

Royal Auping – Communication on Progress

For more than 130 years, Auping has been designing the very best ways of resting. And for good reason. We believe a rested world, is a better world. A beautiful world. When well rested, you feel it: you are relaxed, vigorous, sharp and friendly. Sleep is precious.

Going to sleep on time and sleeping through the night makes the difference between winning and losing. Between a yawn and a smile on that first date. A short temper, or the space in your head to listen for a second. Everyone knows this.

An Auping is personal, custom-made craftsmanship. This is what makes an Auping so special. Every single bed is made with care and attention to detail, the environment and the future. This is how we make sure every morning is better than yesterday. An Auping is more than just a bed. It is our conviction: a rested world is a beautiful world.

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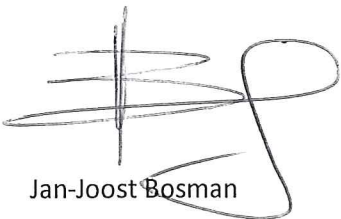
To our stakeholders,

I am pleased to confirm that Koninklijke Auping bv reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Koninklijke Auping bv

A handwritten signature in black ink, consisting of several horizontal and vertical strokes, followed by a large loop on the right side.

Jan-Joost Bosman

CEO

Human Rights Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not complicit in human rights abuses.

Assessment, Policy and Goals

Our policy: Auping acknowledges the importance of supporting and protecting the UN Human Rights Charter. Activities implemented:

- Auping provides a safe and pleasant working environment to all its employees.
- Auping has incorporated the UN Global Compact code in its Code of Conduct.
- Auping has successfully implemented flex working, allowing its employees to balance private life with working time more efficiently.
- Auping has implemented having employees plan their own activities, holiday time etc.

Labour Principles

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Assessment, Policy and Goals

Auping has incorporated the ILO Core Conventions as part of its Supplier Code of Conduct. All our employees are issued with a contract of employment which clearly states their terms and conditions including wages, working hours, leave, benefits etc. Auping has an active works council and encourages employees to participate in this. Auping has signed the Charter Talent to the Top, the treaty for gender diversification within organizations.

Implementation

Auping has an active Health and Safety program in which all employees are encouraged to report safety issues.

Measurements of Outcomes

Auping has received no grievances or complaints from employees or others in relation to (potential) labour rights violations, nor has Auping been involved in any investigations, legal cases or other relevant events related to the contravention of the Global Compact Labour principles. Auping has measured employee satisfaction successfully.

Environmental Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies

Assessment, Policy and Goals

Auping is a B corp. certified March 2020, living up to the highest standards of social and environmental impact. We strive to have a fully circular business model by 2030. We consciously strive for sustainable relationships with the environment, our stakeholders and the individual. Examples:

- We assess annually the footprint of our production site.
- Our Strategic Partners are asked to sign our Code of Conduct which is based upon the 10 principles.

Implementation

Description of concrete actions to implement environmental policies, reduce environmental risks and respond to environmental incidents. Examples:

- We operate within a factory site in which we have incorporated numerous environmental positive solutions such as Earth warmth, earth cooling, Day light catching.
- We actively are re-shoring products to The Netherlands to start a circular business approach.
- We actively are designing new products which are based upon circular economy principles.

Measurements of Outcomes

The Auping factory scores above 8 on all measurements in the GPR building assessment. GPR Building assesses both the environmental impact, energy performance and the design quality of new and existing buildings on five indicators is measured a GRI norm of above.

- We have launched products based upon PET recycled fabrics.
- We have launched products based upon Clothing recycled fabrics.
- We have set a goal to reach 100% recyclability of our products by 2023.
- We won the circular business award 2019 by the Dutch government.

Anti-Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Assessment, Policy and Goals

Auping stands for fair business and avoids any form of corruption. Auping is committed to comply to all relevant business laws.

Implementation

Description of concrete actions to implement anti-corruption policies, reduce anticorruption risks and respond to incidents. Examples:

- An Anti-Corruption statement has been incorporated in the Auping Supplier Code of Conduct.

Measurement of outcomes

Auping is undergoing complete financial auditing at least once a year. Furthermore, a proper separation of the ability to order and the ability to pay ensure that suspicious corrupt behaviour can be quickly identified.