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Introduction

This first Auping Corporate Social Responsibility report provides an insight into our efforts, ambitions and dreams in the field of sustainability and the wellbeing and safety of people. Auping wants to contribute to a better world. For us that means a world without waste.

But it also means a world where our products contribute to the physical and mental wellbeing of people and in which we provide a working environment where equality, personal development and fun are key. In April 2020, we were able to meet our need to be useful to society in a highly relevant way by producing certified face masks¹ that can help prevent the spread of the coronavirus.

To have real impact and to make a difference, openness, dedication and entrepreneurship are essential. Circular operations require new ways of thinking, exploring alternative revenue models, cooperation and guts. To take big steps, organisations have to walk the extra mile.

We are proud that our ambitions and dreams transcend the stage of brainstorming and drawing boards. For example, we now produce fully circular mattresses, which contain neither foam nor glue, but instead are made of an innovative combination of ventilating, soft and recyclable polyester. The high-quality materials of these mattresses can be recycled again and again at the same quality level into new mattresses. The loop is closed after use.

The development of this product, in close collaboration with DSM-Niaga², is an effort with concrete and measurable results.

We are considered a leader in the field of circularity and won the Circular Business Award³ in 2019. Moreover, since recently we are allowed to call ourselves a certified B Corporation⁴, with which we are very delighted. Companies with such a certificate - which is difficult to obtain - voluntarily pursue the highest standards of social and ecological performance, responsibility and transparency. The B Corp status comes with an explicit responsibility. To keep the world a liveable, healthy and safe place for future generations, we must work together more than ever.

In this report, we describe our vision on corporate social responsibility and we provide an insight into our objectives and ambitions. We do a lot, but we want to do a lot more. Despite the major steps we have taken in recent years, we are only at the beginning of a complete sustainability transformation throughout the chain.

We hope this document not only informs, but above all inspires and motivates.

Jan-Joost Bosman, CEO Ine Stultjens, Manager Marketing & Communication

Deventer, the Netherlands, April 28th 2020

1. Voorwoord 3

About Auping

Auping is the largest developer and producer of personal sleep solutions in the Netherlands. Every year, we serve thousands of customers in more than twenty countries with approximately 350 colleagues from our factory in Deventer. We sell our products in specialised stores and of course online. We are also the *preferred supplier* of various boutique hotels and hotel chains. In 1988 we became *Royal* Auping,

Our story began in 1888. Founder Johannes Auping, a blacksmith in Deventer, was commissioned by a local hospital to replace its regular straw mattresses with a more hygienic alternative. Auping designed the now famous mesh base - which has good ventilation thanks to its open structure - and laid the foundation for our current organization. The Auping family still holds a large majority stake in the company to this day. Investment company Wadinko⁶ is also a shareholder

Since our founding, we have continued to develop ground-breaking - handmade - products that have changed the world of sleep and rest. Sustainability, design and innovation are key in everything we do. In addition to beds and bed bases, our portfolio now includes mattresses, box springs, bed textiles and accessories.

Wherever possible, we work with leading partners in the field of technology and product development.

For example, we developed fully circular mattresses with DSM-Niaga. Sleep robot Somnox⁷ is the result of a joining of forces of Auping and a start-up of TU Delft

Mission and values

We believe that a well-rested world is a better and more beautiful world. A world with more love. This is our deep conviction and our brand promise is therefore: Auping, with love. Our brand values are key in everything we do: attention, reliable, open and social. The following chapters will clearly show that these values are the main drivers for our sustainability policy and how we treat (our) people. For instance, we are convinced that an inspiring and surprising working environment and a pleasant, accessible working atmosphere contribute significantly to innovation strength and sustainable growth.

Craftsmanship and design

Every Auping product is developed and manufactured in Deventer with attention to detail, the environment and the future. They are the result of creativity and innovation. The combination of high-quality materials such as steel, wood and superior upholstery fabrics have become a recognisable Auping signature over the years. A clear design featuring an interplay of sleek horizontal lines and soft rounded corners are characteristic.

2. About Auping



Auping production in Deventer.

Our research, product development and innovation teams work closely with prominent designers. For example, they join forces to develop a bed or a textile collection or team up in a colour study. The objective is always to create elegant, well-designed and smart products that contribute to a well-rested world.

Corporate Social Responsibility

We are a pioneer in the field of sustainability and feel a great responsibility in this respect. We choose not to

keep our knowledge and expertise to ourselves, but to share it wherever possible. After all, the entire chain needs far-reaching and structural sustainability.

Our Auping sustainability policy has three pillars:

- circular operations8
- production with respect for the climate
- people and culture

Each pillar is discussed in this report.

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'A linear economy does not fit with the future we envisage for the next generation.'

Ine Stultjens,
Manager Marketing & Communications, Royal Auping

At Auping, Ine is not only responsible for marketing and communication. She is also one of the driving forces behind endorsing the company's sustainability ambitions.

I believe it is important to build beautiful, strong brands that matter by bringing about positive change. I have been working from Deventer since April 2016 and, together with my team, I am directing our brand's ambition to help give the world a good night's rest. And that is something I am more than happy getting out of bed for.

Good sleep is a trending topic and just as important as healthy food and exercise. In a world where the 'on' button never is turned off, we seek a real connection with each other. And so much more happens in a bedroom than just sleeping. It is almost a magical place. You get your best ideas there and you experience the most beautiful moments. In your bedroom you find all the things that really matter in life. Under the covers or between the sheets. At Auping, we have been providing rest, time, and attention for each other for over 130 years. That is what an Auping bed is made for. This is what we want to convey with the 'Auping, with love' campaign, which gives emotional meaning to the brand.



As a manufacturing company, we have a clear responsibility for the world around us. This means, amongst other things, that we make sure that the products we put into the world also get removed from the world, or at least make sure that they get recycled. In other words, a linear economy does not fit with the future we envisage for the next generation. It needs more love.

We believe in a model where you make products and remain the owner of the raw materials to reuse them in new products. As a family business, we have a strong long-term focus. We not only look at the current financial results, but also at the impact we will have in the future. That is how we effectively fulfil our sustainability ambitions and really make a difference.

2. About Auping 6

Sustainable development: objectives until 2030

We set the bar high when it comes to sustainability objectives and ambitions. It is our strong conviction that we can increase the positive impact of our activities on people and the environment by taking on 'heavy dossiers'. By being very ambitious.

As an organisation, we want to be part of a collective movement to transform the world into a better place for everyone. In concrete terms, our goal is to contribute to ending global wrongs such as poverty, inequality, injustice and climate change.

In the field of sustainable development, we have formulated 25 targets (from the total 169 targets of the 17 Sustainable Development Goals of the UN) that are on the agenda⁹ until 2030.

An assessment and inventory will then take place, based on new developments and the social and corporate realities at that time.

We also signed the United Nations Global Compact¹⁰ in 2013, committing ourselves to the 10 principles and reported our COP (Communication On Progress) since.

3. Sustainability objectives 7

At Auping we believe in the 17 Sustainable Development Goals

- ... poverty should be eradicated
- ... no one should suffer from hunger
- ... everyone has a right to health and wellbeing
- ... qualitative education is a precondition
- ... men and women are equal
- ... clean drinking water and sanitary facilities are a basic right
- ... there should be clean and affordable energy
- ... employment and economic growth are important goals
- ... high-quality industry, innovation and infrastructure are preconditions to achieve sustainable solutions
- ... we should aspire to achieve equality on all levels
- ... we need to work collectively on sustainable cities and communities
- ... production and consumption should take place in a responsible way
- ... the climate requires constant attention and action
- ... we need to take care of marine life
- ... we need to take care of life on land
- ... peace, justice and strong institutions are preconditions in a society
- ... partnerships are crucial to achieve your goals

And we also believe that...

... everyone should have a safe place to sleep.

'Our culture is what I am most proud of.'

Morten Lund Petersen, Director Innovation & Sustainability, Royal Auping



Morten managed the Auping organisation in Scandinavia for many years before he moved to the Netherlands with his family. Since 2018, his responsibilities include the sustainability policy. Under his management Auping obtained B Corp¹¹ status.

All my life, I've been working on ways to protect the planet. Sustainability is in my DNA. Working for a company such as Auping, where this is a top priority, could be called living the dream.

Achieving B Corp status was hard. For at least three months, it demanded huge combined effort. It is not just any certificate, the standards are high. It was also a very inspiring process and a great opportunity for self-reflection. In which areas are we doing well and where can we do better? It has given us many useful insights.

Our culture is what I am most proud of. The company is a collection of driven people who think in terms of solutions and have the shared ambition to do well. But moreover, we have owners and a supervisory board who give room for change and who are open to new solutions. This will allow us to make even more of a difference in the years to come.

3. Sustainability objectives

Vision on corporate social responsibility

We believe that a well-rested world is a better world. That belief is at the heart of everything we do. We make products that - with a focus on quality and aesthetics - contribute to people's wellbeing and a cleaner planet.

As a company, we want to have a positive impact. This means for example, that our company's output is not at the expense of the environment. In addition, we use energy and raw materials sparingly.

To be a good corporate citizen as a production company - where the pursuit of turnover and profitability are combined with the need to do well - half measures are not good enough.

The choice to embrace cradle-to-cradle, for example, is a very fundamental one, with considerable implications for the organisation and for our partners in

the chain. But going all the way is how we do things at Auping.

We take measures that have a profound effect on our business management and quite often demand a substantial financial investment. Think of increased costs in material flows. However, in all cases we do this in a responsible manner, ensuring the best possible balance between purpose and profit.

Every step we take brings us closer to our 'ambition', which we have -for now- formulated as follows: *in* 2030 we will bring rest to people and planet. And we will be climate-positive.

Isn't that what we're already doing? Yes, but there is room for improvement. We must continue to invest and innovate.

In recent years, we have reduced our production sites and built a low-energy factory, reducing our gas consumption by 90%, water consumption by 60% and electricity consumption by 30%. The rest comes from solar and wind energy. We introduced a take back system for mattresses and beds, chose cradle-to-cradle and developed a 100% recyclable mattress

with our partner. Milestones to be proud of. But we're not there yet!

We will continue to work hard to get closer to our ideal: a world in which we bring rest without producing waste.

'Good results and overall financial health are preconditions for a company to have a social impact.'

Jan-Joost Bosman, CEO, Royal Auping

Jan-Joost Bosman was appointed CEO of Koninklijke Auping BV in 2018. Under his leadership Auping is working on a significant sustainability transition for which a healthy financial policy is a precondition. The goal is to leave a better world compared to how we found it.

Sustainability has a very prominent place in our strategy. Over the years we have taken significant steps, such as setting op one single production site where energy savings are key, but also the choice for cradle-to-cradle. These are significant decisions that require major investments, but which certainly pay off in terms of social return. Of course, we are also a commercial company. Good results and good financial housekeeping are preconditions for a company to make a social corporate difference.

At Auping, we balance between purpose and profit when taking major decisions. In fact, it is great fun to make money by being sustainable. As far as I'm concerned, the two are inextricably linked.

Something we need to work on, is to be more proactive in promoting our corporate social vision and strategy. It is just not in our nature to brag. But as long as it serves a purpose, we should focus on that more. I do think it is even more important that others tell our story. Customers, suppliers, partners and consumers. As long as we continue to do well, we give them something to tell.

'Auping and Conscious make sleeping eco and sexy.'

Marco Lemmers, CEO & owner, Conscious Hotels

Sustainable entrepreneur Marco Lemmers founded Conscious Hotels about twelve years ago. He introduced the concept of 'eco-sexy' and in doing so showed that sustainability and sleek design fit perfectly well together. The match with Auping is clear.

All our rooms have Auping beds and that is no coincidence. Auping combines sustainability, quality, innovation strength and design. There really is a connection between the two brands, and we have chosen each other very consciously.

Together with Auping, we developed a fantastic custom made bed for Conscious Hotel Westerpark. It has become a real eye-catcher. It is a great example of how, based on overlapping core values, you can work together to develop an attractive top product.

If you only tell people to be sustainable you won't achieve your goal. Make it fun, make it sexy. And do not skimp on costs. At Auping I also sense the need to inspire rather than educate. If your goal is to convince a substantial group of people to act and create a better world, you do that by taking action, by taking the lead.

This is exactly what Auping is doing by producing and supplying large quantities of face masks when there is a great need for them. This requires serious effort from many people, but it is clear to see for all why it is so important. As a company you show that you really are a social player, in which the collective interest transcends the corporate interest.



Auping Essential at Conscious Hotel Westerpark, Amsterdam

Circular operations

Circularity is the first pillar of our sustainability policy. Auping wants to achieve *fully* circular operations, instead of linear operations.

In fully circular operations there is no place for waste. All materials in question are given a valuable new application after use. To achieve this goal, we embraced the cradle-to-cradle¹² philosophy in 2010. By doing so, we have laid the foundation for circular operations.

In 2011, we were the first bed manufacturer in the world to receive a cradle-to-cradle Silver certificate¹³ for one of our beds, the Auping Essential. This certificate is awarded to a product that comprises of more than 50% recycled or reusable materials.

Meanwhile, we have a number of wonderful examples of the successful implementation of C2C in our production process. Take the aluminium of the Auping Essential bed, which can be recycled again and again to create a new Essential without loss of quality.

Another example is Auronde Restyle. We organised our production process in a way to be able to repair and refurbish used Auronde beds to give them a second life. Even Auronde beds that are forty years old can last another forty years thanks to the strong materials and the high-quality repair work.



Auronde parts are repainted and refurbished

Cradle-to-cradle means that all products and processes can be the start of something new. This means that in our design choices we already take into account the impact of a product on the waste flow as soon as the product, for example a mattress, is discarded. We go to great lengths in this respect. Not only do we want to ensure there is a useful application for discarded Auping products, we also want to ensure that products can be reused at an equivalent level as much as possible. This means that the components and materials of a used mattress can be reused for a new mattress. In other words,

there is no downcycling to lower-quality applications or incineration for energy.

It means we not only have to think about the design and production method of a product, but also about how products can be returned to us to be processed. We call this completely new, circular process - which requires significant changes at our company, our suppliers and our customers - closing the loop. Products become the raw materials for new products.

Reuse economy Raw materials Production Use Residual waste Residual waste Reuse economy Circular economy Raw materials Production Production Residual waste

Figure 1: Linear, reuse and circular economy

Mattresses

A nice example of our circular ambition is the development of our mattress range. Mattresses are one of the largest contributors to landfill waste worldwide, due to the complex composition of glued materials. In the Netherlands alone, about 1.5 million mattresses are thrown away every year. In Europe this amounts to 35 million and in the United States to 20 million. The Auping Take Back System - also launched in 2011 - allows customers to return their old mattress when they buy a new one. After recycling, the old mattresses are given a new life as judo mat or carpet underlay. Meanwhile, 90% of the

raw materials in Auping mattresses are reused in this way.

Together with our partner DSM-Niaga¹⁴ - an organisation with in-depth knowledge of (raw) materials - we achieved a global breakthrough in December 2018 by launching a fully circular mattress. Each part of the new modular design is easy to disassemble and is completely recyclable for reuse in a new mattress. The composition of the mattress makes it possible to replace the different parts, ensuring constant hygiene and quality.

In 2019 we received the Circular Award Business for this mattress from the Dutch government: a great reward for hard, pioneering work and an incentive to work even harder on this transition. As of May 1st 2020, the first circular mattress for consumers will be available in all our stores. We named it the Auping Evolve, the last step in the evolution of sleep.

It won us the Red Dot Design Award¹⁵, a coveted international award for outstanding design quality. The jury not only assessed the aesthetics of a design, but also the chosen materials, the craftsmanship, structure and texture of a product, the ergonomics and functionality of the design.



Secretary of State Stientje van Veldhoven of the Ministry of Infrastructure and Water Management hands over the award

Circular start-up

Also worth mentioning is our own 100% circular start-up Bedzzzy¹⁶. This entity operates autonomously and offers customers a new way of sleeping on circular mattresses, based on an innovative

business model. At Bedzzzy, consumers can opt for a monthly subscription, but can also purchase the circular mattress or bed. To ensure the return of products, a deposit system applies.

The Bedzzzy proposition is to ensure that mattresses return to our factory after use. This allows us to recycle and to reuse the materials for new mattresses. There is a completely closed loop of materials thanks to the modular design of the products and a revenue model that guarantees returns. In other words, a 100% closed loop.

Bedzzzy responds to the changing needs of young people who prefer to pay for use rather than possession. Consumers no longer need to own their bed or mattress, but are willing to pay to use it.

Ambition

It is our ambition that by 2022, all products in the Auping assortment are fully modular. This means they can be disassembled in a financially and economically responsible manner. In addition, they must be designed and produced in a way that is suitable for reuse: at least 90% of the product must be reusable without loss of quality. And last but not least, we guarantee a simple and well-organised return of products intended for reuse.

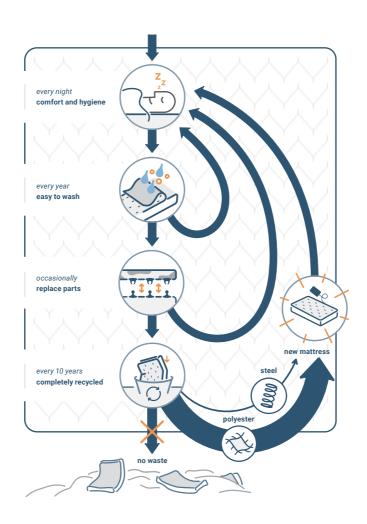


Figure 2: designed for circularity

'The transformation from a linear to a circular business model requires patience, dedication and a strong drive to make a difference.'

Geert Doorlag, Researcher & Sleep Expert, Royal Auping

Geert joined Auping in 2008 as a product developer. He has been a full-time researcher in our organisation since 2017. His work focuses on three themes: sleep, ergonomics and sustainability.

Our research activities contribute to the development and manufacturing of innovative products that help people sleep better. Partnerships are very important to us. For instance, I work closely with universities, but also with sports federations and athletes. We strongly believe in the importance of sharing knowledge and trying to translate insights – like in the field of sustainability - into relevant solutions, if possible in cooperation with other parties.

Since its founding, Auping has been creating highquality, sustainable products. But even if you make the best beds in the world, there is always a certain sensitivity to trends and changing preferences. People sometimes want new things, they move or their budget changes. Even a bed of the highest quality can suddenly become waste. This reality was one of our main drivers to embrace cradle-to-cradle.



The transformation from a linear to a circular production requires patience and dedication, but also a strong drive to make a difference. You could call it urgent patience. To become a circular company⁵ it is important to understand that this does not happen overnight. It is basically a never ending effort and a constant search for the most suitable solutions within the new context of circular operations.

'It would be great if the B Corp certification becomes the new standard.'

Mark Groot Wassink, Manager Category Management, Royal Auping Mark and his team of Category Managers are responsible for the Auping product range. He also plays an important role in the company's circular transition.

Auping is a frontrunner in our sector in terms of futureproof entrepreneurship. We recognise the social responsibility we have as a company, now and even more so in the future. In this respect, we are prepared to take risks and challenge ourselves. By rigorously challenging and assessing all our business operations, we have achieved B Corp recently.

Obtaining a B Corp certification was hard work. It is not only about doing the right things every day. We also wanted to implement this vision within our company for the long term. This is why, among other things, the company's articles of association have been amended. The efforts of countless colleagues to achieve B Corp status have been worth every minute, because this certification is a wonderful confirmation of the dedication we have as an organisation and, more so, of what we have achieved in recent years.

At Auping you see a combination of down-to-earthness and progressiveness. The first ensures that we keep both feet on the ground, the second guarantees that we continue to move forward. It would be fantastic if the B Corp certification becomes the new standard for organisations, maybe even as a modern version of the well-known ISO certification.

Certified



This company meets the highest standards of social and environmental impact

'In Auping, we found a courageous partner who is willing to find new ways to bring about real change.'

Kelly Hall, Managing Director, DSM-Niaga

Since 2018, Kelly Hall has been at the head of DSM-Niaga, a front runner in the field of circularity.

We develop products that are made of safe, fully recyclable materials and are designed with respect for people and the environment. We are committed to a transparent supply chain, where it is completely clear where all the raw materials and used materials come from. What we develop can always be completely reused as a fully recyclable material and does not end up in a landfill or waste incineration. In doing so, we contribute to a circular economy.

Auping employs people who are genuinely passionate about sustainability and who have it in their hearts to improve the world. That is where it all starts, also for us. If you really want to make a dif-

ference, you have to work with partners who share the same drive. In Auping, we found a courageous partner who is willing to find new ways to bring about real change. The fully circular mattress that we developed together is a wonderful example of cocreation with great impact.



Scanning the circularity passport label provides insight in the circular chain of the mattress

Producing with respect for the climate

Auping feels a great responsibility for how we leave the world behind to future generations, which is why our aim is a clean and climate-neutral production process and a sustainable supply chain. As of 2030, we want to be fully CO²-neutral.

In 2012, we took an important step in our sustainability transition by opting for one central production site. Before 2012, we had three factories: two in Deventer and one in Eindhoven. In terms of transport movements alone, the choice for centralisation made a huge difference. For example, 120,000 fewer truck kilometres are driven each year. Furthermore, we now only use 50% of our previous floor area, and still achieve a higher production.

Our current factory was a *leap forward* in terms of energy savings and sustainability in general. In total, we adopted almost thirty sustainability measures and discarded installations, some of which were 60 years old.

Highlights of the new factory are of course the more than 2,800 solar panels on the roof, which enable us to generate a large proportion of the electricity we require over the year. The next step was doing away with fossil fuels, in our case natural gas. We now have only one natural gas connection, the cleanest fossil fuel, and use only 90,000 cubic metres per year, which is very little for a factory of our size and activities. However, we want to reach zero. When it comes to energy reduction, we strongly believe in partnerships, of course. For example, we are involved in a project of the municipality of Deventer to investigate the possibilities of using hydrogen gas.

We make maximum use of the combination of heat, cold and water in our factory. For example, we have heat and cold storage, there is heat and cold exchange between buildings and we use floor heating. Residual heat is reused and there are heat pipes on

the roof to heat water and toilets that flush with rainwater. On the roof there are also skylights that reflect daylight through mirrors and LED lighting takes care of the rest. We are aiming for a fully energy-neutral factory by 2023.

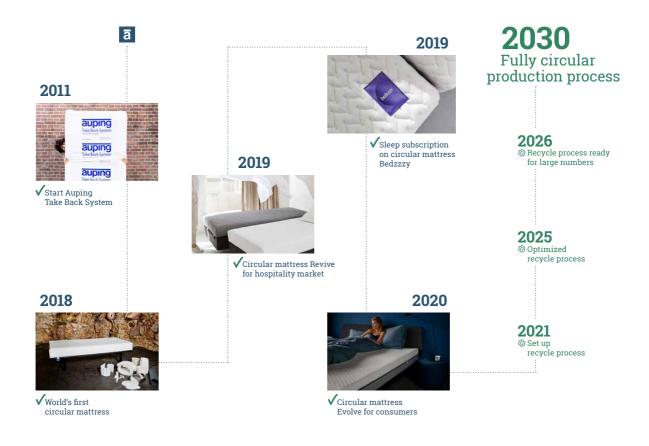
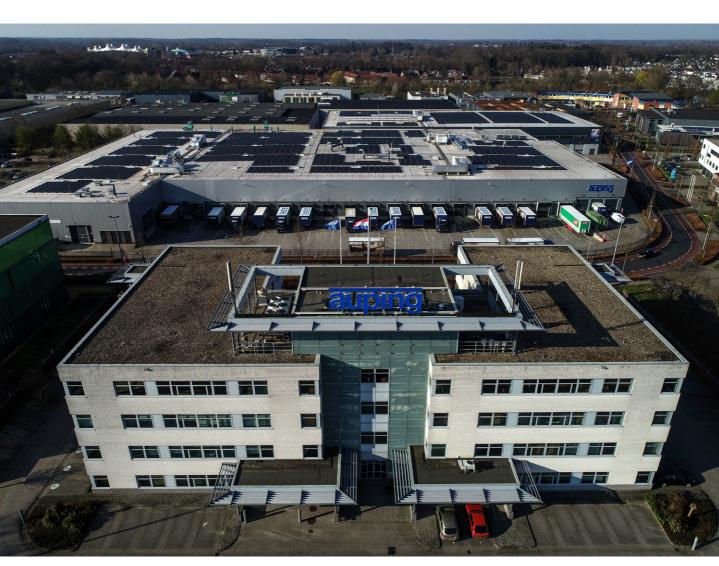


Figure 3: the road to a fully circular production process

In addition, by 2030 $\rm CO^2$ emissions from the Auping production process must be reduced to zero. $\rm CO^2$ emissions must be reduced by 50% in the supply chain. To achieve these goals, we opt for, among other things, 100% electric transport, production is

fully centralised (and no longer takes place partly in Asia), we fully reuse products used by consumers and there is 100% *post-process* material reduction. In other words, there is no more residual waste.



Headquarters and production Auping, Maagdenburgstraat Deventer, the Netherlands

'Alone you can do a lot, together you can do everything.'

Martijn van Haaf, Operations Director, Royal Auping

Martijn has been working at Auping for about twelve years now. As Operations Director since 2017, one of his responsibilities is to make the supply chain more sustainable.

At Auping, we set the bar high in everything we do. Not only do we want to provide our customers with the best possible products, we never settle for an achieved result when it comes to sustainability either. There is always room for improvement. An important transition moment is the choice to go from a linear production process to a circular production process is. This is of course, a game changer. The same goes for the decision to move away from two separate production locations and to build one sustainable factory where energy saving is key.

When it comes to making the supply chain more sustainable, our objectives are ambitious but also realistic. For example, by 2030 we want to reduce CO² emissions in the supply chain by 50%.

At Auping, we learn from every significant choice we make. It makes us better and more successful. Whether it is the transition from three factories to one, the step from linear to circular or very recently and significantly: the choice to use part of our production capacity to manufacture face masks to help combat the coronavirus. We are always learning.

Alone, you can achieve a lot, but together you can do everything. I believe we are a company that will continue to be an essential part of the chain in order to achieve the best possible results. An important basic principle is that what we do is not just about the profitability of Auping, but about the profitability and sustainability of the entire chain. It is and will be my ambition to play an important part in this, together with my colleagues.



Skyline Deventer

People and culture

The culture of our organisation strongly determines how and to what extent we shape our commercial and sustainability ambitions.

An important basic principle at Auping has always been that we want to create a safe environment for people. An environment where they feel comfortable and can excel and where passion and pleasure are key. We want to be a company where there is room for talent and where people can excel. The choice for secure base leadership at Auping ensures that people are motivated to experiment, are not afraid to accept challenges and are bold.

What characterises our people and organisation is a high degree of resilience. To achieve significant changes and innovations, you have to be tenacious and work on the basis of a rock-solid confidence in your own strength and that of the people around you. Furthermore, we are resilient. We tackle major challenges energetically and vigorously. The rapid response to a specific social need in times of crisis is an example of this.

About two years ago, we identified a need for a reassessment of our culture and core values and had our organisation thoroughly audited. We started to build with renewed core values (the customer is always right, let's go for joint success, we trust each other, we are innovative, ground-breaking and meaningful).



Seamstress sews mouth mask

Under the name *I* am Auping we initiated a cultural change process to ensure our organisation is future-proof. Part of this program is Futureproof Leadership in which the essence is to give managers the opportunity to look at themselves to determine how they can stimulate growth of people in the team. How they can make others excel. Since the start of the program there has also been more attention for diversity and inclusiveness in our company. We want to be even more of an organisation where everyone

is welcome. These topics will be high on the agenda in the coming years.

The sustainability transition we initiated requires leaders who are less instructor and more coach. Who get their people to energetically support new developments and understand where and how individual talents can be optimally deployed to make Auping more sustainable and keep it commercially successful.

'We have a challenging objective that requires a lot from our people, but there is no doubt that we are going for it and will succeed.'

Martijn Aalders, Manager HR, Royal Auping

Martijn has worked at Auping for four years and in 2019 he took charge of the organisation's HR activities.

The recent face mask operation in response to the corona crisis demonstrated one of our core values: cooperation. Colleagues from all disciplines threw themselves into this enormous challenge and time or overtime were not an issue at all. That is what Auping is all about. We have a challenging objective that requires a lot from our people, but there is no doubt that we are going for it and will succeed. Of course, we are all very proud to be able to make this contribution to society.

A challenge we still have as an organisation is celebrating successes. We are quite modest. This is of course a good quality in itself, but we should not be afraid to boast a little bit more about some of the great things we have achieved.

As far as I am concerned, one of the spearheads in HR will be talent development in the coming years. We can do even more by letting people excel in their current role or allowing them to transfer elsewhere. That can also mean outside the organisation, if this means that people will work in an environment that better meets their personal desires and characteristics.

For example, we have a process engineer who is leaving us because he is going to work as a teacher. He is following his heart and is doing what makes him really happy. Of course we regret that this nice colleague is leaving us, but we have encouraged and facilitated him where possible to take this step. We are not just helping him, but also society.

'In my opinion, sustainable operations are a precondition for any company.'

Ynzo van Zanten, Chief Evangelist, Tony's Chocolonely



As 'Choco Evangelist' of Tony's Chocolonely, Ynzo van Zanten explains worldwide how to make a significant impact as a purpose-driven team.

In my opinion, sustainable operations are a precondition for any company. At least, they should be. Auping is doing very well in this respect and is setting the tone in its sector. When you consider that 1.5 million mattresses are thrown away every year in the Netherlands alone, it is an absolute necessity that parties make recycling a top priority. Auping takes it a step further, first by embracing the cradle-to-cradle philosophy and now by aspiring to create a fully circular business model in which waste is reduced and discarded mattresses become raw materials for new ones.

As far as I am concerned, the company should brag about it more. It does not have to be about sustainability and quality, but for example about the major impact Auping products have on people's lives. Personally, I am a fan of the pay-off the company used for a long time: Auping Nights, Better Days. Great. It perfectly reflects what an essential part of life sleep actually is.

'Auping is a front runner in the field of corporate social responsibility.'

Peter de Beer, Manager Operations, Stayokay

Stayokay is the biggest provider of budget accommodation in the Netherlands. The company was founded more than ninety years ago. As of 2013, Peter de Beer has been responsible for the daily operation of the hostel chain.

When we started to focus more on the market of family vacations, our rooms needed an upgrade. We did not want to make any concessions in terms of the quality of our beds. After all, parents do not mind sleeping in a hostel, as long as there is a good bed. That is where Auping came in. As a former hotelier, I had good experiences with Auping. We knew that the company more than lives up to its reputation as a quality brand.

I really got to know Auping and its people when we developed a bunk bed together, based on a real Auping design classic: the Auronde. In the end, only a few bunk beds were made, but the development process - pure cocreation - gave me a great insight into the atmosphere within their organisation and into the team's drive and customer focus. We still have the bunk beds by the way, which are now true collector's items.

We really have a connection with Auping. We identify with their ambition to combine continuous



Auronde bunk bed in Stayokay Dordecht, the Netherlands

innovation with respect for heritage and the company's core values. In the field of corporate social responsibility, Auping is a front runner. What appeals to me personally is their modest way of communicating. Just like in our company, so much more is happening behind the scenes than you can see at first glance.

Conclusion

We hope this first Corporate Social Responsibility report not only gives a clear picture of our milestones in the field of sustainability and corporate social responsibility, but above all of our ambitions. This is just the beginning.

Climate change, population growth and geopolitical developments demand an acceleration and intensification of sustainability efforts. Of cooperation, dialogue and cocreation.

We will continue to work hard on a well-rested, clean and future proof world.

Changing the world begins here and now. By setting a good example ourselves and working together with others, we can achieve the transition to a circular economy.

This is how we make our dreams come true.

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Footnotes

- 1. https://www.auping.com/en/royal-auping-receives-order-from-ministry-for-supply-of-mouth-nose-masks
- DSM-Niaga is specialised in the complete redesign of products, whereby a simpler composition of pure
 materials results in better products that are 100% recyclable and completely sustainable. DSM-Niaga is a
 subsidiary of Koninklijke DSM.
- 3. https://deweekvandecirculaireeconomie.nl/circular-awards/
- 4. https://bcorporation.net
- Cradle to Cradle Certified™ is a worldwide quality label for products that are made more safely and sustainably and which fit in a circular economy.
- 6. Wadinko is a regional holding company, which wants to stimulate the activity and thus employment in, Overijssel, Noordoostpolder and Zuidwest Drenthe.
- 7. When the four founders of Somnox invented the sleep robot during their studies, Auping helped them make a number of prototypes. Because they were so well received by people who suffered insomnia, the founders of Somnox decided to establish a company and to develop the robot, together with Auping. The proof of concept prototypes became an Auping-worthy product.
- 8. See among others: https://www.ellenmacarthurfoundation.org/circular-economy/concept
- 9. The UN Sustainable Development Goals are a collection of 17 global goals developed as a blueprint to make a better and more sustainable future.
- 10. The United Nations Global Compact is a UN initiative to encourage companies around the world to develop policies on sustainability and social corporate responsibility and to report on their implementation.
- 11. https://bcorporation.eu/about-b-lab/country-partner/benelux
- 12. https://www.c2ccertified.org/innovation-stories/auping
- 13. https://www.c2ccertified.org/products/scorecard/Auping-essential-configure-model
- 14. https://www.dsm-niaga.com/what-we-do/design-philosophy.html
- 15. The Red Dot Award is an international competition for product design and communication and design concepts. www.red-dot.org
- https://bedzzzy.com/

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