

Corporate Social Responsibility (CSR)

Why Beter Bed Holding NV is committed to CSR

Beter Bed Holding aims to contribute positively to society through its business. We believe our activities must be beneficial to humans, animals and the planet, as well as to our customers, employees and business partners. We regard growth as being about much more than maximising revenue alone, and firmly believe that this view both benefits our financial performance and reputation and leads to greater satisfaction in our work. We aim to both do things right and do the right thing, always in a financially prudent manner.

How CSR is organised

The organisation of Beter Bed Holding NV is characterised by two aspects: For one, the management organisation is very 'lean and mean'. The company's more than 3,100 employees are supervised by approximately 25 managers. Beter Bed Holding's Corporate Social Responsibility (CSR) organisation therefore does not call for a separate CSR Board, but is rather managed by the agenda of the regular management meetings. The management's open attitude towards its employees encourages proposals from the organisation. Beter Bed Holding sets specific CSR objectives and conducts small-scale, open meetings.

Development of CSR since 2010

Before reporting on our CSR achievements over the past year, we outline below what consecutive steps we have taken in recent years in developing our CSR policy.

We presented our first-ever vision statement in the 2010 annual report: 'In all countries in which we operate, we aim to become the market leader in the value-for-money segment of the bed and mattress market, in a socially responsible manner.' As well as setting out the vision statement, the 2010 annual report also provides transparency on the Beter Bed Holding Code of Conduct.

For the first time in 2011, the group published a consolidated report in which it accounted for the way CSR is implemented at the company. We disclosed both our performances for 2011 and 2010 and our non-financial objectives related to people and the environment for the coming years in accordance with the guidelines of the Global Reporting Initiative (GRI) at the application level C.

In this annual report, we set out our CSR activities and CSR results in light of the long-term (non-financial) targets and objectives set in 2012. This is followed by a brief description of our achievements in 2012 in terms of consumer and employee health and satisfaction, suppliers, stakeholders, the environment and recycling. One noteworthy development is that in 2012, we joined the UN Global Compact. We heartily endorse the ten points drafted by the United Nations in the Global Compact as published on www.gcnetherlands.nl. Moreover, our internal and external Code of Conduct go further than the Global Compact.

Consumers

The health and satisfaction of the customers of the various retail formulas of Beter Bed Holding is the key guiding principle, each and every day, for the company's policies and conduct. Based on this principle, we set a number of objectives in 2011 to improve the quality and safety of our products and improve customer satisfaction.

Quality and safety of products

Beter Bed Holding is extremely concerned with the health and safety of its customers and employees. Our goal is to deliver demonstrable high quality and safe products and services. As part of this, one of our ambitions is to ensure that within a few years we have a brief but clear and comprehensive description of the materials used and production and transport processes for our most important products.

In 2012, the number of mattresses certified and tested for hazardous materials increased from 68% to 78% in Germany and from 34% to 58% of mattresses sold in the Netherlands. The company aims to increase this rate to 70% for the company as a whole in 2013. The ultimate goal is for 80% of all mattresses in the range as a whole and for all Beter Bed Holding formulas to be tested and certified by 2016.

Customer satisfaction as the key to success

Customer satisfaction is measured by reference to the numbers of both positive and negative responses received. In 2012, the number of positive responses increased and the number of negative responses declined. We also saw an increase in the number of customers who were satisfied after the company had taken the appropriate measures.



In Germany in 2012, we once again had our service quality tested by Tüv Saarland, a technical inspection agency, which concluded that the service we provide to our German customers is of a high quality.

The other objective, to keep the rate of 'first time right' deliveries at a consistently high level, was achieved once again in 2012. This means the rate of 'first time right' deliveries in the Netherlands once again significantly exceeded 95%.

Employees

All employees have annual appraisals and performance reviews. These are important opportunities in many respects, for example to review whether the working conditions are correctly organised, or whether the employee is satisfied and where there is room for improvement or personal growth.

Training and development of employees

Employee training and development is a top priority for Beter Bed Holding, and in 2010 it created the Beter Bed Academy in conjunction with the NCOI Training Group and the National Consortium for Business Groups (NCvB). Over the course of last year, 251 employees (31 percent of the total workforce) enrolled in programmes at the Beter Bed Academy in the Netherlands. A total of 41 employees earned a diploma or credit in 2012; this represents a pass rate of 100%.

Diversity

Diversity in the composition of (management) teams plays a key role in the company's success. For one, we are striving to increase the number of women in management positions, the goal being to appoint at least 25% women to such positions by 2016. We continued to make strides in this area in 2012, slightly improving our record from the previous year. A female Controller has been appointed at Beter Bed Holding effective 1 April 2013.

Diversity	2012		2011	
	Men	Women	Men	Women
Store management	83%	17%	87%	13%
Senior management	89%	11%	88%	12%

	2012	2011
Number of FTEs	2,495	2,451
Men	33%	34%
Women	67%	66%

	2012	2011
Number of employees	3,133	3,038
Men	28%	29%
Women	72%	71%

Diversity by type of contract	2012		2011	
	Full-time	Part-time	Full-time	Part-time
Number of employees	25%	75%	25%	75%
Men	60%	40%	60%	40%
Women	12%	88%	11%	89%



	2012		2011	
	Indefinite period	Flexible	Indefinite period	Flexible
Number of employees	94%	6%	91%	9%
Men	86%	14%	82%	18%
Women	96%	4%	95%	5%

Employee health and satisfaction

The biannual employee satisfaction survey was conducted in 2012. Beter Bed ranked 30th in the Top 50 of 'Best Companies to Work For' in the category 'Companies with 1,000+ Employees'. Of the twelve retailers included in the Top 50, Beter Bed ranked eighth. For more information, please see <http://www.beste-werkgevers.nl/winnaars-2012>.

Besides high safety and quality standards for the company's products, we are dedicated to protecting the health and safety of the people involved in logistics handling. As part of these efforts, we once again randomly tested the distribution centres and cargo space of the trucks for hazardous substances in the Netherlands, and were satisfied that once again none were identified.

Absenteeism due to illness

Absenteeism due to illness increased in the Netherlands in 2012, due in part to an increase in the number of cases of long-term illness. The rate of non-work-related long-term illness was 70% of the total in the Netherlands. A new external illness absence counsellor was appointed in the Netherlands in 2012, both to assist even more effectively in work-related illness absence and ensure that our employees can recover and resume work soon and to provide even more effective privacy protection to our employees.

	2012	2011	2010
The Netherlands	4.8%	3.4%	3.8%
Germany	3.2%	3.5%	3.0%

Suppliers

The Beter Bed Holding Code of Conduct is based on the United Nations' world standard, the Global Compact. We have expanded the Code of Conduct to support the specific requirements we as a leader in our industry set on our suppliers.

In selecting our suppliers, we consider both the business aspects and ethical aspects of the relationship; the way we conduct business with them must be reconcilable with our standards and values. We also aim to maintain long-term relationships with our business partners, based on the condition that both our suppliers and their suppliers comply with the applicable laws and regulations in their country. We also require that all our strategic business partners; suppliers with a purchasing volume of € 100,000 or more, sign our Supplier Code of Conduct, published on www.beterbedholding.com.

Signed Codes of Conduct

The number of suppliers that signed the Code of Conduct increased to nearly 100% in 2012. Our twin targets for our suppliers are a) ensuring that 80% of our mattresses consist of certified products by

2013 and b) ensuring that all suppliers have signed the Code of Conduct by 2013. We will terminate our contracts in 2013 with any suppliers that have not yet signed the Code by then.

Signed Codes of Conduct	2012	2011
The Netherlands	97%	70%
Germany	100%	63%

Stakeholders

Beter Bed reached out to its stakeholders in 2012 to gather their feedback on its CSR policy and CSR performance. A number of key external stakeholders – including a large number of shareholders – expressed appreciation for our report, and we have implemented several key recommendations. Eumedion, which encourages companies to improve their performance in corporate governance and sustainability on behalf of institutional investors, recommended that we integrate our sustainability performance with our financial performance. As an initial step, we have included financial valuations for several of our achievements in sustainability. We intend to further integrate CSR in the 2013 annual report.

The Dutch Association of Investors for Sustainable Development (VBDO) has asked Beter Bed Holding to set clear targets for its sustainability performance, which is one of the reasons why we have included a list of achievements and targets in this report. The Association has also requested that we participate in the Carbon Disclosure Project. However, we will not be implementing this recommendation, as we will achieve the same targets with our efforts related to the multi-year commitments. We believe a new forum would currently not be effective enough, although we have decided to start reporting carbon emissions using the Greenhouse Gas Protocol in the future. Finally, the Association has recommended that we incorporate sustainability into our remuneration policy. The Supervisory Board and Management Board will review this in 2013.

Something that is at least as important is the enthusiasm with which our employees have embraced our CSR objectives: We have received proposals from all levels of the organisation to improve our performance. These proposals have resulted both in significant energy savings and cost savings



amounting to several hundred thousand euros. The improvements proposed and implemented include (list is not exhaustive):

- Introducing teleconferencing equipment to reduce the amount of business travel.
- Installing motion sensors in public spaces.
- The lighting of the advertising displays on the industrial sites has been significantly reduced by switching off the lights in the evening.
- Investing in user-friendly lighting, despite the slow return on investment.
- Smart energy meters to help us also become a learning organisation in terms of environmental efficiency.
- Following up on the 'Warm Jumper Day' campaign, we will be closing the front doors in winter.
- Delivery of online sales through the stores (using existing transport and no additional transport), etc.

Environment

The environment is considered in all the company's activities. We are working hard to save energy where possible, reduce CO₂ emissions, mileages driven and packaging waste, use progressively less environmentally hazardous substances and promote recycling wherever possible.

Reducing our footprint

In 2012, we asked our people to actively cooperate in saving energy, in line with our objective to protect the environment. As a retailer offering competitive prices, it also makes sense for us to focus on cost savings.

The increased focus on energy consumption has also improved the quality of the figures reported. As a result of our internal inspection, we are able to report a key additional source of energy: Our stores in Germany, Austria, Switzerland and Belgium are partially heated with fuel oil.

This year we began measuring all transport activities and 91% of our power consumption. It is not possible at this stage to report on gas consumption and fuel oil for all stores based on our own meters and bills, since in some cases this is handled by lessors. In these cases, consumption is estimated based on stores with similar facilities. A number of initiatives were launched, including stores managing their own energy and gas meters so as to ensure we can monitor our energy performance even more effectively next year.

We received proposals for improvement from all levels of the company, which demonstrated once again that many small-scale energy savings will result in a significant reduction. Power consumption per square metre of retail floor space fell by 18% over the past three years, while gas consumption fell by 15%.

Environmental measures implemented:

- Installation of motion sensors for lighting.
- Switching off advertising displays after closing.
- Switching off indoor lighting during the period from June to September.
- Installation of energy-efficient fluorescent lamps.
- Reducing the number of fluorescent lights per retail floor space.
- Teleconferencing facilities to reduce the amount of business travel .

Key figures Energy	2012	2011	2010
Electricity in kWh per m ²	78	82	95
Change from 2010	82%	86%	100%
Gas in m ³ per m ²	6.7	6.7	7.9
Changes from 2010	85%	84%	100%
Fuel oil in litres per m ²	2.6	2.2	2.7
Change from 2010	96%	81%	100%

Beter Bed Holding's environmental footprint

An organisation's environmental footprint can be calculated by converting energy sources into carbon dioxide. The figures show that carbon emissions in 2012 were 2% higher than in 2010. This is due to the 17% increase in the number of stores in recent years (equivalent to 170 stores). During this same period, retail floor space even increased by 21%. The environmental footprint per square metre of retail floor space fell by 16% over a 3-year period.

Key figures CO₂ emissions	2012	2011	2010
CO ₂ emissions in kg per m ²	55	56	65
Change from 2010	84%	85%	100%

Beter Bed Holding's carbon emissions for 2012 were the equivalent of 27 million kilos. According to environmental agency Milieu Centraal, Dutch households generate an average of 9,000 kilos in carbon emissions annually. This makes Beter Bed Holding's carbon emissions equal to the consumption of 2,658 households, i.e. comparable with the population of the small fortress town of Muiden in the Dutch province of North Holland.

	2012	2011	2010
Total CO₂ emissions	23,925	23,129	23,546
Scope 1 – Total direct emissions	9,945	8,912	9,234
CO ₂ from gas consumption	5,497	5,219	5,359
CO ₂ from fuel oil	3,060	2,454	2,626
CO ₂ from freight traffic	1,389	1,239	1,249
Scope 2 – Total indirect emissions	12,122	12,368	12,595
CO ₂ from electricity	12,122	12,368	12,595
Scope 3 – Other emissions	1,858	1,850	1,716
CO ₂ from air traffic	35	38	31
CO ₂ from home-work commuting	1,823	1,811	1,686

This year, Beter Bed Holding began reporting in accordance with the international standard of the Greenhouse Gas Protocol. As a result, the figures vary significantly from those reported last year using the Dutch SKAO method (Foundation for Climate-Friendly Procurement and Business).

Energy consumption

Consumption figures	2012	2011	2010
Electricity	33,800 MWh	34,000 MWh	34,200 MWh
Natural gas	2,900,000 m ³	2,800,000 m ³	2,800,000 m ³
Fuel oil	1,100,000 litres	900,000 litres	1,000,000 litres
Diesel	1,200,000 litres	1,100,000 litres	1,100,000 litres
Gasoline	19,000 litres	26,000 litres	24,000 litres
Flight kilometres	310,000 km	370,000 km	230,000 km

Total electricity consumption for 2012 was 33,800 MWh, a decrease of 0.4% from 2011, even though the amount of retail floor space increased by 4%. Over the past three years, electricity consumption fell from 95 to 82 to 78 kWh per square metre of retail floor space. According to data supplied by Milieu Centraal, Dutch households consume an average of 3,500 kWh of electricity annually, making Beter Bed Holding's consumption equal to that of 9,660 households, or the population of the village of Heiloo in the Dutch province of North Holland.

Gas consumption for 2012 increased by 5%, to 2,900,000 cubic metres. Gas consumption in the stores has fallen over the past three years from 7.9 to 6.7 m³ per square meter of retail floor space. According to data supplied by Milieu Centraal, Dutch households consume an average of 1,600 cubic metres annually, making Beter Bed Holding's consumption equivalent to that of 1,822 households, i.e. the population of the town of Renswoude in the Dutch province of Utrecht.

Beter Bed Holding's long-term target is to reduce electricity, oil and gas consumption by an average of 3% per year over the next three years.

Recycling

The goal is to take back packaging materials from all home-delivery customers in the Netherlands and segregate and reuse them. This goal, which will benefit both our customers and the environment, will be almost fully achieved in 2013.

	2012	2011	2010
Paper and cardboard	2,300 tonnes	2,600 tonnes	2,500 tonnes
Other waste	2,900 tonnes	3,500 tonnes	3,400 tonnes
Recycled waste	46%	30%	31%

In the years ahead the company will also report on progress made in waste collection and recycling. In addition we will select a waste-processing company that is able to guarantee that as many of the materials as possible are actually recycled. The company is seeking to transition in the coming years from environmentally benign to environmentally beneficial operations.

CSR at a glance

The table below outlines the company's performance in the key CSR objectives.

CSR	Performance Indicator		Long-term goal	2012	2011	2010
Consumer	Number of certified mattresses	D	80% in 2016	78%	68%	-
		NL	80% in 2016	58%	34%	-
Employee	Number of women in management positions		25% in 2016	16%	13%	-
	Absenteeism due to illness	D	3.0% in 2016	3.2%	3.5%	3.0%
		NL	3.5% in 2016	4.8%	3.4%	3.8%
Supplier	Signed Codes of Conduct		100% in 2013	97%	52%	-
Environment	Savings in gas, oil and electricity		9% in 2016	-	-	-
Recycling	Paper, plastic and other waste		75% in 2016	46%	30%	31%

External assessment of the report by MVOplossingen

Reporting standards

This report is the second time that Beter Bed Holding is reporting on its activities and progress in the area of Corporate Social Responsibility (CSR) in compliance with the guidelines of the Global Reporting Initiative (GRI). This report is intended to conform to the currently most accepted standard worldwide, GRI G3. This report presents both qualitative and quantitative information concerning calendar year 2012. To aid readability, we have elected to not include the GRI indicators in the report again this year. As a result, the indicators are published in more detail in the GRI Index than last year, to facilitate access to the information. Wherever possible, the explanatory information has been included in the table and references are provided to information on the internet or the location in the



report where the table or graph can be found. The report is supplemented with extra information on www.beterbedholding.com, on which the Beter Bed Holding Code of Conduct and the GRI table can also be found.

Scope and limitations of the report

In this report on calendar year 2012, Beter Bed Holding reports on all formulas in the Netherlands, Germany, Switzerland, Spain, Austria and Belgium. The information concerning CSR given in this report has a degree of coverage of 99% of the total FTE, two percentage points more than in the previous report. Any figures that do not represent this degree of coverage are explicitly identified in the report.

Consistency in the reporting process

Two key changes occurred in 2012, reflected in the new figures. For one, the reporting process for electricity and gas has improved significantly. The share of the estimate in electricity consumption has been reduced to 9%; gas has been reduced to 7%. The estimation method has been amended as well. This time, we performed random checks for Switzerland and Austria to determine what section of the stores is heated by fuel oil and gas, respectively. In addition, we have incorporated the store features, country and floor space, in the estimates.

The group has also joined the international Greenhouse Gas Protocol (GHG Protocol), which uses other calculation factors than the SKAO method, which we used last year. This means the current CO₂ report cannot be compared with the figures published in 2012.

Selection of topics

For this second report, the decision was once again made to allow the selection of the performance indicators to grow in an organic and pragmatic manner. This means that the availability of data at the start of 2011 provided a basis for selecting the performance indicators. This report was discussed with several groups of stakeholders in 2012, including shareholders, the Dutch Association of Investors for Sustainable Development (VBDO) and the company's own employees. We have gathered from feedback from these stakeholders that the current targets and reports meet expectations. The 2011 report was the impetus for the employees to propose a number of energy-saving initiatives. This enabled Beter Bed Holding to report on the comparable indicators EN7 and EN18 this year.

In view of the issues surrounding the financing of the pensions, we devoted extra attention in this report to pensions. As a result, this report provides full reporting on indicator EN3, while last year's report provided only partial reporting on this indicator.

Relevance

The relevance of the information depends on the need of stakeholders for the information provided. Prior to its second integrated report, Beter Bed Holding engaged in dialogue with stakeholders, both

inside and outside of the organisation. Along with producing relevant information, this also engendered extra support within the organisation.

In addition to the outcome of the dialogue with stakeholders, the relevance assessment also focuses on a comparison of the report with annual reports of other Dutch retail organisations. The assessment also included the topics as published by the VBDO on the internet. On the basis of that information, the following topics were considered to be the most relevant:

- The importance of safe products and good services delivered to customers.
- Training and development opportunities for employees including the subject of diversity.
- Health and satisfaction of employees.
- The carbon footprint, represented as the organisation's carbon emissions.
- Compliance with the Code of Conduct, as published on www.beterbedholding.com.

Accordingly, in the judgement of MVOplossingen, Beter Bed Holding reports on all relevant topics.

Materiality

The materiality of the information is determined by the importance of the information provided for the organisation as a whole. In terms of the organisation, it can be observed that all major business units are included in the report. The information concerning CSR in this report has a level of coverage of 99% of the total FTE, two percentage points more than in the previous report.

For the continued existence of the organisation in the longer term, it is crucially important for Beter Bed Holding that its products not be harmful to its customers. The subject of consumer safety is therefore not only described but also accompanied by a goal.

A retail chain's carbon footprint, the impact of the organisation on the environment, consists mainly in its electricity and gas consumption. Both sources of energy are reported on. Beter Bed Holding has logistics operations of its own in the Netherlands, and litres of fuel consumed are reported as well. All business units report on the consumption of diesel and petrol of their lease car fleets.



Conclusion

In the judgement of MVOplossingen, the report of Beter Bed Holding meets the materiality requirements to be set for a GRI report at the application level C. In the GRI Index, MVOplossingen indicates whether the indicator in question is reported on fully or partially. Beter Bed Holding reports on a total of 22 performance indicators, 16 fully and five partially.

In the judgement of MVOplossingen, the report of Beter Bed Holding meets the materiality requirements that can be set on a GRI report at application level C.

Arnhem, the Netherlands, 7 March 2013

Menno Kuiper,
Specialist in sustainability reporting at the consulting firm MVOplossingen

Reading Guide

Description of the indicator, drafted by GRI in the GRI Guidelines.

Description of the indicator by Beter Bed Holding.

Is the indicator reported in full or in part?

Beter Bed Holding reports an indicator as **fully** reported, if the greater part of the indicator is described. Although we are aware that GRI requires, for the sake of completeness, that all compilation points be reported, it is not always possible – and, we believe, not always necessary – to report all compilation points in order to provide a full picture of an indicator.

GRI

Beter Bed Holding reports indicators as **partially** reported, if only part of the indicator is reported. For example, we may describe the quality of an indicator without being able to provide a quantitative report. It may also be that there is no set policy but that reality provides an accurate picture of the indicator.

GRI

Beter Bed Holding reports at application level C, which means some indicators are **not reported**.

Since Beter Bed Holding is a retail organisation, indicators relating to biodiversity, for example, are **not applicable**. The organisation sets no policy for, and provides no information on, non-relevant issues.

Legend



Fully reported



Partially reported



Reference to chapter, section or paragraph in the 2012 annual report or link to website.

Strategy and Analysis

Report

Page

- 1.1 Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and its strategy.

The statement should present the overall vision and strategy for the short-term, medium-term (e.g., 3-5 years), and long-term, particularly with regard to managing the key challenges associated with economic, environmental, and social performance. The statement should include:

Beter Bed Holding aims to contribute positively to society through its business. We believe our activities must be beneficial to humans, animals and the planet, as well as to our customers, employees and business partners. We regard growth as being about much more than maximising revenue alone, and firmly believe that this view both benefits our financial performance and reputation and leads to greater satisfaction in our work. We aim to both do things right and do the right thing, always in a financially prudent manner. Strategic priorities and key topics for the short/medium-term with regard to sustainability, including respect for internationally agreed standards and how they relate to long-term organisational strategy and success.

GRI

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CSR	Performance indicator	Long-term goal	2012	2011	2010	GRI
Consumer	Number of certified mattresses	D	80% in 2016	78%	68%	-
		NL	80% in 2016	58%	34%	-
Employee	Number of women in management positions		25% in 2016	16%	13%	-
		Absenteeism due to illness				
		D	3.0% in 2016	3.2%	3.5%	3.0%
		NL	3.5% in 2016	4.8%	3.4%	3.8%
Supplier	Signed Codes of Conduct	100% in 2013	97%	52%	-	
Environment	Savings in gas, oil and electricity	9% in 2016	-	-	-	
Recycling	Paper, plastic and other waste	75% in 2016	46%	30%	31%	

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Broader trends (e.g., macroeconomic or political) affecting the organisation and influencing sustainability priorities.

For Beter Bed Holding, 2012 was another year marked by contrasting trends in our key markets. The relatively solid performance of the Matratzen Concord formula in Germany after the highly successful anniversary year 2011, and the comparatively high German consumer confidence and propensity to buy – despite the euro crisis – was tempered by the weak Dutch economy. In the Netherlands, both consumer confidence and propensity to buy took a further dive in the wake of the government's austerity measures in response to the European sovereign debt crisis; the prolonged downturn in the housing market; and the continuing woes affecting the Dutch pension system, resulting in lower pensions from April 2013. Despite a relatively easy basis for comparison from August 2012 onwards, this once again resulted in a sharp decline in visitor numbers and revenues at our Dutch stores. In Germany, the basis for comparison began deteriorating in September 2012, which was also reflected in the lower revenues at comparable stores, despite a very strong and successful expansion in 2012. Despite these very challenging circumstances, we once again closed the year with a net profit of € 22.2 million (excluding write-down of Spanish assets and non-recurring expenses). The company once again increased its share in all its markets.

GRI

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Key events, achievements, and failures during the reporting period.

We responded to the downturns in the Dutch and Spanish markets with reorganisations, cost savings and store closures in both countries. The stores of the Matratzen-AbVerkauf (MAV) formula in Germany and Matratzen Concord in Poland were closed in the second half of 2012 due to lack of success and a market that was too small (in the case of MAV) and a cost base that was too high (in the case of Matratzen Concord in Poland). In Germany, a test was launched right before the summer involving four stores and based on the new Schlafberater.com concept, which is positioned in the market somewhat above the Matratzen Concord formula. The test will be evaluated in mid-2013.

GRI

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Following a successful test in the second half of 2012, the Spanish-based El Gigante del Colchón formula changed its retail format from full service to cash & carry, marking the end of the logistics operation in Spain. Prompted by the sustained uncertainty regarding the Spanish market, which has shrunk by more than 50% since 2008, and by the aforementioned changes to the format, the company decided at the end of 2012 to take a total of € 6.0 million in write-downs on the Spanish assets and tax assets. These impairments do not affect our cash position; the company continues to comfortably exceed the requirements of the covenants agreed with the financiers.

Views on performance with respect to targets.

GRI

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We once again took a number of important new steps in Corporate Social Responsibility (CSR). For one, starting in February 2013 we will collect all cardboard and plastic materials from all home-delivery customers in the Netherlands and have them segregated and recycled.

GRI

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As far as energy is concerned, the German and Dutch branches cut electricity consumption, and the company has set an annual energy-saving target of 3% for the next three years for electricity, gas and oil/oil fuel consumption.

The company has also continued to meet with stakeholders to discuss its CSR policy. We have embraced the suggestion to endorse global standards. In 2012, Beter Bed joined the UN Global Compact, and we are now calculating our CO₂ emissions using the Greenhouse Gas Protocol.

Beter Bed ranked 30th in 2012 in the Top 50 'Best Companies to Work For' in the category 'Companies with 1,000+ employees'. Of the twelve retailers included in the Top 50, Beter Bed ranked eighth. For more information, please see <http://www.beste-werkgevers.nl/winnaars-2012>.

Finally, Beter Bed won the Dutch Investor Relations Award 2013 in January of this year. It was the company's second nomination.

Outlook on the organisation's main challenges and targets for the next year and goals for the coming 3-5 years.

The company anticipates no improvement in – particularly – the economic situation in the Netherlands and Spain in 2013. The focus in both these countries will remain firmly on continuing cost reductions, closure of underperforming stores and a further improvement in conversion rates, service levels and customer satisfaction. The company expects to be able to save an additional €2.2 million in 2013 on top of the €1.3 million in cost cuts implemented in 2012.

GRI

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For the first quarter of 2013, the company expects markedly lower revenue. Despite the cost cuts achieved and a stable gross profit, this will result in a significantly lower operating profit than in the first quarter of 2012. This is caused by a lower order intake in the Netherlands at the end of 2012, historically low consumer confidence in the Netherlands, and lower visitor numbers due to the harsh winter weather in the Netherlands and Germany in January and February.

Other items pertaining to the organisation's strategic approach.

Not reported.

1.2 Description of key impacts, risks, and opportunities.
 The reporting organisation should provide two concise narrative sections on key impacts, risks, and opportunities.
 Section One should focus on the organisation’s key impacts on sustainability and effects on stakeholders, including rights as defined by national laws and relevant internationally agreed standards. This should take into account the range of reasonable expectations and interests of the organisation’s stakeholders. This section should include:
 A description of the significant impacts the organisation has on sustainability and associated challenges and opportunities. This includes the effect on stakeholders’ rights as defined by national laws and the expectations in internationally-agreed standards and norms.

Beter Bed Holding has created a Code of Conduct for both its employees and its suppliers, which is in line with the UN Global Compact. GRI
 Code of Conduct <http://bit.ly/1oHhOyU>
 Supplier Code of Conduct <http://bit.ly/ZohMio>

An explanation of the approach to prioritising these challenges and opportunities.

The health and satisfaction of the customers of the various retail formulas of Beter Bed Holding is the key guiding principle, each and every day, for the company’s policies and conduct. Based on this principle, we set a number of objectives in 2011 to improve the quality and safety of our products and improve customer satisfaction. GRI

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The environment is considered in all the company’s activities. We are working hard to save energy where possible, reduce CO₂ emissions, mileages driven and packaging waste, use progressively less environmentally hazardous substances and promote recycling wherever possible. GRI

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Key conclusions about progress.

Beter Bed Holding is extremely concerned with the health and safety of its customers and employees. Our goal is to deliver demonstrable high quality and safe products and services. As part of this, one of our ambitions is to ensure that within a few years we have a brief but clear and comprehensive description of the materials used and production and transport processes. GRI

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In 2012, the number of mattresses certified and tested for hazardous materials increased from 68% to 78% in Germany and from 34% to 58% of mattresses sold in the Netherlands. The company aims to increase this rate to 70% for the company as a whole in 2013. The ultimate goal is for 80% of all mattresses in the range as a whole and for all Beter Bed Holding formulas to be tested and certified by 2016.

Customer satisfaction is measured by reference to the numbers of both positive and negative responses received. In 2012, the number of positive responses increased and the number of negative responses declined. We also saw an increase in the number of customers who were satisfied after the company had taken the appropriate measures.

Strategy and Analysis	Report	Page
<p>We received proposals for improvement from all levels of the company, which demonstrated once again that many small-scale energy savings will result in a significant reduction. Electricity consumption per square metre of retail floor space fell by 18% over the past three years, while gas consumption fell by 15%.</p>	GRI	39
<p>In addressing these topics and related performance in the reporting period. This includes an assessment of reasons for underperformance or over-performance.</p>	GRI	
<p>Beter Bed Holding has reviewed reports from its industry peers in order to benchmark its own performance. The information is reported in such a variety of ways that we have not been able to form an opinion.</p>		
<p>A description of the main processes in place to address performance and/or relevant changes.</p>		
<p>The organisation of Beter Bed Holding NV is characterised by two aspects: For one, the management organisation is very “lean and mean”. The company’s more than 3,100 employees are supervised by approximately 25 managers. Beter Bed Holding’s Corporate Social Responsibility (CSR) organisation therefore does not call for a separate CSR Board, but is rather managed by the agenda of the regular management meetings. The management’s open attitude towards its employees encourages proposals from the organisation. Beter Bed Holding sets specific CSR objectives and conducts small-scale, open meetings.</p>	GRI	33
<p>Section Two should focus on the impact of sustainability trends, risks, and opportunities on the long-term prospects and financial performance of the organisation. This should concentrate specifically on information relevant to financial stakeholders or that could become so in the future. Section Two should include the following:</p>		
<p>A description of the most important risks and opportunities for the organisation arising from sustainability trend.</p>		
<p>Beter Bed Holding aims to contribute positively to society through its business. We believe our activities must be beneficial to humans, animals and the planet, as well as to our customers, employees and business partners. We regard growth as being about much more than maximising revenue alone, and firmly believe that this view both benefits our financial performance and reputation and leads to greater satisfaction in our work. We aim to both do things right and do the right thing, always in a financially prudent manner. Prioritisation of key sustainability topics as risks and opportunities according to their relevance for long-term organisational strategy, competitive position, qualitative, and (if possible) quantitative financial value drivers.</p>	GRI	33
<p>In all countries in which we operate, we aim to become the market leader in the value-for-money segment of the bed and mattress market, in a socially responsible manner.</p>	GRI	17
<p>Table(s) summarising: Targets, performance against targets, and lessons-learned for the current reporting period. Targets for the next reporting period and mid-term objectives and goals (i.e., 3-5 years) related to key risks and opportunities.</p>		

Strategy and Analysis						Report	Page
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CSR	Performance indicator	Long-term goal	2012	2011	2010	GRI
Consumer	Number of certified mattresses	D	80% in 2016	78%	68%	-
		NL	80% in 2016	58%	34%	-
Employee	Number of women in management positions		25% in 2016	16%	13%	-
		Absenteeism due to illness	D	3.0% in 2016	3.2%	3.5%
		NL	3.5% in 2016	4.8%	3.4%	3.8%
Supplier	Signed Codes of Conduct	100% in 2013	97%	52%	-	
Environment	Savings in gas, oil and electricity	9% in 2016	-	-	-	
Recycling	Paper, plastic and other waste	75% in 2016	46%	30%	31%	

Concise description of governance mechanisms in place to specifically manage these risks and opportunities, and identification of other related risks and opportunities.

The organisation of Beter Bed Holding NV is characterised by two aspects: For one, the management organisation is very “lean and mean”. The company’s more than 3,100 employees are supervised by approximately 25 managers. Beter Bed Holding’s Corporate Social Responsibility (CSR) organisation therefore does not call for a separate CSR Board, but is rather managed by the agenda of the regular management meetings. The management’s open attitude towards its employees encourages proposals from the organisation. Beter Bed Holding sets specific CSR objectives and conducts small-scale, open meetings.

Organisational Profile		Report	Page
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2.1	Name of the organisation.		
	Beter Bed Holding N.V.	GRI	11
2.2	Primary brands, products, and/or services.		
	Beter Bed operates in the European bedroom furnishings market. Its activities include retail through the following chains:	GRI	(cover)
	Matratzen Concord	BeddenREUS	10
	Beter Bed	Slaapgenoten	
	El Gigante del Colchón	Schlafberater.com	
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.		
	See the ‘Organisational chart’ section of the annual report.	GRI	20

Organisational Profile	Report	Page
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Name	Registered office	Stake %	GRI	64
BBH Beteiligungs GmbH	Cologne, Germany	100		
BBH Services GmbH & Co K.G.	Cologne, Germany	100		
Bedden & Matrasen B.V.	Uden, The Netherlands	100		
Beter Bed B.V.	Uden, The Netherlands	100		
Beter Bed Holding N.V. y Cia S.C.	Barcelona, Spain	100		
Beter Beheer B.V.	Uden, The Netherlands	100		
Concord Polska Sp. Z.o.o. (in liquidation)	Warsaw, Poland	100		
DBC International B.V.	Uden, The Netherlands	100		
DBC Nederland B.V.	Uden, The Netherlands	100		
DBC Deutschland GmbH	Moers, Germany	100		
DFC Comfort B.V.	Heelsum, The Netherlands	100		
Dormaël Slaapkamers B.V.	Soesterberg, The Netherlands	100		
El Gigante del Colchón S.L.	Barcelona, Spain	100		
Linbomol S.L.	Barcelona, Spain	100		
M Line Bedding S.L.	Barcelona, Spain	100		
Matratzen Concord (Schweiz) AG	Frauenfeld, Switzerland	100		
Matratzen Concord GmbH	Cologne, Germany	100		
Matratzen Concord GesmbH	Vienna, Austria	100		
Meubelgroothandel Classic Heerlen B.V.	Kerkrade, The Netherlands	100		
M-T-M Nederland B.V.	Uden, The Netherlands	100		
Procomiber S.L.	Barcelona, Spain	100		
Schlafberater.com GmbH	Cologne, Germany	100		

2.4	Location of organisation’s headquarters.			
	Linie 27, 5405 AR Uden, The Netherlands.		GRI	(cover)
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.			
	The Netherlands Beter Bed, BeddenREUS, Matratzen Concord, Slaapgenoten, DBC International		GRI	10 77
	Germany Matratzen Concord, DBC International, Schlafberater.com			
	Spain El Gigante del Colchón, DBC International			
	Austria Matratzen Concord, DBC International			
	Switzerland Matratzen Concord, DBC International			
	Belgium Beter Bed, Matratzen Concord, DBC International			
	Turkey DBC International			
	United Kingdom DBC International			
2.6	Nature of ownership and legal form.			
	N.V.		GRI	11-15
	See the ‘Shares’ section of the annual report.			
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).			
	Description of the formulas in the annual report: Matratzen Concord, Beter Bed, El Gigante del Colchón, BeddenREUS, Slaapgenoten, Schlafberater.com and DBC International.		GRI	24-28

Organisational Profile		Report	Page
2.8	Scale of the reporting organisation, including: Number of employees. Net sales. Total capitalisation broken down in terms of debt and equity. Quantity of products or services provided. See the 'Key figures' section of the annual report.	GRI	9
2.9	Significant changes during the reporting period regarding size, structure, or ownership including: The location of, or changes in operations, including facility openings, closings, and expansions. See the '2012 in brief' section of the annual report.	GRI	8
	Changes in the share capital structure and other capital formation, maintenance, and alteration operations. See the 'Key figures' section of the annual report.	GRI	9
2.10	Awards received in the reporting period. 1. Winner of the Dutch IR Awards 2013: http://bit.ly/ZpjZGC . This award is presented based on accessibility, active communications with the investment community/media, added value, knowledge and transparency, continuity, and best practices. 2. The Beter Bed Holding annual report ranked second in terms of readability, earning a score of 8.12. Please see http://www.closecontact.nl/rapport.pdf .	GRI	14

Reporting Parameters		Report	Page
3.1	Reporting period (e.g., fiscal/calendar year) for information provided. Calendar year 2012.	GRI	97 (cover)
3.2	Date of most recent previous reports. 2012 7 March 2013. 2011 7 March 2012. 2010 9 March 2011.	GRI	97 (cover)
3.3	Reporting cycle. Annual.	GRI	7
3.4	Contact point for questions regarding the report or its contents. Stakeholders with questions or queries can contact us by sending an e-mail to bbholding@beterbed.nl . We will then find the appropriate person in our organisation to contact you.	GRI	
3.5	Process for defining report content, including: Determining materiality. See the 'Reporting guidelines' section of the annual report. Prioritising topics within the report. See the 'Selection of topics' section of the annual report. Identifying stakeholders the organisation expects to use the report. See the 'Stakeholders' section of the annual report.	GRI	42 43 37-38
3.6	Boundary of the report. See the 'Scope and limitations of the report' section of the annual report.	GRI	42

Reporting Parameters		Report	Page
3.7	State any specific limitations on the scope or boundary of the report. The report covers 99% of FTEs. See the 'Scope and limitations of the report' section of the annual report.	GRI	42
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations. Not applicable.		
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report. Standard calculation methods were used for the report, with the following particulars: Carbon emissions were calculated based on the GHG Protocol. Since this organisation was unable to provide us with a conversion factor for green energy, we calculated all energy as grey energy. Estimates of the use of gas and fuel oil are based on usage data of stores with similar characteristics.	GRI	40 38
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/ periods, nature of business, measurement methods). Not applicable.		
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report. See the 'Scope and limitations of the report' section of the annual report.	GRI	42
3.12	Table identifying the location of the Standard Disclosures in the report. http://www.beterbedholding.com/csr/csr+report/report .	GRI	
3.13	Policy and current practice with regard to seeking external assurance for the report. Not applicable to information regarding CSR.		

Governance, Commitments and Engagements		Report	Page
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight. The Beter Bed Holding Management Board has two members; the Supervisory Board has four members. See the 'Personal profiles' section of the annual report.	GRI	21-22
4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organisation's management and the reasons for this arrangement). The Supervisory Board has an independent, non-managerial role at Beter Bed Holding. See the 'Report of the Supervisory Board' section of the annual report. http://www.beterbedholding.com/corporate+governance .	GRI	47-51
4.3	For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members. Not applicable.		

Governance, Commitments and Engagements		Report	Page
4.4	<p>Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.</p> <p>The use of shareholder resolutions or other mechanisms for enabling minority shareholders to express opinions to the highest governance body.</p> <p>See the 'Investor Relations policy' of the annual report.</p>	GRI	14
	<p>Informing and consulting employees about the working relationships with formal representation bodies such as organisation level 'work councils', and representation of employees in the highest governance body.</p> <p>See the 'Corporate Governance' section in the annual report.</p> <p>http://www.beterbedholding.com/corporate+governance.</p>	GRI	29-32 45-46
	<p>Identify topics related to economic, environmental, and social performance raised through these mechanisms during the reporting period.</p> <p>See the 'Stakeholders' section of the annual report.</p>	GRI	37-38
4.5	<p>Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance).</p> <p>See the 'Remuneration report' section of the annual report.</p>	GRI	52-54
4.6	<p>Processes in place for the highest governance body to ensure conflicts of interest are avoided.</p> <p>See the 'Corporate Governance' section of the annual report.</p> <p>http://www.beterbedholding.com/corporate+governance.</p>	GRI	45 46
4.7	<p>Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental, and social topics.</p> <p>See the 'Corporate Governance' section of the annual report.</p> <p>http://www.beterbedholding.com/corporate+governance.</p>	GRI	29-32 45 46
4.8	<p>Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.</p> <p>http://www.beterbedholding.com/corporate+governance.</p> <p>Explain the degree to which these:</p> <p>Are applied across the organisation in different regions and department/units.</p> <p>97% of Dutch and 100% of German suppliers have signed the Code of Conduct.</p> <p>Relate to internationally agreed standards.</p> <p>The Beter Bed Holding Code of Conduct is based on the UN Global Compact, designed specifically for the company and the industry.</p>	GRI	37 36
4.9	<p>Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.</p> <p>Not reported.</p>		
4.10	<p>Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social.</p> <p>See the 'Report of the Supervisory Board' section of the annual report.</p>	GRI	47-51

Governance, Commitments and Engagements		Report	Page
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation. Not reported.		
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses. Not reported.		
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organisations. Not reported.		
4.14	List of stakeholder groups engaged by the organisation. 1. Shareholders. 2. Dutch Association of Investors for Sustainable Development (VBDO). 3. Beter Bed employees. See the 'Stakeholders' section of the annual report.	GRI	37 38
4.15	Basis for identification and selection of stakeholders with whom to engage. Practical selection. The annual report was discussed with various stakeholders.	GRI	37 38
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group. See the 'Stakeholders' section of the annual report.	GRI	37 38
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting. Eumedion: integrated reports. Association of Dutch Investors for Sustainable Development (VBDO): compliance with standards; remuneration. Employees: energy efficiency. See the 'Stakeholders' section of the annual report.	GRI	37 38

Economic Performance Indicators		Report	Page
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments. See the 'Key figures' section of the annual report. See the 'Financial statements' section of the annual report.	GRI	9 55-95
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change. Not reported.		
EC3	Coverage of the organisation's defined benefit plan obligations. At year-end 2012, the Wonen Industrial Pension Fund for the Home Furnishings Industry had a funding ratio of 100.0% (year-end 2011: 94.9%). As at 31 December 2012, the company had no additional obligation.	GRI	83

Economic Performance Indicators		Report	Page
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	<p>Details:</p> <p>A variety of pension schemes are in use within the company. In the Netherlands, the majority of the employees participate in the Wonen Industrial Pension Fund. This is an average pay scheme with a maximum pension accrual on the income for social security contributions. This arrangement is currently considered a defined benefit arrangement. This pension fund is not, however, presently able to provide data that enable a pure application of IAS 19. Consequently this pension scheme is considered a defined contribution arrangement.</p> <p>Virtually all other pension schemes are based on the defined contribution system. The premiums paid to the Wonen Industrial Pension Fund and to insurers respectively are included as expenses in the year for which they are applicable. There are no company specific pension schemes in the other countries.</p>	GRI	68
EC4	<p>Significant financial assistance received from government.</p> <p>Not applicable.</p>		
EC5	<p>Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.</p> <p>Not applicable.</p>		
EC6	<p>Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.</p> <p>Not applicable.</p>		
EC7	<p>Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.</p> <p>Policy.</p> <p>The company fills management positions in all countries with local staff, as the Management Board firmly believes they know best what is relevant to their customers in their markets.</p>	GRI	28
	<p>Status.</p> <p>At Beter Bed Holding, all management positions are held by local staff.</p>	GRI	28
EC8	<p>Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement</p> <p>Not applicable.</p>		
EC9	<p>Understanding and describing significant indirect economic impacts, including the extent of impacts.</p> <p>Not reported.</p>		

Environmental Indicators		Report	Page
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EN1	<p>Materials used by weight or volume.</p> <p>Not reported.</p>														
EN2	<p>Percentage of materials used that are recycled input materials.</p> <p>Not reported.</p>														
EN3	<p>Direct energy consumption by primary energy source.</p> <table border="1"> <tbody> <tr> <td>Fuel oil</td> <td>1,100,000 litres</td> </tr> <tr> <td>Diesel</td> <td>1,200,000 litres</td> </tr> <tr> <td>Petrol</td> <td>19,000 litres</td> </tr> <tr> <td>Gas</td> <td>2,900,000 m³</td> </tr> <tr> <td>Coal</td> <td>Not applicable</td> </tr> <tr> <td>Renewable energy sources</td> <td>Not applicable</td> </tr> </tbody> </table>	Fuel oil	1,100,000 litres	Diesel	1,200,000 litres	Petrol	19,000 litres	Gas	2,900,000 m ³	Coal	Not applicable	Renewable energy sources	Not applicable	GRI	40
Fuel oil	1,100,000 litres														
Diesel	1,200,000 litres														
Petrol	19,000 litres														
Gas	2,900,000 m ³														
Coal	Not applicable														
Renewable energy sources	Not applicable														

Environmental Indicators		Report	Page
EN4	Indirect energy consumption by primary source.		
	Electricity 33,800 MWh	GRI	40
EN5	Energy saved due to conservation and efficiency improvements.		
	These proposals have resulted both in significant energy savings and cost savings amounting to several hundred thousand euros.	GRI	38
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.		
	<ul style="list-style-type: none"> All trucks purchased after April 2008 have a European standard of 5 or higher: EEV. Smart energy meters to help us also become a learning organisation in terms of environmental efficiency. 	GRI	38
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.		
	The improvements proposed and implemented include (list is not exhaustive):	GRI	38
	<ul style="list-style-type: none"> Investing in more user-friendly lighting, despite the slow return on investment. Switching off advertising displays after closing. Installation of energy-efficient fluorescent lamps. Switching off indoor lighting during the period from June to September. Reducing the number of fluorescent lights per retail floor space. 		39
	Status:		
	Electricity consumption was reduced to 82% per square metre of retail space between 2010 and 2012. Consumption per square metre of retail space decreased from 95 to 78 kWh.	GRI	39
EN8	Total water withdrawal by source.		
	Not applicable.		
EN9	Water sources significantly affected by withdrawal of water.		
	Not applicable.		
EN10	Percentage and total volume of water recycled and reused.		
	Not applicable.		
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.		
	Not applicable.		
	Our stores are located in business parks and city centres.		
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.		
	Not applicable.		
	Our stores are located in business parks and city centres.		
EN13	Habitats protected or restored.		
	Not applicable.		
	Our stores are located in business parks and city centres.		
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.		
	Not applicable.		
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.		
	Not applicable.		
	Our stores are located in business parks and city centres.		
EN16	Total direct and indirect greenhouse gas emissions by weight.		
	Total carbon emissions 23,925 tonnes.	GRI	40
	Scope 1: 9,945 tonnes of carbon		
	Scope 2: 12,122 tonnes of carbon		
	Scope 3: 1,858 tonnes of carbon		

Environmental Indicators	Report	Page
	<p>Use of measurements in the calculation method.</p> <p>This year we began measuring all transport activities and 91% of our power consumption. A number of initiatives were launched, including stores managing their own energy and gas meters so as to ensure we can monitor our energy performance even more effectively next year.</p>	GRI
	<p>Calculations made based on location-specific information.</p> <p>The calculations are not made based on the supplier's energy mix. This may be an option for next year, when a larger portion of the energy will be sourced from the same supplier. For this report, the national energy mixes of the CHG Protocol were used for electricity consumption.</p>	GRI
	<p>Calculations made based on standard information.</p> <p>The calculations were made using conversion factors from the GHG Protocol.</p>	GRI
	<p>Use of estimates in the calculation method.</p> <p>It is not possible at this stage to report on gas consumption and fuel oil for all stores based on our own meters and bills, since in some cases this is handled by lessors. In these cases, consumption is estimated based on stores with similar facilities.</p>	GRI
EN17	<p>Other relevant indirect greenhouse gas emissions by weight.</p> <p>Not reported.</p>	
EN18	<p>Initiatives to reduce greenhouse gas emissions and reductions achieved.</p> <p>The improvements proposed and implemented include (list is not exhaustive):</p> <ul style="list-style-type: none"> • Introducing teleconferencing equipment to reduce the amount of business travel. 	GRI
EN19	<p>Emissions of ozone-depleting substances by weight.</p> <p>Not reported.</p>	
EN20	<p>NO_x, SO_x and other significant air emissions by type and weight.</p> <p>Not reported.</p>	
EN21	<p>Total water discharge by quality and destination.</p> <p>Not reported.</p>	
EN22	<p>Total weight of waste by type and disposal method.</p> <p>Toxic waste.</p> <p>Not applicable. As a retail organisation, Beter Bed Holding does not produce any toxic waste. However, the group has set out the safety of its goods and employees in its Supplier Code of Conduct.</p> <p>Supplier Code of Conduct http://bit.ly/ZohMio</p>	GRI
	<p>Regular waste.</p> <p>Waste = 5,200 tonnes, of which 2,300 tonnes consists of paper and cardboard.</p>	GRI
	<p>Estimated amount of waste.</p> <p>Our waste-processing company does report the number of kilos of waste collected, but not broken down by type. The subdivision was made based on estimates from our service providers.</p>	GRI
	<p>Subdivision of waste processing by method.</p> <p>46% of the waste is recycled.</p>	GRI
	<p>As a retail organisation, Beter Bed Holding does not compost waste, renew natural resources, use injection wells, or dump waste onsite.</p>	
	<p>Policy.</p> <p>Beter Bed Holding aims to select a waste-processing company that can ensure that as large a portion of the material as possible is recycled. The company is seeking to transition in the coming years from environmentally benign to environmentally beneficial operations.</p>	GRI

Environmental Indicators		Report	Page
	Reporting method.		
	Our waste-processing company does report the number of kilos of waste collected, but not by type.	GRI	
EN23	Total number and volume of significant spills.		
	Not applicable.		
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.		
	Not applicable.		
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.		
	Not reported.		
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.		
	Not reported.		
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.		
	Our objective is to start collecting all cardboard and plastic materials from all home-delivery customers in the Netherlands by February 2013 and have them segregated and recycled. The target for the Netherlands is to collect 100% of packaging materials following delivery, by 2015. This target will be almost fully achieved in 2013.	GRI	4 41
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.		
	Not reported.		
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce.		
	Not reported.		
EN30	Total environmental protection expenditures and investments by type.		
	Not reported.		

Labour Practices and Decent Work Indicators		Report	Page
LA1	Total workforce by employment type, employment contract, and region.		
	Number of employees at year end.		
	3,133	GRI	35 36
	Employees with full-time and part-time contracts reported at the national level		
	The Netherlands 56% full-time, 44% part-time	GRI	
	Germany 83% full-time, 17% part-time		
	Spain 84% full-time, 16% part-time		
	Austria 64% full-time, 36% part-time		
	Switzerland 78% full-time, 22% part-time		
	Belgium 85% full-time, 15% part-time		
	Employees with full-time and part-time contracts, reported at the global level.		
	25% full-time, 75% part-time.	GRI	
	Share of temporary staff as part of the total workforce.		
	Not reported.		

	Number of independent contractors hired by the organisation, if a substantial portion of the work is outsourced.		
	Not applicable.		
	Number of employees with permanent or temporary contracts.		
	94% of employees have a permanent contract; 6% have a temporary contract.	GRI	
	Employees broken down by country.		
	Average number of employees in 2012:	GRI	78
	The Netherlands 1,480		
	Germany 692		
	Spain 116		
	Austria 112		
	Switzerland 72		
	Belgium 11		
	Poland 9		
LA2	Total number and rate of employee turnover by age group, gender, and region.		
	Not reported.		
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.		
	Not reported.		
LA4	Percentage of employees covered by collective bargaining agreements.		
	Not reported.		
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.		
	Not reported.		
LA6	Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs.		
	Not reported.		
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.		
	Absenteeism due to illness in the two largest countries:	GRI	36
	Germany: 3.2%		
	The Netherlands: 4.8%.		
	Number of minor incidents (First Aid).		
	Not reported.		
	Lost workdays as a result of absenteeism and/or accidents.		
	24,565 absence days	GRI	
	561 workdays missed as a result of accidents.		
	Number of fatalities during working hours.		
	0.	GRI	
	Rules used to measure and monitor accidents.		
	Beter Bed Holding complies with the national statutory rules in all countries.	GRI	
LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.		
	Not reported.		
LA9	Health and safety topics covered in formal agreements with trade unions.		
	Not reported.		

Labour Practices and Decent Work Indicators		Report	Page
LA10	Average hours of training per year per employee by employee category.		
	Over the course of last year, 251 employees (31 % of the total workforce) enrolled in programs at the Beter Bed Academy in the Netherlands. A total of 41 employees earned a diploma or credit in 2012; this represents a pass rate of 100%.	GRI	34 35
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.		
	Employee training and development is a top priority for Beter Bed Holding, and in 2010 it created the Beter Bed Academy in conjunction with the NCOI Training Group and the National Consortium for Business Groups (NCvB).	GRI	34
LA12	Percentage of employees receiving regular performance and career development reviews.		
	100% of employees receive annual appraisals and performance reviews.	GRI	
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.		
	Beter Bed Holding only registers diversity of gender. The national or ethnic origin of our employees is not registered.	GRI	
	Composition of the Supervisory Board.		
	The Supervisory Board consists of four members: three men and one woman, of whom three are older than 50 and one is younger than 50.	GRI	21
	Composition of the Management.		
	The Management Board of Beter Bed Holding consists of two men, one of whom is younger than 50. Of the senior management, 89% are male and 11% are female.	GRI	22
	Of the store employees, 83% are male and 17% are female.		35
	Diversity policy.		
	Diversity in the composition of (management) teams plays a key role in the company's success. For one, we are striving to increase the number of women in management positions, the goal being to appoint at least 25% women to such positions by 2016.	GRI	
	Composition of workforce.		
	Diversity in FTEs: 33% male, 67% female.	GRI	
	Diversity in employees: 28% male, 72% female.		
LA14	Ratio of basic salary of men to women by employee category.		
	Not reported.		

Human Rights Performance Indicators		Report	Page
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.		
	Not reported.		
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.		
	97% of suppliers to the Netherlands and 100% of suppliers to Germany have signed the Code of Conduct.	GRI	37
	Report the number of contracts that were dissolved as a result of assessment based on the Code of Conduct.		
	We will terminate our contracts in 2013 with any suppliers that have not yet signed the Code by then.	GRI	

Human Rights Performance Indicators		Report	Page
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained. Not reported.		
HR4	Total number of incidents of discrimination and actions taken. Not reported.		
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights. Not reported.		
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor. Not reported.		
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor. Not reported.		
HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations. Not applicable.		
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken. Not applicable.		

Social Indicators		Report	Page
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting. Not reported.		
SO2	Percentage and total number of business units analysed for risks related to corruption. Not reported.		
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures. Not reported.		
SO4	Actions taken in response to incidents of corruption. Not reported.		
SO5	Public policy positions and participation in public policy development and lobbying. As a rule, Beter Bed Holding does not become involved in politics and does not express opinions on political systems, parties or ideas. Full contents of the Beter Bed Holding Code of Conduct: http://bit.ly/1oHhOyU .	GRI	
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country. €0. Employees are prohibited from making contributions from Beter Bed Holding funds, property or services to political parties or their representatives. For our part, we will also never exert pressure to incite employees to provide political support or financial aid to political parties or their representatives. Full contents of the Beter Bed Holding Code of Conduct: http://bit.ly/1oHhOyU .	GRI	

Social Indicators		Report	Page
S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes. Not reported.		
S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations. Not reported.		

Product Responsibilities Indicators		Report	Page
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures. Not reported.		
PR2	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures. Not reported.		
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements. 78% of mattresses in Germany have been tested and certified. (2011: 68%). 54% of mattresses in the Netherlands have been tested and certified. (2011: 34%). Target: 80% in 2016.	GRI	34
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes. Not reported.		
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction. On an organisation-wide basis, report the methods used to measure and maintain customer satisfaction. Frequency of measuring customer satisfaction. All our formulas conduct customer satisfaction surveys on an annual basis. Standard requirements and methods of the surveys. Customer satisfaction is measured by reference to the numbers of both positive and negative responses received. In 2012, the number of positive responses increased and the number of negative responses declined. We also saw an increase in the number of customers who were satisfied after the company had taken the appropriate measures. Channels available to customers to provide feedback. Customers have the option to provide feedback both on the internet and through the call centre. Report the results or main outcomes related to the organisation's quality. The objective to keep the rate of "first time right" deliveries at a consistently high level was achieved once again in 2012. This means the rate of "first time right" deliveries in the Netherlands once again significantly exceeded 95%. Can you report any surveys? In Germany in 2012, we once again had our service quality tested by Tüv Saarland, a technical inspection agency, which concluded that the service we provide to our German customers is of a high quality.	GRI GRI GRI GRI	34 34
		GRI	34

Product Responsibilities Indicators**Report****Page**

PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship. Not reported.
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes. Not reported.
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data. Not reported.
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services. Not reported.