.

4. If the employment contract is terminated in any manner other than through cancellation, the Right of Option will expire at the time of termination of the employment contract, except in the cases specified below.

5. If the employment contract expires as soon as the Option Holder reaches the state retirement age in the Netherlands [*AOW-leeftijd*], the Right of Option will not expire, and it will be possible to exercise the options in accordance with the applicable terms and conditions.

6. In the event of the death of the Option Holder, the Right of Option will be automatically transferred to the Option Holder's heirs; in this case, it will be possible to exercise the options in accordance with the applicable terms and conditions.

7. If a bid for all the shares in Beter Bed Holding N.V. is fulfilled, the Option Holder will be authorised to exercise his Right of Option. In this case, the vesting period will end on the date on which the bid was fulfilled. Only in this case can the vesting period be less than the proposed minimum of three years.

8. No group profit automatically means no award of options.

9. The number of share options and the exercise price will be determined at the discretion of the Supervisory Board at all times.

10. All option holders are subject to the "Internal Code on Inside Information and Disclosure" in relation to closed periods.

11. The share options are awarded on the date of the Annual General Meeting (AGM I), based, along with other factors, on the company's performance in the previous financial year.

12. The share options vest at once after three years.

13. Vesting of the options occurs on the basis of ranking, where the 'Total Shareholder Return' (TSR = price gain plus dividend paid) of the Beter Bed share is compared with a Peer group.

Ranking table:

- Ranked 1st, 2nd or 3rd: 100% of the options vest.
 - Ranked 4th or 5th: 75% of the options vest.
 - Ranked 6th: 50% of the options vest.
 - Ranked 7th: 25% of the options vest.
 - Ranked 8th, 9th or 10th: the options do not vest (0%).
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14. The composition of the Peer group is at the discretion of the Supervisory Board and consists of a number of international listed companies operating in the retail sector.

15. In case a company in the Peer group should be eliminated from the Peer group (for whatever reason), the Supervisory Board will add a company from a reserve Peer group.

The names of the companies included in the Peer group and the reserve Peer group are to be requested at Beter Bed Holding.

16. When the share options are exercised participants in the share option scheme who are subject to taxation in the Netherlands are given an opportunity to benefit from a certain tax advantage for a period of four years following their acquisition.

The above-mentioned arrangement is obligatory for the Statutory Management Board (CEO and CFO).

17. The exercise price is the average of the opening price and closing price for the day of the ex-dividend listing and the closing prices on the four subsequent trading days.

18. In order to determine the measuring point for the TSR, the basis used is the average closing price for the last five trading days (i.e. prior to the date of issue), in order to avoid extreme highs and lows in both the share price and the index as much as possible.

19. The share options can only be exercised after three years (AGM IV), during a period of two years at a maximum.

20. The share options have a five-year time to maturity.
