

Supervisory Board regulations

Introduction

- 0.1 The Supervisory Board of Beter Bed Holding N.V. has drafted and adopted these regulations in accordance with section 30 paragraph 12 of the articles of association of the company at its meeting that was held on 19 January 2012.
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- 0.2 These regulations are in addition to the regulations regarding the Supervisory Board and its members as set forth in the applicable legislation and regulations, the articles of association of the company and the Management Board regulations.
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- 0.3 The Supervisory Board and the Management Board are responsible for the corporate governance structure of the company and any substantial amendment to this structure must be presented to the AGM as a separate agenda item.
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- 0.4 These regulations will be placed on the company website.
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Composition of the Supervisory Board, positions and committees

- 1.1 The Supervisory Board prepares a profile outlining the required size and composition of the board, taking into account the nature of the business of the company and its subsidiaries and the necessary professionalism and background of the members of the Supervisory Board.
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- 1.2 The Supervisory Board consists of a minimum of three and a maximum of five members.
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- 1.3 The composition of the Supervisory Board must be such that the members are able to function critically and independently of each other and the Management Board. The availability and employability of a Supervisory Director must weigh into this decision.
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- 1.4 At least one member of the Supervisory Board must be a financial expert.
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- 1.5 All the members of the Supervisory Board, with the exception of a maximum of one member, must be independent in the sense of the Netherlands Corporate Governance Code.
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1.6 With due regard for the applicable statutory provisions, a person cannot be appointed as a member of the Supervisory Board if he or she is a member of the Supervisory Board or a non-executive director of at least five other legal entities, with the position of Chairman of the Supervisory Board and/or the Management Board, if the management duties are divided between executive and non-executive directors, counting as two such positions.

1.7 Members of the Supervisory Board are appointed for a period of four years. The maximum term of service is three four-year periods. The Supervisory Board sets up a schedule of retirement by rotation.

1.8 A member of the Supervisory Board is required to step down before the end of the term if his or her performance is considered inadequate, if there is a situation of structural irreconcilability of interests or if the Supervisory Board deems resignation necessary for another reason.

1.9 The Supervisory Board appoints a Chairman and a Vice-chairman from its membership. The Chairman may not be a former Director of the company.

1.10 The Chairman of the Supervisory Board is primarily responsible for the performance of the Supervisory Board and its committees. The Chairman of the Supervisory Board acts as spokesperson and is the contact person for members of the Management Board.

1.11 The Supervisory Board can appoint permanent and/or ad hoc committees and charge them to perform tasks as defined by the Supervisory Board. The Supervisory Board is minimally required to have an Audit Committee and a Remuneration Committee.

1.12 The Supervisory Board remains collectively responsible for decisions that have been prepared by its committees.

1.13 The Supervisory Board is free to draft and amend a set of regulations for each committee at any time.

Tasks and authorities

2.1 The Supervisory Board is responsible for supervising the policy of the Management Board and the general course of affairs within the company and its affiliated companies. The Supervisory Board supports the Management Board with advice. The responsibility for executing these tasks lies with the Supervisory Board as a whole.

2.2 In fulfilling its tasks, the Supervisory Board concentrates on the interests of the company and its affiliated companies and weighs the qualified interests of parties who have an interest in the company accordingly.

2.3 The Supervisory Board and its individual members each have their own responsibility to obtain all the information from the Management Board and the external auditor that the Supervisory Board deems necessary in order to properly exercise its task as a supervisory body. Should the Supervisory Board consider it necessary, it is allowed to obtain information from officers and external advisors of the company.

2.4 The Supervisory Board supervises compliance with the internal procedures that the Management Board has established for drawing up and publishing the annual report, the annual accounts, the quarterly and/or half-year figures and ad hoc financial information.

2.5 The Supervisory Board adopts the remuneration of the individual directors, upon the proposal of the Remuneration Committee, in accordance with the remuneration policy adopted by the AGM.

2.6 The external auditor is required to attend at least the Supervisory Board meeting during which the related examination of the annual accounts contained in the external auditor's report is discussed.

2.7 The contacts between the Supervisory Board and the external auditor are in principle conducted via the Chairman of the Audit Committee. De contacten tussen RvC en de externe accountant verlopen in principe via de Voorzitter van de Auditcommissie.

2.8 The external auditor is appointed by the AGM in each instance for a period of one year. The Supervisory Board can make a non-obligatory nomination to the AGM.

2.9 The Audit Committee, together with the Management Board, must conduct a thorough evaluation of the external auditor's performance at least once every four years. The key findings of this evaluation are presented to the AGM.

2.10 The members of the Supervisory Board attend the AGM, unless they are unable to attend due to special circumstances.

Meetings and decision-making

3.1 The Supervisory Board meets as often as is necessary to ensure a well-functioning Supervisory Board, but no less than four times a year. At one of the meetings the company's annual budget, including the company's financial and operational objectives and the preconditions under which these objectives must be realised, will be discussed. In addition, the Supervisory Board will hold at least one meeting a year at which the Management Board is not in attendance. This meeting will include a discussion of the board's own performance and the performance of the Management Board.

3.2 The meetings will in principle take place at the company's offices.

3.3 A member of the Supervisory Board can have another member represent him or her at meetings. The Chairman must be informed of any such authorisation in advance.

3.4 The members of the Supervisory Board shall seek unanimity in decisions whenever possible.

3.5 Each member of the Supervisory Board has one voice.

3.6 If unanimity proves impossible to realise and the legislation, the articles of association of the company or these regulations do not require a larger majority, the Supervisory Board is allowed to reach decisions on the basis of a majority of the voices. Should there be an equal number of votes, the Chairman's vote will be decisive. The Supervisory Board can only reach decisions if a majority of the current members of the Supervisory Board are present or represented at the meeting.

Other

4.1 A member of the Supervisory Board must immediately report any conflict of interest that is of substantial consequence to the company and/or the involved member to the Chairman of the Supervisory Board. The related Supervisory Board member will not be included in the decision-making processing relating to the matter in which he or she has a conflicting interest.

4.2 The remuneration of the members of the Supervisory Board is determined by the AGM. The remuneration of the members of the Supervisory Board is not linked to the company's operating profit.

4.3 No shares or rights to shares in the company may be awarded to members of the Supervisory Board.

4.4 The company does not provide loans, guarantees, etc. to members of the Supervisory Board.

4.5 The members of the Supervisory Board are bound to the regulations regarding insider knowledge of the company, regarding securities of the company.

4.6 Each member of the Supervisory Board undertakes to notify, within one month after the end of each calendar year, the Central Officer (under the “Internal Code on Inside Information and Disclosure”) of the company of changes, if any, in his or her holdings of financial instruments that relate to listed companies with significant activities in the sector in which the company operates, including companies that are active as a supplier to the company. The provisions included in this article do not apply if a transaction is carried out, for the account and risk of a member of the Supervisory Board pursuant to a written agreement for a mandate, by a financial business which is permitted pursuant to the Financial Supervision Act WFT to manage private assets, if it is provided in that agreement that the member of the Supervisory Board as principal cannot exert an influence on transactions that the financial business carries out as an authorised party.

4.7 The Supervisory Board is allowed, in exceptional cases, to decide on an incidental basis not to observe these regulations, whilst continuing to observe the applicable legislation and regulations.
