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**BETER BED HOLDING N.V.  
PERFORMANCE SHARE UNIT (PSU) PLAN  
TERMS AND CONDITIONS**

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### Schedules

Schedule 1 Definitions and Interpretation

**Terms and Conditions  
of the  
Beter Bed Holding N.V.  
Performance Share Unit Plan**

**INTRODUCTION**

The Plan was approved by the Supervisory Board on 19 December 2019 and approved in the Annual General Meeting on 13 May 2020.

The Plan contains the terms and conditions that apply to granting Performance Share Units to eligible employees of the Group. The aim of the Plan is to encourage selected eligible employees to focus on the long-term success of the Company by providing such individuals an economic interest in any growth of the share value of the Company and to align the Company's management with sustainability and long-term interest of the Company.

**1. DEFINITIONS AND INTERPRETATION**

The definitions and other provisions set out in Schedule 1 shall apply throughout this Plan.

**2. EFFECTIVE DATE AND DURATION**

- 2.1 The Plan has become effective as from 1 January 2020 and will continue for an indefinite term until the Plan is terminated by the Supervisory Board.
- 2.2 The Supervisory Board may suspend the Plan or terminate the Plan at any time.
- 2.3 Termination of the Plan shall not adversely affect any outstanding PSUs under the Plan. To the extent required, the relevant provisions of the Plan will survive termination until any and all such outstanding PSUs have been Settled and/or forfeited.

**3. AVAILABLE SHARES**

The aggregate number of Shares which may be issued under the Plan in any financial year shall be determined by the Supervisory Board.

**4. AWARDS**

- 4.1 The Supervisory Board shall determine the type or types of Award(s) to be made to each Eligible Employee and the amount and relevant terms, conditions and limitations of each Award, taking into account this article 4, and shall grant the Awards to Eligible Employees.
- 4.2 The number of PSUs awarded to a Participant through an Award shall be calculated by the Supervisory Board, by dividing the relevant Grant Value by the average of the Market Values of a Share during such number of Trading Days as the Supervisory Board shall reasonably determine.

- 4.3 As described in further detail in article 5 (Vesting), Awards shall be conditional upon:
- 4.3.1 achievement of certain pre-defined performance targets during the applicable Vesting Period (the "**Performance Conditions**"); and
  - 4.3.2 continued employment with the Group during the Vesting Period.
- 4.4 In each year, the Supervisory Board will determine:
- 4.4.1 the Performance Condition(s) that apply to the Awards made in that year, which are based on the key priorities of the Company;
  - 4.4.2 for each Performance Condition: (i) the threshold level and (ii) the target performance level; and
  - 4.4.3 the relative weighting of each Performance Condition (expressed as a percentage, it being understood that the sum of the relative weightings shall be equal to 100%).
- 4.5 The Supervisory Board is authorised to agree with any Participant any different or additional conditions relating to the vesting of Awarded PSUs, which shall be detailed in such Participant's Grant Notice.
- 4.6 Subject to the provisions of the Company's remuneration policy as applicable from time to time, the Supervisory Board shall have sole discretion with respect to (i) the selection of Eligible Employees, (ii) whether any Award will be made to an Eligible Employee and (iii) the amount or size of the Award. The Supervisory Board may apply certain criteria, including the position of the employee within the Group, his/her individual performance and the financial performance of the Group and/or business unit that the relevant employee is responsible for or is working in.
- 4.7 No employee (whether or not an Eligible Employee) shall have any right to be granted an Award. No Eligible Employee who received any Award shall have any right to be granted any further Award(s) in any subsequent year.
- 4.8 Awards are evidenced by a written or electronic notice (the "**Grant Notice**") from the Company to each Participant that sets forth the terms, conditions and limitations of such Award (including the Performance Conditions). Acceptance of the Award shall constitute agreement by the Participant to the terms of the Award and of this Plan. If an Award is not accepted within 30 days from the date of the Grant Notice, it shall lapse and have no further force and effect.
- 4.9 The Company may decide to implement an automated system to grant and/or administer PSUs and to provide for a communication platform in that regard, including but not limited to enable the electronic acceptance by a Participant of the Award.

## 5. VESTING

### General

- 5.1 Awarded PSUs shall be conditional and shall only become unconditional ("**shall vest**") if (i) one or more of the Performance Conditions have been achieved, as set out in article 5.2, and (ii) the relevant Participant continues to be Employed by the Group, as set out in article 5.4.

### Performance-based Vesting

- 5.2 Following the Vesting Date, the Supervisory Board shall (acting in its reasonable discretion) determine the number of Awarded PSUs which have vested pursuant to the Performance Conditions that are applicable to those Awarded PSUs, as follows:

- 5.2.1 For each Performance Condition, the applicable relative vesting percentage is determined as follows:

- (a) if the Performance Condition's threshold value is not achieved, the relative vesting percentage for that Performance Condition shall be 0% (zero per cent);
- (b) if the Performance Condition's threshold value is (exactly) achieved, the relative vesting percentage for that Performance Condition shall be 60% (sixty per cent);
- (c) if the Performance Condition's target value is achieved, the relative vesting percentage for that Performance Condition shall be 100% (one hundred per cent); and
- (d) if the performance in respect of the relevant Performance Condition is between the threshold value and the target value, the relative vesting percentage shall be determined using a linear scale from 60% to 100%, and if the performance exceeds the target value, the relative vesting percentage shall increase above 100% on the same linear scale, provided however that the vesting percentage shall not exceed 140% (one hundred and forty per cent);

- 5.2.2 For each Performance Condition, the applicable relative vesting percentage determined in accordance with article 5.2.1 shall be multiplied by the relative weighting (as referred to in article 4.4.3) of such Performance Condition; and

- 5.2.3 The total number of Awarded PSUs which have vested is calculated by multiplying (i) the sum of the weight-adjusted relative vesting percentages (determined in accordance with article 5.2.2) with (ii) the total number of Awarded PSUs.

- 5.3 The relevant part of the Awarded PSUs which have vested in accordance with the provisions above shall be referred to as the "**Vested PSUs**". The part of the Awarded PSUs which have not vested in accordance with the provisions above shall be referred to as the "**Unvested PSUs**". In each case, the number of Vested PSUs shall be rounded up to the nearest integer number.

## **Service-based Vesting**

- 5.4 Any Awarded PSUs of a Participant can only vest in accordance with article 5.2 if that Participant continues to be Employed between the Award Date and the Vesting Date. Therefore, the vesting of Awarded PSUs will immediately and automatically cease at the date that the relevant Participant ceases to be Employed, regardless of the reasons for the termination of employment or the manner in which employment is terminated. However, this article 5.4 is without prejudice to (i) any Awarded PSUs that are already Vested PSUs at such date and (ii) the provisions of article 8 (Leaver Provisions).

## **6. DIVIDENDS AND DIVIDEND EQUIVALENTS**

- 6.1 At any time that dividends are paid in cash by the Company to Shareholders within the Vesting Period, corresponding Dividend Equivalents will be accrued on the PSUs awarded in that Vesting Period (unless the Supervisory Board considers that appropriate credit has been given pursuant to article 10.1), such that for each PSU the Dividend Equivalent is an amount equal to the dividend amount payable per Share.
- 6.2 Dividend Equivalents accrued on PSUs are always directly linked to those PSUs and will therefore vest in the same manner and the same proportion as the PSUs pursuant to article 5 (Vesting).
- 6.3 Dividend Equivalents will not be paid in cash but will be Settled in Shares in accordance with article 7.2.2, except if and to the extent that the corresponding PSUs will be Settled in cash instead of Shares.

## **7. SETTLEMENT**

### **Reference date**

- 7.1 The reference date for Settlement of any Vested PSUs (the "**Settlement Reference Date**") shall be the relevant Vesting Date or, as the case may be, the relevant Termination Date pursuant to article 8 (Leaver Provisions) or the Change of Control Date pursuant to article 9 (Change of Control). For the avoidance of doubt, the Settlement Reference Date is only used for reference purposes; a Participant's right with respect to any Shares only exists as of the date that the Shares are actually transferred to such Participant (the "**Transfer Date**").

### **Settlement in Shares upon vesting**

- 7.2 Subject to article 7.4 and 7.5, on the Settlement Reference Date or as soon as practical thereafter, any Vested PSUs will be settled in Shares as follows:
- 7.2.1 The number of Shares to be distributed is equal to the number of Vested PSUs (subject to article 7.2.3).
- 7.2.2 For any Dividend Equivalents accrued on the Vested PSUs, additional Shares will be distributed with an aggregate market value not less than the value of the Dividend Equivalents (subject to article 7.2.3).

7.2.3 If the distribution of Shares is subject to Tax withholding by the Company or any Group Company, such Taxes will be settled as follows:

- (a) the Company's stock broker will sell on the Stock Exchange for and on behalf of the Participant a number of the relevant Shares with an aggregate market value not less than the amount of withholding Taxes and will be authorized to pay on behalf of the Participant to the Company the proceeds from such sale, which the Company will use to settle the relevant Taxes; or
- (b) the Company shall pay the amount of the relevant Taxes in cash on behalf of the Participant and shall reduce the number of Shares to be distributed, as initially determined under article 7.2.1 and 7.2.2, with such number of Shares that have an aggregate market value equal to the amount of those Taxes; or
- (c) if specifically requested by the Participant in his or her settlement form, Taxes will not be paid from the sale or deduction of part of the Shares in accordance with paragraph (a) or (b) above but by the Participant in cash, in which case the Participant must ensure that the relevant amount of withholding Taxes is paid no later than 15 days after the Settlement Reference Date on the bank account to be indicated by the Company and the Company may issue or transfer the Shares after the relevant amount of withholding Taxes has been received by the Company.

7.2.4 The number of Shares to be distributed pursuant to article 7.2.1 and 7.2.2, subject to any deduction pursuant to article 7.2.3, will be transferred to the securities account that must be specified by the Participant in his or her settlement form.

7.3 The Company shall not be liable for any fluctuations that may occur in the selling prices of the Shares quoted on the Stock Exchange, whether at or around the Settlement Reference Date, the Transfer Date or (if different) the date that Shares are sold in accordance with article 7.2.3(a) or otherwise and regardless of the cause of such fluctuations.

#### **Settlement in cash in the event of a Change of Control**

7.4 If a Change of Control occurs then the Company shall on the Change of Control Date or as soon as practical thereafter, in respect of each Participant who holds Vested PSUs in accordance with article 9.1, transfer to such Participant's bank account an amount equal to the value of the Participant's Vested PSUs, determined for each Vested PSU on the basis of the Market Value of a Share on the Change of Control Date, reduced by any Taxes that the Company or any Group Company is required to withhold from such distribution.

## Settlement in cash if stipulated in Grant Notice

- 7.5 If it has been explicitly stated in the Grant Notice that the Awarded PSUs will not be Settled in Shares but in cash, for example in case that Settlement in Shares is not possible or not allowed in the relevant jurisdiction of the Participant, then the Company shall transfer to the relevant Participant's bank account an amount equal to the Market Value of the Shares corresponding to those Vested PSUs as at the Settlement Reference Date, reduced by any Taxes that the Company or any Group Company is required to withhold from such distribution.

## 8. LEAVER PROVISIONS

### General

- 8.1 In the event that a Participant (a "**Leaving Participant**") for any reason ceases to be Employed with the Group, all of the Participant's Unvested PSUs will be forfeited and will not be Settled, except as set out in articles 8.3 through 8.7 below.
- 8.2 For the purpose of this Plan:

"**Employed**" means (i) in respect of each Participant that is an employee: that the relevant Participant is employed by any Group Company and that no notice of termination of such employment has been given, whether by the Participant or by his/her employer, and no termination of such employment has been agreed by the Participant and his/her employer; and (ii) in respect of each Participant that is not an employee but working on the basis of a management services agreement: that no notice of termination of such agreement has been given, whether by the Participant or by the relevant Group Company, and no termination of such agreement has been agreed by the Participant and the Group Company; therefore, a Participant shall be deemed no longer Employed as of the moment that a notice of termination of employment or the services agreement has been given by either party or termination has been agreed, notwithstanding the fact that employment or the management services may continue during the notice period or during the remaining period until the agreed termination date;

"**Termination Date**" means in respect of a Leaving Participant, the date on which his or her employment or management services with any Group Company ends, or (in respect of a Participant referred to in article 8.4) the date that a transaction referred to in article 8.4 is completed.

### Death, Permanent Disability, Retirement

- 8.3 If a Leaving Participant ceases to be Employed as a result of:
- 8.3.1 the Participant's death; or
- 8.3.2 the Participant's permanent illness or disablement to such a degree that a medical doctor certifies in writing that the Participant can no longer reasonably fulfil his/her function within the Group during more than 80% (eighty per cent) of the Participant's original working hours; or



- 8.3.3 retirement at the age at which the Participant is either obliged or entitled to retire (or such other age at which a Participant retires by agreement with his employer);

then all of the Leaving Participant's Awarded PSUs shall be deemed Vested PSUs.

### **Sale of Business**

- 8.4 If the division, business unit or business segment to which at least 80% of a Participant's working time is dedicated, is being sold, closed, spun off or otherwise divested from the Group and as a result such Participant is no longer working with any Group Company, then such Participant's number of Vested PSUs shall be determined using Pro Rata Time-Based Vesting. However, this article 8.4 does not apply if the relevant transaction constitutes a Change of Control as defined in article 9 (Change of Control), in which case article 9 applies.

### **Collective Dismissal, Agreed Termination**

- 8.5 If a Leaving Participant ceases to be Employed as a result of:
- 8.5.1 collective dismissal of a group or category of employees for economic business reasons; or
  - 8.5.2 an agreed termination of the Leaving Participant's employment agreement pursuant to a settlement agreement entered into between the relevant employer company and the Participant; or
  - 8.5.3 in case of a Participant who is a member of the Management Board: such Participant's term of appointment as Management Board member terminates and the appointment is not renewed by the Supervisory Board or other applicable corporate body;

then the Leaving Participant's number of Vested PSUs shall be determined using Pro Rata Time-Based Vesting.

### **Pro Rata Time-Based Vesting**

- 8.6 "**Pro Rata Time-Based Vesting**" means that the number of Vested PSUs shall be determined, in respect of each outstanding Award separately, on a pro rata time basis as follows:

$$\text{Vested PSUs} = \text{Awarded PSUs} * \frac{\text{Active Service Months}}{\text{Total Months in Vesting Period}}$$

Where:

Active Service Months means the number of months of the Leaving Participant's active service from the Award Date until the Termination Date (excluding any notice period during which the Leaving Participant has not actually been in active service, if applicable), rounded down to an integer number;

Total Months in Vesting Period means the number of months from the Award Date until the applicable Vesting Date for the relevant Award (being 36 months except if a different Vesting Period has been agreed with the relevant Participant);

Awarded PSUs means the number of Awarded PSUs pursuant to the relevant Award;

The number of Vested PSUs shall always be rounded up to the nearest integer number.

### **Settlement**

8.7 The Vested PSUs (calculated under this article 8 (Leaver Provisions)) will be Settled at the Termination Date. However, the Remuneration Committee may decide, in respect of any Leaving Participant and acting in its discretion, to (i) increase the number of Vested PSUs and/or (ii) arrange for Settlement at any other date.

8.8 All Vested PSUs will be Settled in accordance with article 7.2. Any Unvested PSUs will be cancelled.

8.9 For the avoidance of doubt:

8.9.1 the determination of the number of Vested PSUs pursuant to articles 8.3 through 8.7 shall not be affected by the Performance Conditions; and

8.9.2 the forfeiture of a Participant's Unvested PSUs pursuant to article 8.1 shall also apply if that Participant ceases to be Employed as a result of his/her voluntary termination of the employment agreement or management services agreement.

## **9. CHANGE OF CONTROL**

### **General**

9.1 If a Change of Control occurs, outstanding Awards shall vest such that for each Participant that is Employed with the Group at the Change of Control Date, all of the Participant's Awarded PSUs shall be deemed Vested PSUs and shall be Settled in cash in accordance with article 7.4.

### **Definitions**

9.2 For the purposes of this article 9:

**"Control"** means the right, directly or indirectly, to (i) exercise 50% or more of the voting rights capable of being cast in general meetings of shareholders of the Company, and/or (ii) to appoint or replace the majority of the directors of the Management Board;

**"Persons acting in concert"**, in relation to a Person, are Persons who cooperate with that Person on the basis of an agreement, either express or tacit, either oral or written, aimed at acquiring Control;

a "**Change of Control**" shall occur:

- 9.2.1 if a Person, alone or together with Persons acting in concert, acquires Control;  
or
- 9.2.2 upon the consummation of a reorganization, merger (*fusie*), demerger (*splitsing*) or consolidation of the Company, or a sale or other disposition of more than 50% of the Company's property and assets;

except, in each case, if the transaction is an Excluded Transaction as defined in article 9.3.

For the avoidance of doubt, the occurrence of a Public Offer shall not constitute a Change of Control unless and until the relevant Person acquires Control following the successful consummation (*gestanddoening*) of the Public Offer.

9.3 "**Excluded Transaction**" means any of the following transactions:

- 9.3.1 any acquisition by an entity independent from the Company and which has the object to protect the interests of the Company and the Company's business and which holds shares in the Company after the announcement of a Public Offer for a maximum duration of two years in order to protect the Company;
- 9.3.2 any acquisition by an entity independent from the Company which has issued depositary receipts of Shares (*certificaten van aandelen*) with the cooperation of the Company;
- 9.3.3 any acquisition or transaction after the Company has been granted moratorium of payments (*surséance van betaling*) or has been declared bankrupt (*faillissement*); and
- 9.3.4 a transaction which constitutes the enforcement of securities by banks.

## 10. **ADJUSTMENTS**

### **Adjustment related to change of share capital**

- 10.1 In the event of any variation in the share capital of the Company (including a share split, reverse share split, combination or exchange of securities, legal merger, consolidation, recapitalization, spin-off, split off, liquidation or other distribution of any or all of the assets of the Company to shareholders, other than normal cash dividends) or any change in any rights attendant to any class of Shares, the Supervisory Board may, in order to reflect such event and to maintain the intrinsic and fair value of the Awards, make such adjustments (including retrospective adjustments) as it considers appropriate to the number of Awarded PSUs, provided, that the Supervisory Board shall retain discretion with respect to how any such adjustments shall be made. The decision of the Supervisory Board regarding any such adjustment shall be final, binding and conclusive.

### **Adjustment of distribution**

- 10.2 The Supervisory Board has the right, acting in its reasonable discretion, to adjust any Award positively or negatively in the following circumstances:
- 10.2.1 the value of the Award is significantly influenced by the effects of accounting changes or any transactions that have a material financial effect on the Group taken as a whole, including (but not limited to) any substantial disposals or acquisitions of any of the Group's businesses;
  - 10.2.2 it turns out in retrospect that the Award, or the grant of the Award, is based on incorrect information regarding the achievement of any financial targets and/or individual performance targets relevant to (the grant of) that Award and/or regarding the circumstances that the Settlement of the Award was conditional upon;
  - 10.2.3 the Company restates its financial statements due to material non-compliance with financial reporting requirements under the securities laws; or
  - 10.2.4 it turns out in retrospect, in the reasonable opinion of the Supervisory Board, that the result of the Award as calculated under the terms of this Plan is not reasonable or fair under the prevailing circumstances.

In taking any decision pursuant to this article 10.2, the Supervisory Board shall observe the principles of reasonableness and fairness and shall make such adjustments (including retrospective adjustments) as it considers appropriate and fair taking into account all relevant facts and circumstances. In making such determination the Supervisory Board shall be entitled to make assumptions about what the situation would have been were it not for the event that resulted in the operation of this article 10.2.

- 10.3 In the event that any event referred to in article 10.2 is relevant to an Award but is only discovered within two years after the Settlement of that Award, the Company has the right (the "**Claw Back Right**") to claim back, in full or in part, a distribution pursuant to the Settlement of that Award. The Claw Back Right applies to the Shares or cash distributed pursuant to Settlement of the Award as well as to the financial gain realized by the relevant Participant(s) from any such Shares, provided however that the Company shall, in respect of any Award, not claim more than an amount equal to the Market Value of the Shares received upon Settlement of that Award, as of the relevant Transfer Date, minus any amount of Taxes that are payable or have been paid in connection with that Settlement.

### **Right of set-off**

- 10.4 By accepting any Award, a Participant consents to and authorizes the Company (i) to deduct any amounts owed by the Participant to the Company under article 10.3 from any amounts payable by the Company or any Group Company to the Participant, and/or (ii) to make any adjustments to awards under this Plan and/or any other share plan operated by the Company in order to set-off such amounts owed by the Participant. This right of set-off is in addition to any other remedies the Company and/or any Group Company may have against any Participant pursuant to this Plan or otherwise.

## **No waiver or limitation of rights under applicable law**

10.5 The rights of the Company and the Supervisory Board under this Plan are without prejudice to all other rights and remedies available to the Company and the Supervisory Board under applicable law. No failure by the Company or the Supervisory Board to exercise, and no delay in exercising, any right under this Plan will operate as a waiver of such right or any other right under this Plan.

## **11. FORFEITURE OF RIGHTS**

11.1 If a Participant engages in any wrongful conduct, then:

11.1.1 the Supervisory Board may decide that any and all of such Participant's Awards are cancelled and that the Participant forfeits any and all rights in those Awards with immediate effect; and

11.1.2 if the wrongful conduct occurred within six months of the Transfer Date, or if the wrongful conduct occurred prior to the Transfer Date but is only discovered thereafter, the Supervisory Board may decide that the Participant must pay to the Company in cash any financial gain realized from the transfer of Shares. Such financial gain shall be deemed equal to the Market Value of a Share on the Transfer Date, multiplied by the number of Shares actually distributed pursuant to the Award.

11.2 For purposes of this article 11, "**wrongful conduct**" means:

(a) any activity that is contrary or harmful in any material respect to the interests of the Group, including (i) violating any Group policies, (ii) soliciting any present or future employees or customers of the Group to terminate such employment or business relationship(s) with the Group, and (iii) disclosing or misusing any confidential information regarding the Group;

(b) acting in breach of any obligations of the Participant's employment agreement, services agreement or management agreement and/or related terms and conditions applicable to such employment or engagement;

(c) the commission of any act or failure to act that involves dishonesty, theft, destruction of property, fraud, embezzlement or unethical business conduct or that is otherwise materially injurious to the Company or any of its Group Companies, whether financially or otherwise;

(d) the commission of any material criminal offence (regardless whether this occurs in the course of the Participant's work activities or otherwise);

(e) the commission of any act or failure to act that results in a material violation by the Company or any of its Group Companies of any applicable law or regulation (including competition and antitrust laws and regulations).

11.3 Articles 10.4 and 10.5 apply correspondingly to this article 11.

## 12. TRANSFER AND ASSIGNMENT

12.1 Awards, PSUs and any other rights or interests of Participants under the Plan are personal to the relevant Participants and cannot be transferred or encumbered, whether by means of sale, assignment, exchange, pledge, right of usufruct or otherwise, except:

- (a) unless otherwise specified in a Grant Notice;
- (b) by will or the laws of descent and distribution; or
- (c) with the prior approval of the Supervisory Board in exceptional circumstances.

For the avoidance of doubt, this article 12.1 does not apply to any Shares acquired by a Participant, which are freely transferable subject to article 15 (Securities and Regulatory Compliance) and article 12.2 (if applicable).

### **Two Year Holding Period for Management Board Members**

12.2 Any Shares acquired pursuant to the Settlement of Awarded PSUs by a Participant who is (or who has been) a member of the Management Board, cannot be transferred or sold by that Participant during a period of two (2) years starting on the Vesting Date and ending on the second anniversary of the Vesting Date (the "**Holding Period**"), including in the situation that the Participant ceases to be Employed with the Group for whatever reason, except:

12.2.1 if and to the extent that the Participant incurs any Tax liability as a result of the acquisition of the Shares, the Participant can sell and transfer such portion of the Shares as may be required to satisfy the relevant Tax payment obligations; or

12.2.2 in the event that the Participant dies, the Shares can transfer by will or the laws of descent and distribution, and the Participant's heirs or legal representatives can sell and transfer those Shares; or

12.2.3 with the prior approval of the Supervisory Board in exceptional circumstances.

12.3 The restriction to transfer PSUs or Shares as set out in article 12.1 and 12.2 also includes the restriction that, at any time prior to the expiry of the Holding Period, a Participant is not entitled to agree on a future sale of the Shares that are subject to the Holding Period, or to grant any option or other right to acquire the Shares, except as explicitly set out otherwise above.

12.4 For the avoidance of doubt, the Holding Period does not apply to Participants who are not and have never been a member of the Management Board.

### **Transfer by the Company**

12.5 The Company may assign or transfer any rights or obligations under the Plan to any of its Group Companies. The Participants consent in advance to such assignment or transfer.

13. **TAX**

- 13.1 If and to the extent that any Award granted to a Participant gives rise to any Tax for that Participant for any reason whatsoever, whether as a result of granting, vesting or Settlement of such Award, that Participant shall be personally responsible for the due reporting and payment of any and all such Taxes. Without prejudice to the afore-going, in the event that the Company or any Group Company arranges for the reporting and payment of any Taxes for and on behalf of the Participant, that Participant must fully cooperate and provide all information that may reasonably be required for such purposes.
- 13.2 The Company and any Group Company shall have the right and the obligation to withhold from any amounts payable under the Plan all Taxes as shall be legally required to be withheld by them under applicable law.

14. **COSTS**

- 14.1 The costs of introducing, operating and administering this Plan shall be borne by the Company. The Company may, where appropriate, recharge the costs of operating this Plan to its Group Companies if and to the extent that Participants are employed by these Group Companies.
- 14.2 The costs associated with the retention of any Shares acquired by any Participant and any subsequent sale thereof (including any transaction costs and bank commissions) shall be for the account of the Participant holding or selling such Shares.

15. **SECURITIES AND REGULATORY COMPLIANCE**

- 15.1 The right of any Participant to receive any Shares under this Plan and to sell such Shares shall be subject to the acquisition and/or sale being permissible under applicable securities laws and the rules of the Stock Exchange and all other applicable laws and regulatory requirements, including the Insider Regulations and other regulations regarding insider trading, market abuse and the disclosure of holdings. Each Participant must comply with such laws and regulations. Neither the Company nor any of its brokers or agents shall be responsible for any damages resulting from a delay in the delivery or sale of Shares caused by the compliance with such laws and regulations.

16. **CONFIDENTIALITY**

- 16.1 Each Participant undertakes that he/she will not, at any time while Employed by any Group Company, except in the course of his/her duties as an employee of a Group Company (if applicable), nor at any time after he/she ceases to be Employed, disclose any confidential information concerning the Plan and the terms thereof or any agreement resulting therefrom or relating thereto, except:
- (a) with the written consent of the Supervisory Board;
  - (b) to the extent required by applicable law or stock exchange rules but in that case only after consultation with the Supervisory Board about the timing and content of such disclosure, if possible;
  - (c) to his/her professional advisers, subject to a duty of confidentiality; or

- (d) to the extent that at the date hereof or hereafter such information is public knowledge otherwise than through unlawful disclosure by such Participant or any other Participant.

**17. PERSONAL DATA PROCESSING AND TRANSFER**

17.1 By participating in the Plan, each Participant acknowledges to be informed of and consents to the collection, use, processing and transfer of his or her personal data by the Company and any Group Company for the following purposes:

- (a) the implementation, execution and administration of the Participant's participation in the Plan, including the transfer and registration of PSUs and the corresponding Shares and communication activities in connection with the Plan; and
- (b) compliance with applicable law and the financial, legal, regulatory, ethics, integrity, IT and enterprise risk management compliance obligations, requests and procedures to which the Company and/or any Group Company is subject.

17.2 Each Participant authorizes the Company and any Group Company to transfer such personal data amongst themselves and to any third parties assisting them in the implementation and administration of the Plan or providing Plan recordkeeping services. These recipients may be located throughout the world, both within and outside the European Economic Area, and are authorized to receive, possess, use, retain and transfer the personal data, in electronic or other form, for the purposes set out above.

17.3 Each Participant may, at any time, review his or her personal data or require any necessary amendments to it.

**18. SHAREHOLDER RIGHTS**

18.1 A Participant does not have any rights as a Shareholder of the Company with respect to any PSUs, until and unless the Participant receives Shares following Settlement of these PSUs and then only to the extent related to those Shares that were actually transferred.

**19. NO OTHER RIGHTS**

19.1 The Plan does not confer any rights to Eligible Employees and/or Participants other than as expressly set out herein. The Plan governs only Awards which have been granted specifically with reference to this Plan. Payments or benefits provided to a Participant under any stock plan, deferred compensation plan, savings plan, retirement plan or other employee benefit plan are governed solely by the terms of such plan.

19.2 The Plan does not form part of the Participant's employment agreement or service agreement with any Group Company. The Plan or any Award made cannot be construed as a commitment to the Participant that the employment or service agreement with any Group Company will continue.



- 19.3 The Award is not part of the regular salary of the Participants and therefore will not be taken into account for the calculation of any severance payments, salary-based benefits, including (but not limited to) holiday allowance, other bonuses, pensions or pension premiums. Furthermore, any distribution made as result of the Settlement of Awards (whether in Shares or in cash) is not part of any other income or remuneration, whether fixed or variable, except for income Tax purposes based on applicable Tax laws.
- 19.4 If the Participant shall cease for any reason to be Employed by any Group Company, the Participant shall not be entitled, by way of compensation for loss of office or employment or otherwise howsoever, to any sum or any benefit to compensate him or her for any consequential loss or curtailment of any right or benefit accrued or in prospect under the Plan and any such loss or curtailment shall not form part of any claim for damages for breach of any contract of employment of any Participant or compensation for unfair dismissal or any other claim whatsoever.
- 19.5 The PSUs and Shares are denominated in Euro. Consequently, the value of PSUs and the Shares may be impacted by foreign exchange rate differences for any Participant who has a bank account in another currency or chooses to exchange any payment under this Plan to another currency. Any such foreign exchange rate differences, as well as any exchange costs that may apply, are for the risk and account of the relevant Participant.

## 20. **AMENDMENT OF TERMS AND CONDITIONS**

- 20.1 This Plan and all related documents may be amended from time to time by the Supervisory Board, if:
- 20.1.1 such amendment is made for bona fide legal, tax, financing or other structuring reasons, provided that all reasonable efforts are taken to ensure that such variation shall not affect the economic position of Participants (including their general tax position); or
- 20.1.2 such amendment is approved by the Participants who hold more than 75% (seventy-five per cent) of all PSUs outstanding on the date of amendment.
- 20.2 The Company shall notify in writing each Participant of any amendment to this Plan. Such notifications may also be sent by e-mail.

## 21. **DISCRETION TO MAKE EXCEPTIONS**

- 21.1 The Supervisory Board may at any time, acting in its sole discretion, waive or amend any of the terms of this Plan to the effect that any individual Participant or any group of Participants will be treated more favourably than if the terms hereof were applied.

## 22. **LAW AND JURISDICTION**

- 22.1 This Plan and the Awards shall be governed by and construed in accordance with the laws of The Netherlands.
- 22.2 Any dispute arising under or in connection with this Plan shall be settled by the competent District Court (*Rechtbank*) in the place where the Company has its registered office, subject to appeal (*hoger beroep*) and appeal in the second instance (*cassatie*).

\* \* \*

## SCHEDULE 1      DEFINITIONS AND INTERPRETATION

1. The following definitions shall apply in this Plan:

<b>Articles of Association</b>	the articles of association of the Company, as amended from time to time.
<b>Award</b>	means, individually or in the aggregate, an award granted to a Participant under the Plan to receive the number of PSUs specified in the relevant Grant Notice.
<b>Award Date</b>	means the effective date of the Award, as set out in the Grant Notice (for the avoidance of doubt: this effective date can be different from the Grant Date).
<b>Awarded PSUs</b>	means the number of PSUs awarded to a Participant through an Award.
<b>Business Day</b>	a day (other than a Saturday, Sunday or public holiday) on which banks are generally open in The Netherlands for transaction of normal banking business.
<b>Change of Control</b>	has the meaning given in article 9.2.
<b>Change of Control Date</b>	means: (a) the last day of the acceptance period ( <i>aanmeldingstermijn</i> ) for the Public Offer, including possible extensions ( <i>verlengingen</i> ) thereof, if the Change of Control results from a Public Offer; or (b) the date that the transaction constituting Change of Control is consummated, if the Change of Control results from any other transaction.
<b>Claw Back Right</b>	has the meaning given in article 10.3.
<b>Company</b>	Beter Bed Holding N.V., a public company ( <i>naamloze vennootschap</i> ) incorporated under the laws of the Netherlands, registered with the Dutch trade register under number 16040335.
<b>Control</b>	has the meaning given in article 9.2.
<b>Dividend Equivalent</b>	means a conditional right to receive a dividend amount, determined in accordance with and subject to the provisions of article 6 (Dividends and Dividend Equivalents).
<b>Eligible Employee</b>	a person who is Employed by any Group Company and who is designated by the Supervisory Board as eligible to receive an Award under the Plan.
<b>Employed</b>	has the meaning given in article 8.2.

<b>Excluded Transaction</b>	has the meaning given in article 9.3.
<b>Grant Date</b>	means the date of the Grant Notice.
<b>Grant Notice</b>	has the meaning given in article 4.8.
<b>Grant Value</b>	means the value of the Shares corresponding to the Awarded PSUs, as set out in the Grant Notice.
<b>Group</b>	means the Company and its group companies, as may exist from time to time; the expressions 'Group' and 'group company' shall be construed and interpreted in accordance with article 2:24a and article 2:24b of the Dutch Civil Code.
<b>Group Company</b>	any member of the Group.
<b>Insider Regulations</b>	means the regulations regarding the holding of and effecting transactions in the Shares, issued by the Company and as amended from time to time.
<b>Leaving Participant</b>	has the meaning given in article 8.1.
<b>Management Board</b>	the board of managing directors ( <i>bestuur</i> ) of the Company.
<b>Market Value</b>	means in respect of a Share, the closing selling price of a Share quoted on the Stock Exchange on the last Trading Day prior to the date in respect of which Market Value is to be determined.
<b>Participant</b>	means any person who has received an Award under the Plan and who has accepted that Award.
<b>Performance Conditions</b>	has the meaning given in article 4.3.1.
<b>Person</b>	means a natural person or a legal person.
<b>Persons acting in concert</b>	has the meaning given in article 9.2.
<b>Plan</b>	this Performance Share Unit Plan, under the terms and conditions set out herein.
<b>Pro Rata Time-Based Vesting</b>	has the meaning given in article 8.6.
<b>PSUs</b>	means Performance Share Units awarded under this Plan, where each PSU (Performance Share Unit) entitles the relevant Participant to receive one Share in accordance with and subject to the conditions set out in this Plan.

<b>Public Offer</b>	means a public offer (other than by the Company itself) made to the Shareholders to acquire all or some of the Shares, whether mandatory or voluntary, which follows or has as its objective the acquisition of Control of the Company.
<b>Remuneration Committee</b>	means the remuneration committee of the Supervisory Board or such other committee as may be appointed by the Supervisory Board.
<b>Settlement</b>	means the process of settlement of Vested PSUs pursuant to an Award into Shares or cash in accordance with article 7 (Settlement); the correlative terms " <b>Settle</b> " and " <b>Settled</b> " shall be construed accordingly.
<b>Settlement Reference Date</b>	has the meaning given in article 7.1.
<b>Share</b>	means a share ( <i>aandeel</i> ) in the capital of the Company.
<b>Shareholder</b>	means any holder of Shares in the capital of the Company.
<b>Stock Exchange</b>	means the Euronext Amsterdam stock exchange.
<b>Supervisory Board</b>	the board of supervisory directors ( <i>raad van commissarissen</i> ) of the Company.
<b>Tax Authority</b>	means any government, state or municipality or any local, state, federal or other fiscal, revenue, customs or excise authority, body or official anywhere in the world, authorised to impose, assess, collect or administer any Tax.
<b>Tax or Taxes</b>	means any and all forms of taxation, levy, duty, charge, social security charge, contribution, withholding or impost of whatever nature (including any related fine, penalty, surcharge or interest) imposed by, or payable to, a Tax Authority.
<b>Termination Date</b>	has the meaning given in article 8.2.
<b>Trading Day</b>	means a day on which Shares can be traded on the Stock Exchange.
<b>Transfer Date</b>	has the meaning given in article 7.1.
<b>Unvested PSUs</b>	has the meaning given in article 5.3.
<b>Vested PSUs</b>	has the meaning given in article 5.3.
<b>Vesting Date</b>	means the last day of the Vesting Period.

**Vesting Period** means a period of three (3) years starting on the Award Date (or such other period as may have been specified in the Grant Notice).

2. References to "articles" and "Schedules" refer to articles of, and schedules to, this Plan.
3. The headings in this Plan are inserted for convenience and reference purposes only and do not affect its interpretation.
4. Words or expressions used in this Plan shall where appropriate:
  - (a) when denoting the singular include the plural and vice versa;
  - (b) when denoting one gender include another gender; in particular, 'he' must be interpreted as 'he or she' and 'his' must be interpreted as 'his or her';
5. The words "include", "included" or "including" are used to indicate that the matters listed are not a complete enumeration of all matters covered and will be construed as meaning "including without limitation" except to the extent specifically provided otherwise.