

Making dreams of today and tomorrow come true

2022 Corporate Social Responsibility Report
Royal Auping

Certified



Corporation

Our blue heart

We believe that a well-rested world is a better world. Being a family-run business operating out of the Dutch city of Deventer, we have been developing sustainable and personalised sleep and rest solutions since 1888. Our work revolves around attention to detail, the environment, and a sustainable future, also for future generations. Thanks to our employees and partners, we are the leader in our industry on sustainability and circularity. B Corp certified since March 2020, we have made it our mission to have a fully circular product range by 2030. We have a positive outlook on the future and take steps every day to succeed in our mission.

Our Corporate Social Responsibility (CSR) policy covers the following topics:

Circular value chain:

our pathway to a fully circular product range.

Energy-efficient operations:

to minimise the impact of our factory and supply chain.

Care for people:

genuine consideration for our employees, suppliers, and customers.

Governance and risk management:

the basis of our sustainable business practices.

We are committed to a value-driven way of working, which revolves around the following core values:

Core values:

- Customer is king.
- We aim for joint success.
- We trust each other.
- We innovate.
- We open new horizons.
- We are meaningful.



Contents



2



21



29



36

About us	2
Our blue heart	2
Preface	5
Highlights of 2022	6
Our DNA in 2022	8
Our impact in 2022	9
Auping brings rest to the world	10
How we work efficiently	11
Auping's product range	14
Our stakeholder strategy	15
Certified B Corp	16
Auping and the SDGs	17
Our reporting framework	19
Value creation model	20

Circular value chain	22
Ambition	22
CTI tool	22
Pathway to a fully circular product range	23
CTI roadmap to 2030	24
Closing the loops	25
Reuse of returns	26
Material procurement	26
Residual waste	28

Energy-efficient operations	30
Electricity, water and gas	30
Impact of our operations and supply chain impact	31
Emissions reduction	32
Emissions overview	33

Care for people	37
Employees	37
Suppliers	39
Customers	40

Contents



42

Governance and risk management 42

Corporate Governance	43
Risk management	46

Appendices 48

About this report	48
GRI table	50

Publication details	54
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26

Wouter Dijkman,
Research, Innovation &
Product Development
Manager



27

Conny Pasman,
Bedding Category Manager



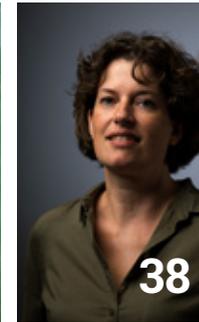
31

Martijn van Haaf,
Operations Director



35

Steven Terpstra,
Supply Chain Risk Operator



38

Inge van der Weijden,
Works Council Chair



41

Helen Zwiars,
Auping Academy
Knowledge Manager



45

Linda Hoebe,
Chief Financial Officer

We are the initiator and connecting force in the circular supply chain	26
Auping chooses slow fashion	27
The focus is on reducing energy consumption	31
We believe in a collaborative supply chain	35

Maintaining dialogue based on trust	38
We contribute to that genuine Auping feeling	41
Balancing risks	45

Preface

Dreams and goals

Transparency is everything when it comes to attaining our sustainability goals. It is with justifiable pride, therefore, that we hereby present our fourth CSR Report in which we explain what steps we took towards greater sustainability in 2022 and what our goals are for the future. These goals are more important than ever, because this is the decade when major social transitions have to be realised. We at Auping are taking our responsibility in these transitions.

We live in a drastically changing world. At the start of 2022, in the final stages of the Covid-19 pandemic, we were still producing face masks for the Dutch government alongside our regular products, only to then be confronted with a war in Ukraine, which had a major impact on consumer confidence and energy and commodity prices. Wherever we could, we tried to help people, including by donating two hundred mattresses and duvets to a reception centre for Ukrainian refugees in Deventer. We also sent hundreds of mattresses to Ukraine.

Circular economy

Over the past year, we also saw the effects of climate change on our society. It is a tremendous challenge to keep the impact of humanity and the economy within the boundaries of what the planet can handle. As a leader and driver when it comes to circularity, Auping

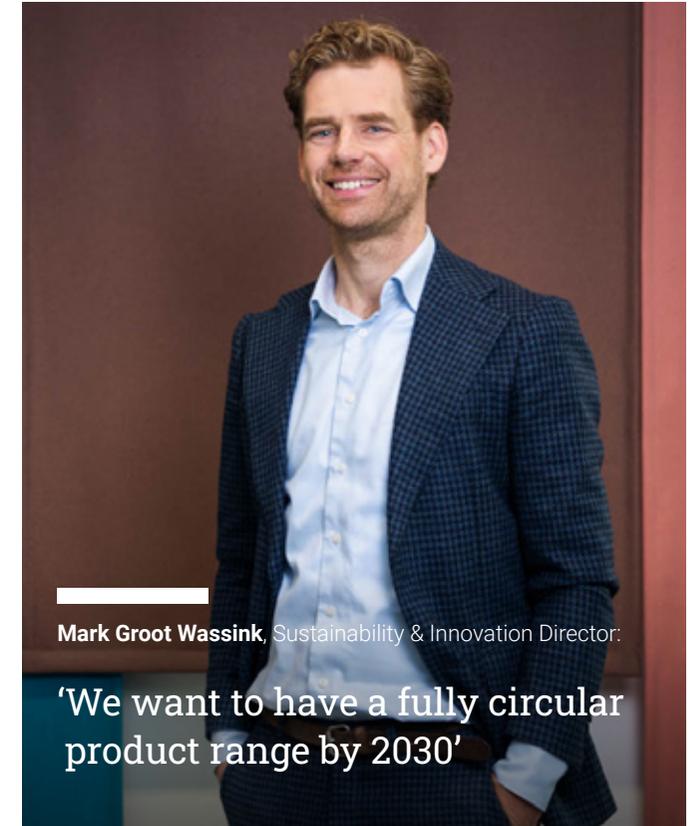
sets change in motion. In 2022, we again made great progress in this respect as we added two more circular mattresses to our range, the Auping Elysium and the Auping Elite. While we do have a justified sense of pride in what we have achieved, we also know that we are not there yet. According to calculations by Circle Economy, the global economy was 7.2% circular in 2022. This means that, at this point in time, only a very small percentage of materials is reused for a valuable second purpose.

Transparency on impact

In this year's CSR Report, drawn up in accordance with the GRI Standards, we are even more specific and transparent about our impact than in previous years. This year, we not only publish information on the past year, we also communicate in detail about our goals for the future. This includes our ambition to have a fully circular product range by 2030, to further reduce and decarbonise our energy needs, and to be an even better employer for our colleagues. Some of our goals are highly ambitious. We are choosing to be ambitious because we believe that organisations are co-responsible for the earth's liveability for future generations.

Together

We do not write this report on our social impact out of an obligation, but rather to provide inspiring insight into our way of doing business. In this CSR Report, we are transparent on the impact that we, our partners, and our customers have within the ecosystem in which we operate. Our goals can only be achieved if we continue to work



Mark Groot Wassink, Sustainability & Innovation Director:

'We want to have a fully circular product range by 2030'

together with partners and suppliers who share our ambitions and our drive, and if we help each other get ahead. Only then can we keep taking the right steps together to bring rest to the world.

Mark Groot Wassink

Sustainability & Innovation Director
on behalf of the Royal Auping Management Team.

Deventer, 31 May 2023

Highlights of 2022



- Royal Auping seals a contract with Machinefabriek Geurtsen for a fully robotised circular mattress production line.

February

- New collaboration with Schepers Bosman: Auping Aulies, a dreamy family of stuffed nocturnal animals made of left-over fabric from Auping stores.
- Auping wins Overijssel province's Circular Innovation Top 20 jury prize with circular mattress.



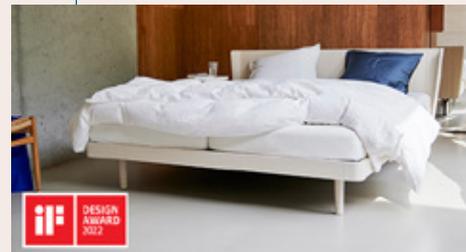
- Auping new entry in Sustainable Brand Index 2022.
- New welding fume extraction system at steel department for a better workplace.

March



April

- Auping Noa wins 2022 iF Design Award.



- Auping raises awareness of the importance of mental rest in new brand campaign.

- Launch of sustainable premium mattresses, Auping Elysium and Elite.

May



- Auping brings rest to Ronald McDonald House and Jeroen Pit House.

June

- Royal Auping in 7th place on the MT500 list of companies with the best reputation.
- Team Auping cycles up Mont Ventoux to raise money for ALS research.

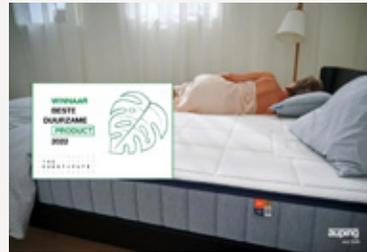
Highlights of 2022



- Auping classified as a World-class Workplace. Auping achieves above-average scores on employee engagement and good employment practices in the employee satisfaction survey.

September

- At Auping's Bergweidedijk site, where circular mattresses have been produced since September 2021, the process of dismantling circular mattresses for the return flow is now also fully up and running.



- Auping Elysium mattress wins award for Best Sustainable Product in 2022 and is included in the G100 list of best designs of 2022.

October

November

- Auping signs Dutch bill on Responsible and Sustainable Business.
- Auping receives EFRD grant for circular transition.



- Auping dreams for Het Vergeten Kind (The Forgotten Child Foundation) during Serious Request fundraising.

December

- Dopper Water Tap at Auping Store in Utrecht.



Scan the QR code to read more about the highlights.



Our DNA in 2022

Sustainable family business

As a family business operating out of the Dutch town of Deventer, we are fully aware of our role and responsibilities in a changing world. Sustainability is part of our DNA, which is why more and more of our mattresses are made entirely of reusable parts. This is how we work towards a world without waste, and how we strive for an even more beautiful world every day. This is how we make our dreams – and those of future generations – come true, so that everyone can go to bed with peace of mind. This is how we bring rest to the world.

Factory



B Corp certified:
'Business as a force for good'
93
B Corp points*

55
suppliers

2
production sites,
sustainable and
demand-driven

Human resources

Since 1888
135 years' experience

363
FTEs

398
employees



Since 1988
Royal Auping

Sales

Turnover **€96.1**
million

217
retail outlets in the
Netherlands

3
online stores
(Netherlands, Belgium
and Germany)

EBITDA **€5.5**
million

4
international sales offices
(Netherlands, Belgium,
Germany and Denmark)

30
export markets

320
retail outlets across Europe

62
international
distribution partners

* Assessment in 2022, yet to be validated by B Lab.

Our impact in 2022

>76,000
new sleepers rested*

Circular value chain

Percentage of mattresses sold that are circular **48%**
Sustainable wood **87%**
Sustainable textiles **49%**

Circular Transition Indicator (CTI)
2022 **26.2%**

Energy-efficient operations

Percentage of energy used that we generated ourselves **27%**

Waste (tonnes) **1,265 (-22%)**

Emissions

57 tCO₂e per employee **-34%**
238 tCO₂e per € million of turnover **-8%**

Recycling **58.7%**
Biomass **21.5%**

Scope 1, 2 and 3 emissions (tCO₂e) **-29%**
Scope 3 **-30%**

Care for people

Employees

Female/male ratio **40%/60%**
Management Team
Female/male ratio **33%/67%**

Sickness absence **9.4%**

Suppliers

Suppliers < 300km distance based on volume delivered (in kg) **67%**

* Number of customers who bought an Auping bed or mattress in 2022.

Auping brings rest to the world

Everything we do at Auping is geared towards bringing rest. This starts with mattresses that offer the right support for all body types and cater to personal preferences. We know how valuable good-quality sleep is: when you sleep well, you will be relaxed, energetic, more creative, sharp, and have more attention for others during the day. After a good night's sleep, you are the best version of yourself.

In addition to that, we have a long history of being dedicated to a world without waste. Auping aims for a 100% circular product range by 2030. In 2020, we launched Auping Evolve, the world's first circular mattress. In the spring of 2022, we took another important step towards full circularity with the launch of two premium circular mattresses, the Auping Elysium and the Auping Elite. This is how we are working towards an ever broader circular assortment.



Made-to-measure mattresses

Since everyone is different in build and weight, we have developed a new mattress range based on different body types. Customising these mattresses when it comes to the ratio between the shoulders, hips, and waist enables us to produce mattresses that offer the best support. Body type is not the only factor for customers to consider in choosing these mattresses, they also come with three firmness levels. The Evolve, Elysium, and Elite mattresses are, therefore, available in twelve different support versions based on four body types and three firmness levels, meaning that we have the perfect mattress for all bodies.



How we at Auping work efficiently

We provide customisation, make to order, and do not hold unnecessary inventories. We manufacture our products based on incoming customer orders. We set great store by keeping production local in the Netherlands and by using high-quality materials, which is also more efficient.

Local production in the Netherlands has been ‘the new normal’ at Auping since 1888. Every single Auping product is solidly made of steel, wood, and durable high-end fabrics. Each Auping is the result of craftsmanship and customisation, often made by hand. At our sustainable bed and mattress factory in Deventer, we are working to find the best ways to provide consumers with the best possible products, using a balanced mix of specialist skills and smart technology. We manufacture based on demand and customer orders, as no person is the same and all bodies are different.

All Auping mattresses are made by highly skilled workers at our sewing workshop. Not only do they sew ticking for our mattresses and mattress toppers, they also take care of upholstering our box springs, headboards, and pouffes. We make all the wooden parts

for our beds, such as headboards, frames, legs, and nightstands at our wood factory, which is where we saw, drill, mill, and sand wood elements with the greatest precision and care. A key part of any Auping bed is its mesh base, invented by Johannes Auping 135 years ago. At our proprietary steel department, we still make flat and adjustable mesh bases every day. We powder coat the frames with the right colour. This painting process enables us to make wear-resistant and colourful steel.

Quick delivery is also important to us. As soon as orders are ready, we prepare them for shipping. At the end of every working day, we load shipments into lorries, so that our drivers can deliver them to our dealers the next day.



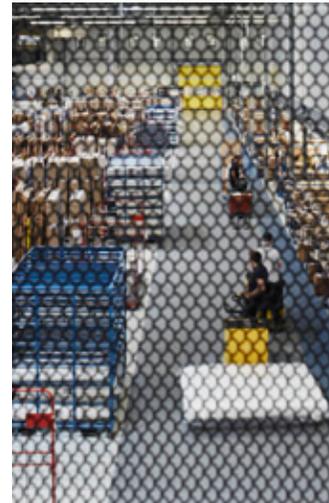
Sewing workshop



Wood factory



Steel department



Logistics



Lean

All our operating processes are organised based on the lean principle. Every single day, we work to improve:

- Customer satisfaction
- Safety & sustainability
- Quality
- Delivery reliability
- Our cost structure



Three sales channels: One Auping

Auping has three sales channels that are all equally important to us. They are the single-brand Auping Stores that sell only our products, the multi-brand Auping Studios, which are higher-end local furniture stores and specialist bed and mattress retailers, and our very own website with online store. Online orientation goes hand in hand with professional sleep advice in stores. Each customised, made-to-measure mattress, bed or box spring, as well as every pillow, duvet, or duvet cover can be purchased both at physical stores and from our online store. The seamless shopping experience between shop and online means that Auping products are available 24/7. The multichannel approach that combines Auping Stores, Auping Studios, and our online store is what we call One Auping.

We consider our website a key part of the customer journey. It is where we tell our story and where consumers can browse our product range. In the stores, consumers enter the world of Auping. In an atelier-like setting, they experience how to design their own ideal Auping bed. This is important because no person is the same and everyone has a different body and different needs and preferences. This goes beyond a mattress being a good fit based on the

support it provides. It is about personal preferences, about the fabrics, colours, and shapes that our customers like. Our sales story primarily highlights the quality of our products and how we meet customers' individual preferences.

Close collaboration with retailers

We have consciously opted to work closely together with independent retailers. Together, we stand strong in a market that is always developing. Partnership and fair compensation come first in these collaborations. Every year, we set our Retail Guidelines in close consultation with our partners. These guidelines guarantee compliance with the One Auping approach and ensure recognition of the Auping brand wherever consumers see us. Growing together comes first here.

We support our retailers in various ways:

- Our partners share in the proceeds from our online orders.
- Auping stylists create the best possible retail appearance, in line with the Auping brand.
- The Auping Academy offers high-quality training for retailers and retail staff on customer-friendliness, sales, product knowledge and ergonomics.



Design the bed of your dreams

What is your dream bed? The online Auping configurator lets consumers put together and personalise their own bed, down to the smallest detail, by choosing from different models, materials, colours and fabrics. It's fun and practical. This 'dream bed maker' has proven to be a resounding success: as many as 202,879 configurations were made in 2022.



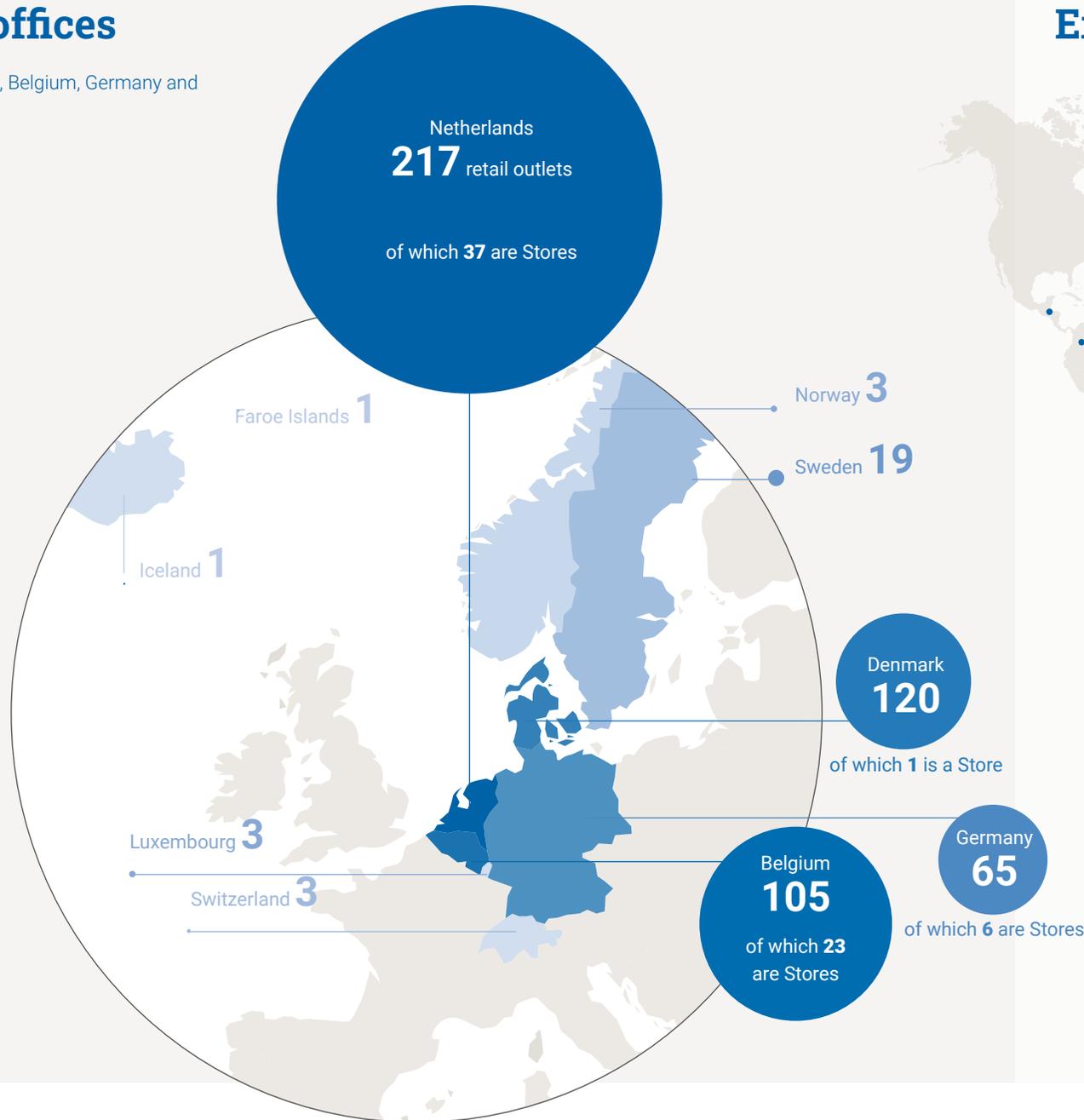
Take a look at our dream bed configurator.

- We monitor customer satisfaction and reviews together.
- We deploy mystery shoppers to check compliance with the Retail Guidelines, using insights gained to keep improving.

Our in-store presentations were renewed at all stores and the recognisable Auping format has become a real eye-catcher.

4 sales offices

in the Netherlands, Belgium, Germany and Denmark



Export markets

30
countries
62
partners



- Aruba
- Australia
- Bonaire, Saint Eustatius and Saba
- Brazil
- Chile
- Colombia
- Costa Rica
- Curaçao
- Estonia
- Finland
- Georgia
- Greece
- Hungary
- Ireland
- Israel
- Italy
- Lebanon
- Malta
- Poland
- Réunion
- Romania
- Singapore
- Slovakia
- South Korea
- Spain
- Suriname
- Taiwan
- Ukraine
- United Arab Emirates
- United Kingdom

Auping product range:

innovation, sustainability and quality



Mattresses

Inizio



Adagio



Evolve



Elysium



Elite



Beds

Original



Auronde



Essential



Noa



Royal



Box springs

Original



Tone



Criade



Kiruna

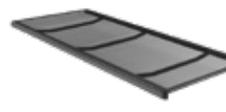


Revive
(Hospitality range)



Bed bases

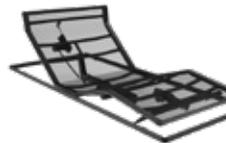
Flat



Manually adjustable



Smart Base
(1, 2 or 3 motors)



Bedding

Pillows



Duvets



Bed linen



Accessories

Nightstands



Reading lamps



We represent the interests of all our stakeholders in the activities we undertake

Our stakeholder strategy

	Starting point (why?)	Agenda (what?)	Dialogue (how?)	Frequency (when?)
Consumers	Existing and potential customers are our most important stakeholders. We want to bring rest to the world through sustainable and high-quality beds and mattresses.	Raising awareness of the need to choose sustainable high-quality designer products with the least environmental impact. Raising awareness of the importance of good sleep quality.	Targeted media use using traditional and digital touchpoints. Communications through our (social) media channels, website and consumer service desk.	Daily
Suppliers	We work closely together with our suppliers and invest in long-term relationships. Reaching our goals hinges on joint dedication to a truly sustainable strategy.	Innovation and product development for raw materials. Flexible alignment with our LEAN product methodology. Shared data relating to our supply chain optimisation process. Recycling and environmental impact.	A Code of Conduct that supports our sustainability strategy. Embedding in agreement documents. Periodic liaising with suppliers.	Daily
Employees	Our employees are the core of our organisation. Only with engaged employees can we both achieve our growth targets and realise our sustainability ambitions.	Employee engagement surveys, diversity and inclusion at every level of the organisation, employee training and development.	Intranet, periodic communication meetings for all employees, MT and Supervisory Board meetings with the works council. Training opportunities at Auping Academy.	Daily
Retailers	Dedicated retailers are an essential part of our sustainability strategy. We realise our mission based on an omnichannel distribution strategy.	The need to explain the importance of a good night's rest, facilitating product experiences and testing products. And raising awareness of the importance of a sustainable product range.	Training through Auping Academy, frequent newsletters and dealer events, including trade fairs. Relationship management by our sales teams. Annual KPI review.	Daily store visits and customer contacts through our sales service centre. Annual trade fairs.
Our communities	It is all about having or being able to have a direct and indirect impact on all the communities within which we operate and thus on society as a whole.	Supporting local, regional and national initiatives and projects in society through partnerships. Our focus is on nature, culture, and sports.	Annual CSR Report, participation in local community activities and events.	Frequently.
Shareholders	We are a family business. Since our founding in 1888 to the present day, the Auping family has been involved in strategic decisions.	Strategic decisions for the long term, based on the Auping family's ownership vision. In close consultation with our minority shareholder Wadinko.	Informal contacts and formal meetings.	Three times a year.

B Corp, business as a force for good

Auping has been a certified B Corp since 2020, which emphasises our place among a group of companies with a specific and, more importantly, measurable focus on people, the environment and society. B Corp status is a great way for us to convey how we want to do business. We feel good with the B Corp message 'Business as a force for good'. In 2023, we expect to be recertified based on our performance in 2022.

What B Corp certification means

B Corp certification is an international certification for companies with a major positive impact on people and the environment. These companies have given sustainability a permanent place in their DNA and manage to create value in various ways. What makes B Corp certification so unique is its holistic nature and that it is embedded in the company's articles of association. B Corp looks at the entirety of a company's operations, ranging from impact of the production chain to good employment practices.

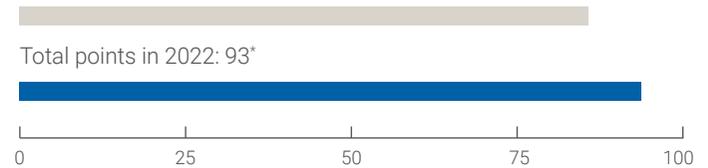
Our B Corp status enables us to:

- be transparent towards our customers and suppliers on how we operate;
- verify our CSR approach against criteria and that of other B Corps;
- retain employees and attract new talent.

Initially scoring 86 points in March 2020, our score after filling in the B Corp Impact Assessment Tool for the year 2022 (in 2023) was up to 93. Although we are still awaiting validation of this score by B Lab, which we expect to come in the autumn of 2023, we are proud of our score.

B Impact Assessment score

Total points in 2020: 86



* Yet to be validated by B Lab.



Becoming a B Corp

To be able to obtain and maintain B Corp status, a company must get at least 80 points on the B Impact Assessment, which measures performance in five areas: governance, workers, community, environment and customers. Certified B Corps are required to consider the impact their decisions have on people and the environment by incorporating their sustainability mission into their articles of association. This keeps the mission a priority and safeguards it in the event of an ownership change. Certified B Corps share their B Impact Report – a summary of their impact and scores on the five focus areas – on www.bcorporation.net, thus building up trust and increasing their credibility.

Certified



This company meets high standards of social and environmental impact.

Corporation

Auping and the SDGs

Auping endorses the United Nations’ seventeen Sustainable Development Goals (SDGs), with a specific focus on five SDGs and on targets in those areas that we feel most strongly about and where we can have an impact:

- Affordable and clean energy (SDG 7).
- Decent work and economic growth (SDG 8).
- Industry, innovation, and infrastructure (SDG 9).
- Responsible consumption and production (SDG 12).
- Climate action (SDG 13).

In the following, we will go into the goals and targets in detail and show our score on each target as a percentage. We determine our score on each target using the SDG Action Manager Assessment Tool every two years. As we use increasingly accurate data, we sometimes see a drop in the number of points. For each target, we provide a specific example of actions we have taken to achieve it.

7 AFFORDABLE AND CLEAN ENERGY



Developing and using technologies for energy efficiency, and renewable energy resources are essential means of reducing energy consumption and dependence on fossil fuels. This has a positive effect on our prosperity.

SDG target 7.2

Increase substantially the share of renewable energy in the global energy mix by 2030.

Total points in 2022 (as a %)

44.1 2020 **46.6**

What we did in 2022

In 2022, we ordered more solar panels for on the roof of our office building at Maagdenburgstraat 26. We already had 3,088 solar panels and will be adding a further 180, which we expect will deliver approximately 55,000kWh of solar energy on an annual basis, putting the total capacity of our rooftop solar farm at approximately 1,030,590kWh. This is how we are further decarbonising our operations.

8 DECENT WORK AND ECONOMIC GROWTH



Economic growth can only be considered sustainable if capital, labour, and resources are used responsibly and profits and revenues are distributed fairly between citizens and companies.

SDG target 8.2

Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high value-added and labour-intensive sectors.

Total points in 2022 (as a %)

25.0 2020 **18.6**

What we did in 2022

Auping is partnering with the Dutch Probation Service to accommodate people sentenced to community service. At Auping, they help disassemble returned mattresses. They contribute to us achieving our circular goals and we contribute to the Dutch Probation Service achieving its goals. The Dutch Probation Service’s goal is to get and keep people on the right track. They do that by motivating probationers to live a life without crime and helping them get there.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



SDG 9 aims to improve mobility and infrastructure, and to reduce its adverse impact – such as time lost due to congestion, unsafe situations – in traffic, and environmental impact. Industry must also innovate and go sustainable.

SDG target 9.4

By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.

Total points in 2022 (as a %)

43.2 2020 **36.7**

What we did in 2022

In partnership with CuRe technology and Spinning Jenny, we are building a circular polyester textile ecosystem. The circular polyester textile ecosystem makes it possible to manufacture entirely circular polyester mattresses on an industrial scale and fully recycle them at the end of their life cycle. One of the new materials produced by this form of recycling is rPET, which has a 50-60% lower carbon footprint than virgin PET (Source: Re-Act project plan).

In 2022, we implemented a new policy for our fleet of company-leased passenger cars that will see us transition to a fully electric fleet. Every new car we add to our fleet is fully electric. We are aiming to have a fully electric fleet by 2025. In 2022, 34% of the vehicles in our fleet were fully electric.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Sustainable production and consumption patterns, with more efficient use of resources, so as to reduce environmental impact and dependency on those resources.

SDG target 12.5

By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

Total points in 2022 (as a %)

67.7 2020 **58.2**

What we did in 2022

In 2022, we set up our circular mattress dismantling operation at the Auping site on Bergweidedijk. This is where we take apart all circular mattresses that have been returned for recycling. In 2022, we took apart around 3,550 such mattresses largely manually.

13 CLIMATE ACTION



SDG 13 is about taking urgent action to combat the man-made climate crisis. In 2015, the Paris Agreement was signed to reduce climate change and its adverse effects. The effects of climate change pose a threat to human life and nature.

SDG target 13.2

Integrate climate change measures into national policies, strategies and planning.

Total points in 2022 (as a %)

39.3 2020 **35.1**

What we did in 2022

Together with four other organisations in the mattress industry, Auping was an initiator behind the Extended Producer Responsibility (EPR) legislation that came into effect on 1 January 2022, making the mattress industry responsible for managing waste from old mattresses. Auping was one of the driving forces behind this new legislation that is intended to ensure that the over 1.5 million mattresses discarded every year in the Netherlands are processed as well as possible instead of incinerated.

Our reporting framework:

the basis for transparent reporting

In our reporting framework, we explain how Auping creates value with and for our stakeholders. Since 2021, Auping has been reporting from a new reporting framework that rests on four value pillars. These pillars are the following:

Circular value chain: our pathway to a fully circular product range.

- Product range
- Material procurement
- Residual waste

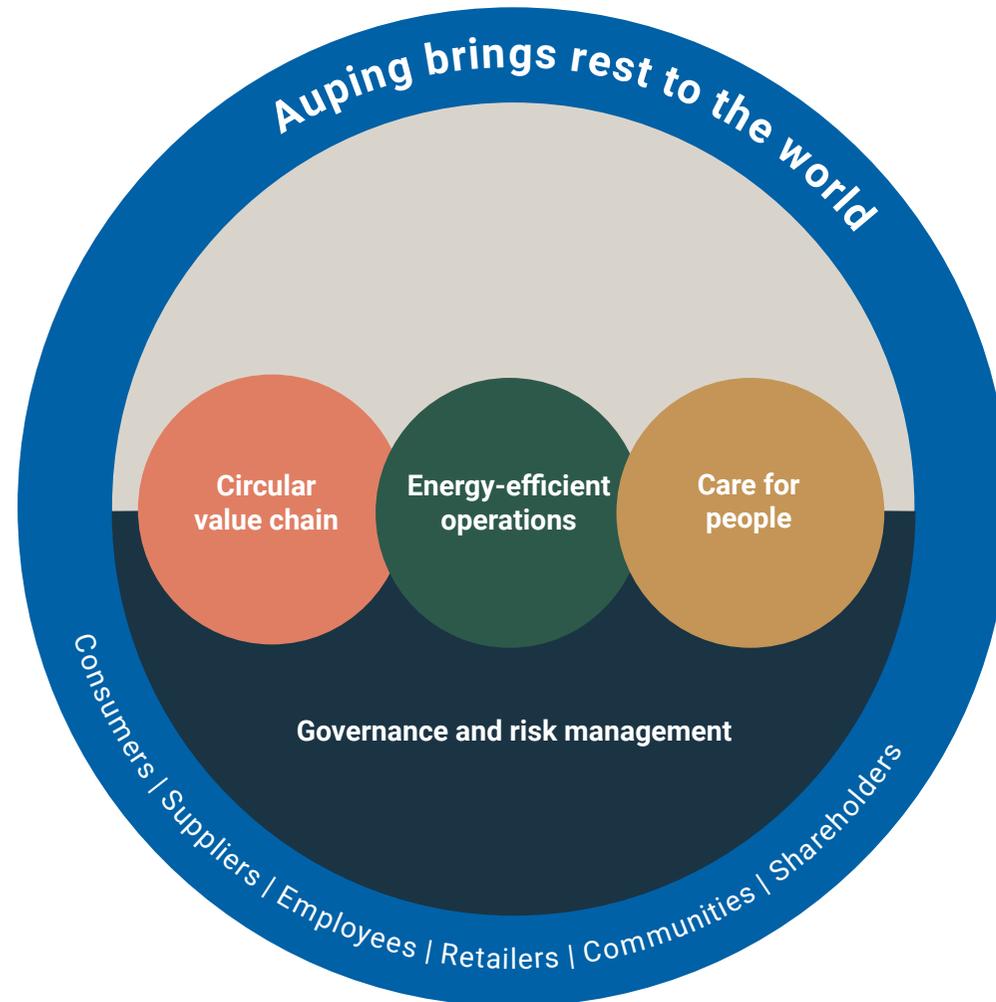
Energy-efficient operations: to minimise the impact of our factory and supply chain.

- Energy and water
- Impact of our operations
- Supply chain impact

Care for people: genuine consideration for our employees, suppliers, and customers.

- Employees
- Suppliers
- Customers

Governance and risk management: the basis of our sustainable business practices.



Value creation model

Input	Added value	Output	Outcome	Impact
<p>Financial Cash flows and external financing</p> <p>Infrastructure Sustainable factory in Deventer 22,000m² Retail outlets in the Netherlands: 217 International sales offices: 4 Retail outlets across Europe: 320 Export markets: 30 Omnichannel strategy</p> <p>Intellectual and human > 135 years' experience Employees: 398 (363 FTEs)</p> <p>Social Suppliers: 55</p> <p>Natural Power consumption: 3,581kWh (x 1,000) Water consumption: 2,241m³ Gas consumption: 132m³ (x 1,000)</p>	<p>Auping DNA</p> <p>Purpose – Vision</p> <p>Mission</p> <div style="text-align: center;"> </div> <p>Certified B Corporation</p>	<p>105,000 mattresses, beds and box springs</p> <p>Turnover: €96.1 million</p> <p>EBITDA: €5.5 million</p>	<p>Circular value chain Circular Transition Indicator 2022 26.2%</p> <p>Waste: 1,265,000kg (-22%), of which: 80.2% was processed sustainably: – 58.7% has been recycled – 21.5% was biomass</p> <p>Energy-efficient operations Percentage of energy used that we generated ourselves: 27%</p> <p>Emissions 22,843 tCO₂e scope 1, 2 and 3 57 tCO₂e per employee: -34% 238 tCO₂e per € million of turnover: -8% 96% in scope 3</p> <p>Care for people 95% of Auping sleepers sleep well</p> <p>Employees Female/male ratio: 40%/60% Sickness absence: 9.4% eNPS: 35</p> <p>Suppliers Local suppliers: 67% within a 300km radius based on volume delivered (in kg)</p>	<p>7 AFFORDABLE AND CLEAN ENERGY SDG 7: 44.1%</p> <p>8 DECENT WORK AND ECONOMIC GROWTH SDG 8: 25.0%</p> <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE SDG 9: 43.2%</p> <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION SDG 12: 67.7%</p> <p>13 CLIMATE ACTION SDG 13: 39.3%</p> <p>Ambition: a fully circular product range by 2030</p>



Circular value chain

Circular value chain

Topic	Indicator*	Status	Commitment	
		2022	2025	2030
Product range	CTI score	26.2%	70%	90%
	% returned mattresses reused	Baseline measurement	70%	100%
Material procurement	% recycled content	Baseline measurement	35%	60%
	% sustainable wood	87%	100%	100%
	% sustainable textiles	49%	65%	100%
Residual waste	Reduction in residual waste	-5%	-15%	-25%
	Useful application of waste materials	58.7%	70%	80%

*See appendix (page 48) for indicator definitions.

A circular value chain uses safe materials that, thanks to the design of the product and processes, are reused endlessly or recycled into new similar-quality materials within an economically cost-effective model, thus eliminating waste.

Ambition

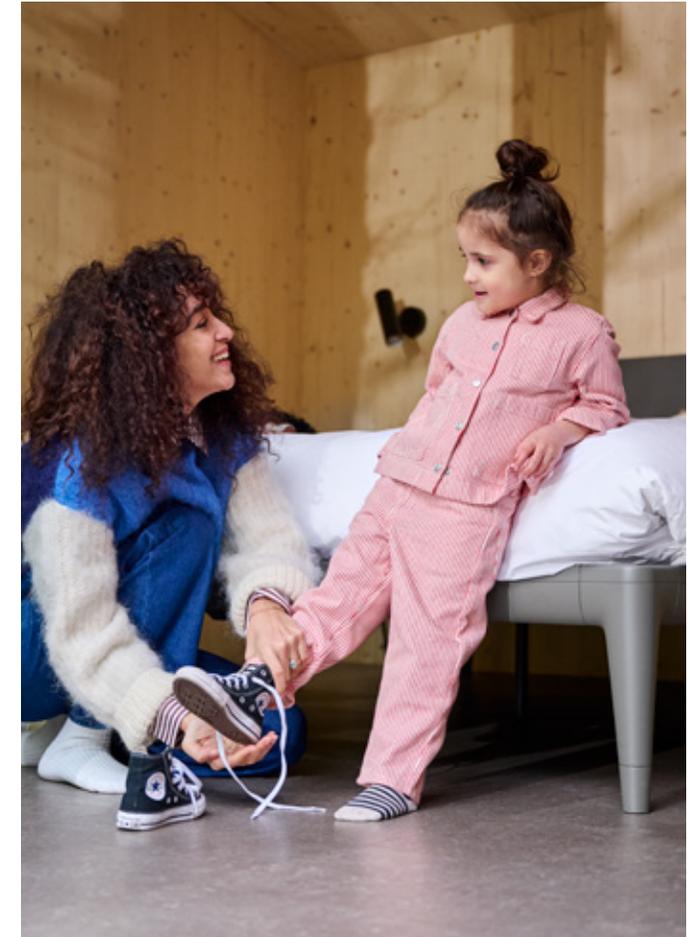
It is our ambition to have a fully circular product range by 2030. This means the following:

- The products we design and make are:
 - made of safe and reused materials (at least one additional life cycle);
 - made of recycled content as much as possible;
 - modular.

- Our processes make it possible to close the circular loop for our products. Conditions that our processes have to meet are that they must be:
 - transparent to consumers and producers;
 - economically viable;
 - organised by us or supply chain partners.

CTI tool

At Auping, we are committed to making circular progress measurable. For that, we use the CTI tool (CTI stands for Circular Transition Indicators) developed by the World Business Council for Sustainable Development. This tool lets us analyse material inflows and outflows. Material coming in is circular when it has been used before in another product (recycled content) or comes from a renewable source, such as wood from sustainably managed forests. When it comes to the outgoing material flow, the CTI tool shows to what degree a product that has reached the end of its service life can be reused and whether or not it is actually reused.



It is our ambition to recycle materials as well as possible. We are aware, however, that no matter how well you organise your return flow and recycling process, there will always be some waste.

Pathway to a fully circular product range

We have divided the coming period into three stages in which we want to move to a fully circular product range.

Stage 1: 2022 and 2023, foundation and insight

In 2022 and 2023, we will gain insight into where we currently stand by firmly documenting what we have agreed with our suppliers. This is how we learn and improve our ability to show which materials were recycled and prove that we comply with certification requirements. Our CTI scores will go up as a result.

Stage 2: 2024 – 2025, accelerating

Over the subsequent years, we will replace, where possible, all non-circular materials in our products with circular materials. We are seeing many developments that are making it possible to replace non-circular materials with circular alternatives, such as the MDF we currently use in our headboards.

Stage 3: 2025 – 2030, redesign

There are products where it is not easy to replace non-circular materials with circular materials. Whenever that is the case, we will redesign the existing product or remove it from our range and replace it with a circular alternative.

Circularity

We use the Netherlands Enterprise Agency's R ladder as the guideline for our circular operations, from product design and material sourcing to processing returns and residual waste. In targeting full circularity by 2030, we aim to reach the highest possible level on the ladder, while we exclude R6.

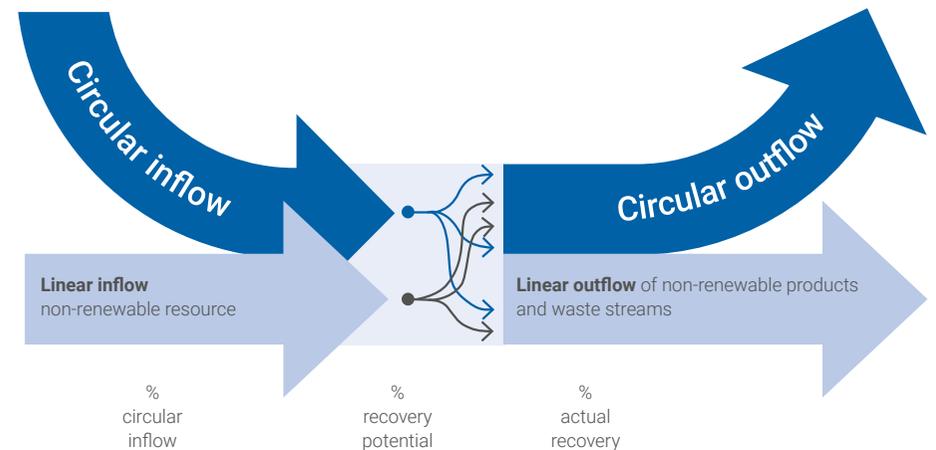
The R ladder has six levels:

- R1. Refuse and Rethink:** discontinue products and stop using materials that you basically do not need and/or step up your product reuse.
- R2. Reduce:** reduce the use of raw materials in production and use of products.
- R3. Reuse:** reuse the product, for the same purpose, by another user.
- R4. Repair, Refurbish, Remanufacture and Repurpose.**
- R5. Recycling:** processing and reusing resources and residual waste.
- R6. Recover:** burning materials with energy recovery.



More circular mattresses sold

In the ultimate circular supply chain, there is no waste. In 2022, we made substantial progress by growing the share of circular mattresses sold to 48% of the total number of white mattresses sold. Since the spring of 2022, we have had three circular mattresses in our range: Evolve, Elysium and Elite.



Circular Transition Framework, WBCSD

CTI roadmap to 2030

	Status in January 2022	2022-2023		2024-2025	2026-2030	
Step		Formalise circular inflow	Inflow	Inflow	Circular design	Outflow

Result	Impact on CTI score	Score weighted against Auping turnover	CTI score at product level	Transparency of recycled and renewable content in products	More recycled and/or renewable materials in products	More recycled and/or renewable materials in products	Useful reuse of materials such as wood/plastic/metal	Guaranteeing useful reuse (or recycling) of materials through in-house loop or use of existing loop
Auronde bed		0.14%	4%	44%		50%	90%	90% ¹
Essential bed		1.53%	47%	83%		85%		90%
Noa bed		0.21%	16%	40%		50%		90%
Box springs		2.81%	33%	45%		61%	90%	90%
Evolve mattress		3.25%	47%	56%	72%	85%		90%
Eysium mattress		4.08%	47%	56%		85%		90%
Elite mattress		2.78%	39%	46%		85%		90%
Mesh bases		5.01%	30%	40%		75%		90%
Total		26.2%	25%	48%		67%		90%

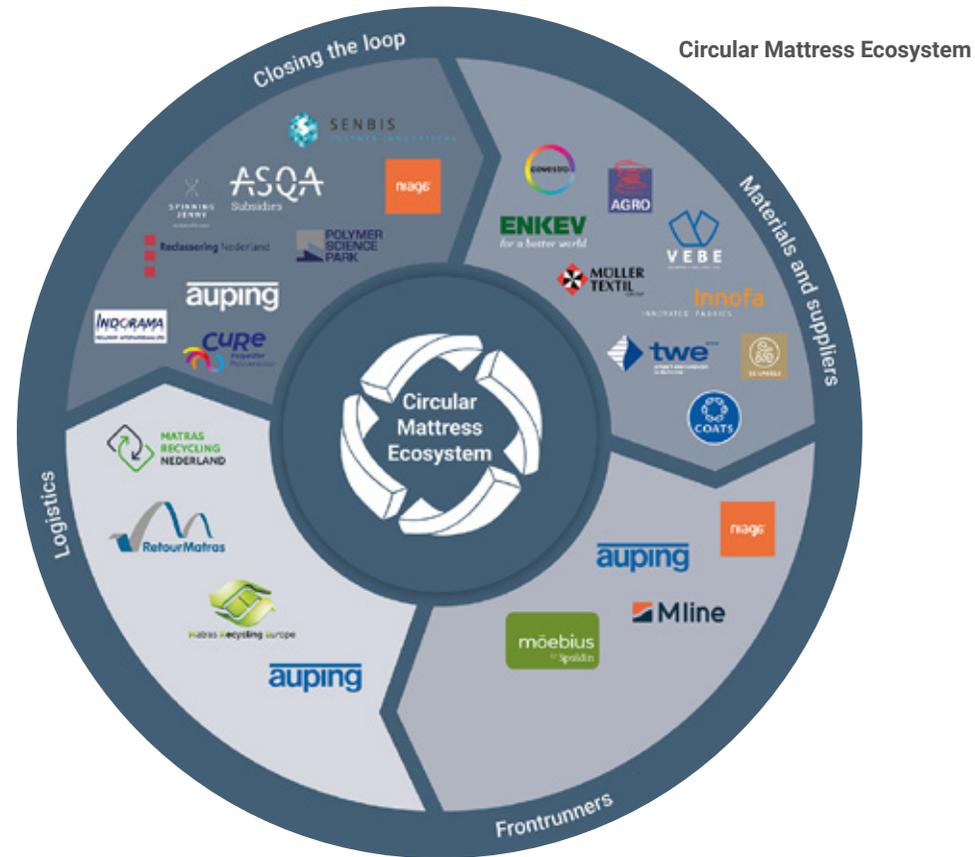
¹ Provided that a useful reuse stream can be found for the composite wood.

Supply chain circularity: closing the loops

The circular economy revolves around collaboration. This is why Auping has initiated the Circular Mattress Ecosystem, a crucial network for knowledge sharing and driving the transition to a fully circular supply chain. The network partners take initiative to strengthen the links in the circle, which is how we follow through on our promise of high-quality reuse of mattresses.

The illustration on this page shows some of the partners that have joined us in the Circular Mattress Ecosystem.

- Circular mattress development and production. A product can only be circular when its value is actually harnessed for a second life cycle.
- A network of partners for knowledge sharing and driving progress in the supply chain.
- Dismantling and material processing is done by Auping and selected partners.



Auping receives EFRD grant for circular transition



Together with consortium partners CuRe Technology B.V. and Spinning Jenny, Auping has been awarded a grant to set up a circular polyester textile ecosystem. In this ecosystem, Auping supplies circular polyester textile mattresses and disassembles them at the end of their life cycle. CuRe uses the recovered materials to make granules, which Spinning Jenny turns into

threads. These threads are subsequently used by Auping's suppliers to make new materials that we use to make new mattresses. The grant enables Auping to set up a pilot factory with a new automated circular mattress production line, which will deliver great quality and efficiency gains. Auping will start the first trials at the pilot factory in June 2023.

Reuse of returns

Mattresses

Auping is committed to the reuse of mattresses that are returned. We distinguish two categories of returned mattresses: mattresses returned under our exchange guarantee and mattresses returned because something went wrong during production or delivery, or because they did not meet the customer's expectations. For all products returned, we aim for reuse with the highest possible quality. We measure reuse as the percentage of the total weight of products returned that is reused.

Auping's circular mattresses that are returned are dismantled and the recovered materials are used for new mattresses. In the case of the Auping Evolve and Auping Elysium, 100% of the materials are reusable, while 80% of the Auping Elite is made of reusable materials. 37% of mattresses returned are circular mattresses with high-quality reuse of the materials, while the other 63% are mattresses from the traditional foam-and-glue-based range. Mattresses from the latter range are, under our exchange guarantee, processed by a recycling partner who independently determines the best possible use of the residual waste.

Over the past year, we have also sent around five hundred returned mattresses to reception centres for people in Ukraine and surrounding nations.

Other products

Besides mattresses, products such as beds made of wood or aluminium or steel bed bases are occasionally also returned. Some of these products can be resold, either as they are or after a refit.

Material procurement

When you want to make sustainable products, you have to give careful thought to material selection. At Auping, we choose recycled materials, sustainable wood, and sustainable textiles whenever we can.

Recycled materials

By 'recycled content' we mean resources and materials that come out of recycling processes. We capture our use of recycled content as a percentage of all the resources and materials we procure.

Since we are unable at this point to establish with certainty the share of recycled content in our products to provide an exact status, we will conduct a baseline measurement in 2023. Our aim is to have 35% recycled content in our products by 2025.

Sustainable wood

At Auping, we use wood in our Auronde and Noa beds. On top of that, the headboards for all our beds contain wood. The wood we use is sustainable wood.



Wouter Dijkman, Research Innovation & Product Development Manager:

'We are the initiator and connecting force in the circular supply chain'

Together with the research, innovation, and product development team, Wouter laid the foundations for Auping's closed circular mattress supply chain. They set up a dismantling centre where mattresses are disassembled in their entirety, recovering new usable materials for suppliers in the bed industry to use in their products. Wouter: 'Every year, 1.5 million mattresses are discarded in the Netherlands. That is a lot of mattresses. We soon realised that designing and making a circular product alone would not be enough, that closing the supply chain at the

end of the life cycle is also of crucial importance. We then worked out the process of dismantling used mattresses to the smallest detail, and now we are able to convert every single part into new materials. We are sharing the technique we developed across the supply chain, as we actively try to get other mattress manufacturers to adopt this same circular approach. This really is what you can call "closing the loops." After completing the mattress transition, the bed base and bedding supply chains are up next for transformation into sustainable supply chains.'

We express the share of wood from verifiably sustainable sources that we procure as a percentage of all the wood we procure.

In 2022, 87% of all the wood we procured came from sustainable sources. The aim is to hit 100% by 2025.

Sustainable textiles

Where possible, we use sustainable textiles in our products. This includes fabrics to upholster box springs and headboards for our beds, bedding (fitted sheets and duvet covers), and duvets and pillows. With textiles, it is not easy to define when they can be classed as ‘sustainable’, especially because we use textiles for different purposes. We consider textiles sustainable when they are GOTS-certified, GRS-certified, made of 100% recycled content, and can be recycled fully and to high quality standards. We express the share of sustainable textiles as a percentage of the total volume of textiles procured.

In 2022, 49% of all the textiles in our product range was sustainable. We are aiming to raise this figure to 65% in 2023.

In 2023, the EPR Standard for bed textiles will be introduced, making clothing and household textile manufacturers and importers responsible for the waste phase of the products they sell in the Netherlands. Auping embraces this standard, while also seeing it as a beginning: our ambitions go beyond the industry standard.

GOTS-certified

Global Organic Textile Standard (GOTS) is an international quality mark that sets requirements for fibre production and further processing of fibres into textile products. The requirements that textile manufacturers have to meet for GOTS certification are environmental requirements, working conditions requirements, and animal welfare requirements.

GRS-certified

Global Recycled Standard (GRS) is an international standard that verifies the use and volume of recycled content in fabrics and tracks materials from source to end product. GSR enables customers, brands, and consumers to recognise verified recycled products, thus boosting the use of recycled materials in products.



Conny Pasman, Bedding Category Manager:

‘Auping chooses slow fashion’

Conny has been in the textiles business for over 25 years. ‘I consider it our responsibility to help our supply chain partners manufacture their products as sustainably as possible,’ says Conny. ‘When it comes to pillows and duvets, we work with Ducky Dons from Ermelo. And we partner with Van Dijk from Amersfoort for bedding (mattress protectors, fitted sheets and duvet covers). Ducky Dons, in turn, works with GRS-certified (Global Recycle Standard) materials, and they take back old pillows and duvets for recycling. With Van Dijk, we

use sustainable GOTS-certified or BCI-certified cotton. GOTS stands for Global Organic Textile Standard and BCI stands for Better Cotton Initiative. Both these certifications are focused on making cotton farming sustainable. But being the initiator in our supply chain, we want more. That’s why I put together the bedding range based on the concept of slow fashion. We offer a beautiful basic range with timeless items, to which we add several colourful, quintessentially Auping designs twice a year. This approach sets us apart from the competition.’



Exploratory research into a fully circular bedding range

Students of Saxion University of Applied Sciences (Into the Future) are currently conducting exploratory research into the possibilities of a fully circular bedding range. They are, for example, looking into what materials could be suitable for circular bedding, but also into how to recycle those materials and how to get consumers to recycle.

Residual waste

At Auping, we work to reduce and recycle waste every day.

Reduce waste

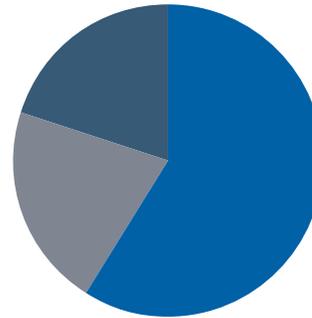
In 2022, we reduced the residual waste we produce by 22%, or 358 tonnes, compared to 2021. For 2025, we are aiming for a 15% reduction, and then on to 25% by 2030.

In order to reduce the waste we produce, we are partnering with Milgro to gain an overall view of our residual waste. All our production managers receive monthly reports, so that we can all actively target waste reduction. In order to further cut back our waste, our procurement team is actively looking for smarter material and resource procurement options.

Recycling

In 2022, we recycled 58.7% of our waste and converted 21.5% into biomass. As a result, we already managed to give as much as 58% of our waste a new purpose (see page 48, the 'About this report' chapter, for the definition) in 2022.

Our ambition is to give 70% of our waste a new purpose by 2025.



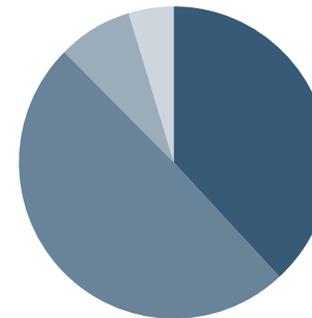
Processing method

Total waste weight in kg (x 1,000)

1,265

2021 **1,623** ▼ 22%

	2022	2021
Recycling	58.7%	54.4%
Incineration	19.8%	23.7%
Biomass	21.5%	20.8%



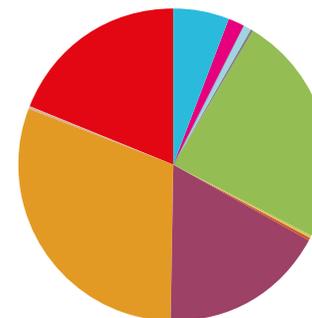
Incineration

Total waste weight in kg (x 1,000)

253,411

2021 **379,660** ▼ 33%

Small hazardous waste (SHW)	38.16%
Residual waste	49.38%
Paint, ink, pastes up to 25 litres	7.98%
Leftover paint in plastic/steel container	4.49%



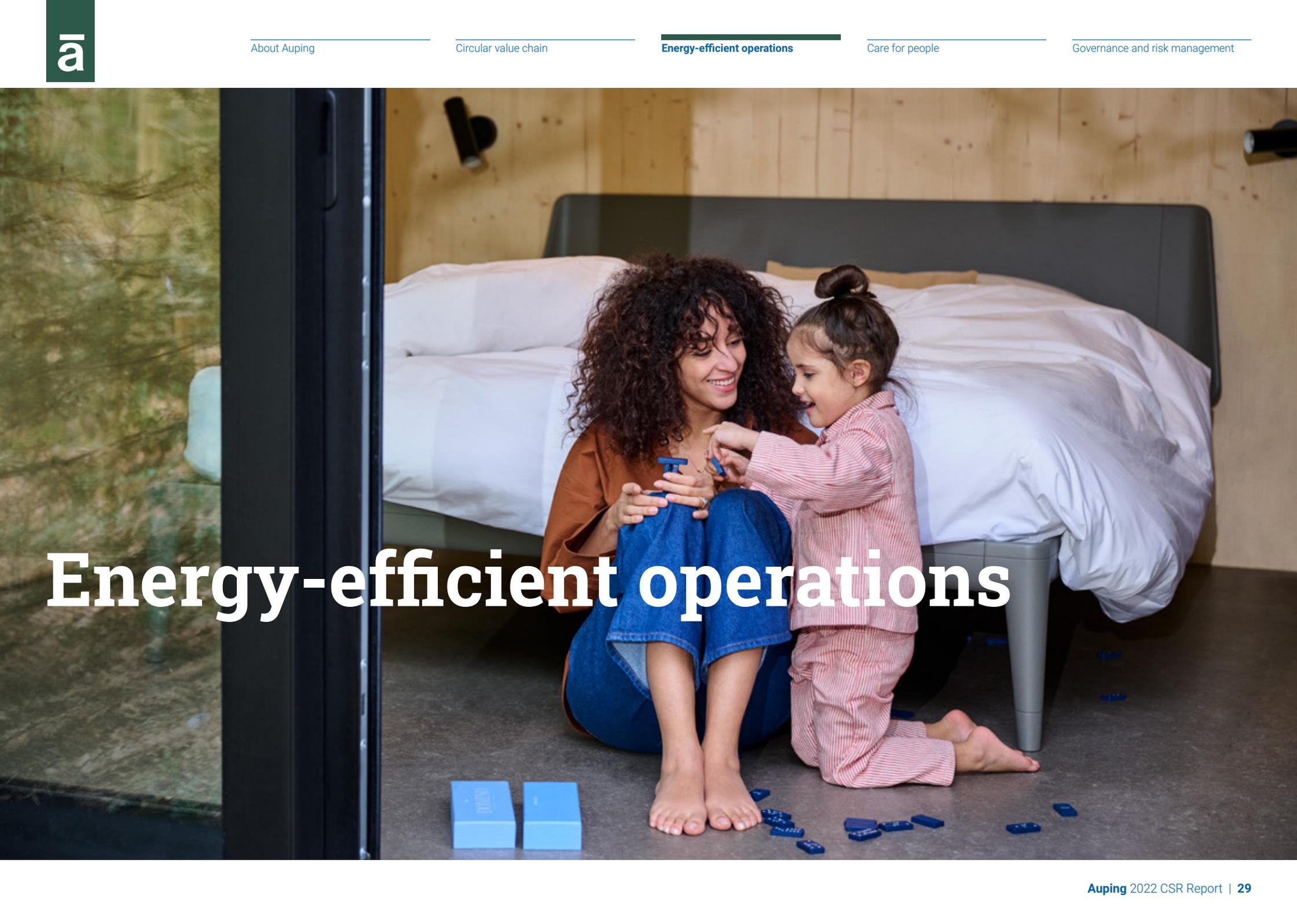
Recycling

Total waste weight in kg (x 1,000)

728,378

2021 **881,608** ▼ 17%

Waste oil	0.03%	Frying fat	0.06%
Clean and untreated wood	5.87%	Cardboard	23.91%
Aluminium	1.74%	Paper coffee cups	0.36%
Archive	0.09%	Plastics (not including film)	0.21%
Batteries	0.01%	Mattresses	17.38%
Tin	0.82%	Metals	30.56%
Film	0%	Scrap iron	0.11%
		Textile	18.87%

A photograph of a woman with curly hair and a young girl in a room. The woman is sitting on the floor, and the girl is kneeling next to her, playing with blue blocks. There is a bed with white linens in the background. The text "Energy-efficient operations" is overlaid in large white font across the middle of the image.

Energy-efficient operations

Energy-efficient operations

Topic	Indicator*	Status	Commitment	
		2022	2025	2030
Energy and water	Reduce consumption	Gas: 132,000m ³ Water: 2,241m ³ Electricity: 3,581,000kWh	Gas: -100% Water: -5% Energy: +5%	Gas: -100% Water: -10% Energy: -5%
	Green energy Self-generated energy	100% 27%	100% 50%	100% 80%
Impact of our operations	Scope 1 carbon emissions	824	25%	100%
	Scope 2 carbon emissions	90	0	0
Supply chain impact	Scope 3 carbon emissions	21,929	-15%	-50%
	Suppliers' energy consumption	baseline measurement in 2023	-15%/50% green	-25%/100% green
	Retailers' energy consumption	baseline measurement in 2023	-15%/50% green	-25%/100% green

*See appendix (page 48) for indicator definitions.

The target we have set ourselves is to generate 80% of our energy ourselves by 2030 and we are on track to hit that target. The ultimate goal is, of course, to become completely self-sufficient in meeting our energy needs. Over the coming years, we will be taking the next steps, which include to stop using gas altogether, as we target 100% scope 1 carbon neutrality by 2030. We are also working to reduce our impact in the supply chain, both at our suppliers and at our retailers.

Electricity, water and gas

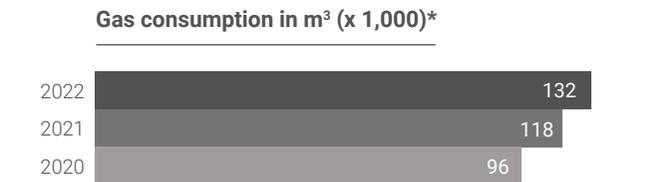
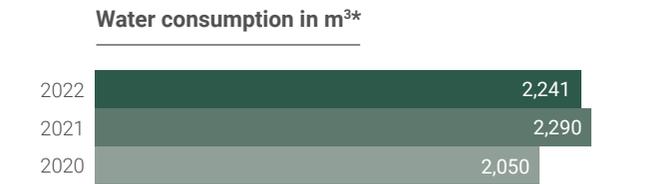
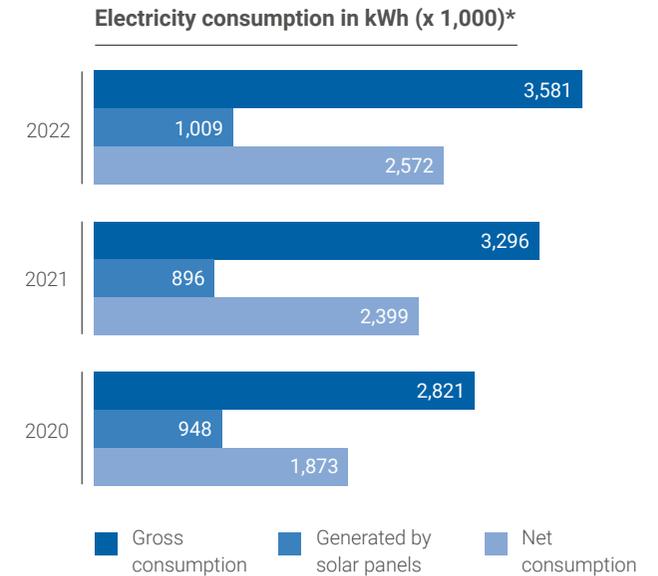
Our aim is to substantially reduce the electricity, water, and gas we use, both at our factory and at our offices worldwide.

Our targets for 2025 are: reduce gas consumption by 100% and water consumption by 5%. We expect our electricity consumption to go up as we switch from gas to electricity for certain systems. Progress on these targets will be measured against the baseline measurement conducted in 2022.

Green energy and self-generated energy

At our production facility and offices, green energy already makes up 100% of our total energy consumption.

By 2025, we want to be self-generating 50% of the energy we use. In 2022, we generated 27% ourselves. In order to increase the share of self-generated energy, we will be installing solar panels on the office roof in the first half of 2023. We already have solar panels on the roof of our factory.



*Consumption without including the temporary production facility at Bergweidedijk 7.



Our factory is already energy-efficient

Our factory in Deventer is already energy-efficient and uses smart, energy-saving technologies, such as the following:

- A heating, ventilation and air conditioning (HVAC) system with heat recovery. We use residual heat to preheat ventilation air.
- A ground-coupled heat exchanger. During hot periods, we store heat that we subsequently use to heat our buildings during cold spells, and in the winter we store cold air to cool our buildings during hot spells.
- Reflective roofing. This 'cool roof' coating keeps heat out of the building and reduces the need for air conditioning.

- Hot water heat pipes on the roof of our factory store heat from the sun and act as a solar boiler to heat our water.
- Intelligent LED lighting.
- A closed-loop wastewater system.
- A biomass-powered boiler for carbon-neutral heating.
- Solar panels that allow us to generate our own electricity.



Martijn van Haaf, Operations Director:

'The focus is on reducing energy consumption'

Auping keeps close track of developments in technology and its power and gas consumption. Martijn van Haaf: 'The focus is on reducing energy consumption and achieving the most carbon-friendly operations. In addition, we invest in new and existing technology to ultimately become self-sufficient in meeting our energy needs. All the energy we procure is certified 100% green energy. When we buy new systems, energy performance is a key decision factor. Sensor technology and encouraging energy-conscious behaviour among employees

also helps. Our ground-coupled heat exchanger has already brought a considerable reduction in our gas consumption, and it allows us to make the most of residual heat. We still use relatively large volumes of gas in our muffle furnace, even though it is well insulated and heat losses are limited to the greatest degree possible. In the long term, we want to fully electrify the muffle process, which will be a major step towards carbon-neutral operations.'

Impact of our operations and supply chain impact

Since 2019, Auping has been measuring carbon emissions from its operations and its supply chain impact based on the global standard of the Greenhouse Gas Protocol (GHG). Needless to say, the idea behind this is to reduce the impact in scopes 1, 2, and 3 alike. Since the first measurement, we know that the biggest impact of our operations is in scope 3. Our focus on and investments in sustainable energy consumption for scopes 1 and 2 over the past years are clearly paying off. Our goal with respect to our carbon emissions is no less ambitious; by 2030, we want to neutralise our impact in scopes 1 and 2 and halve our impact in scope 3 compared to 2022 levels.

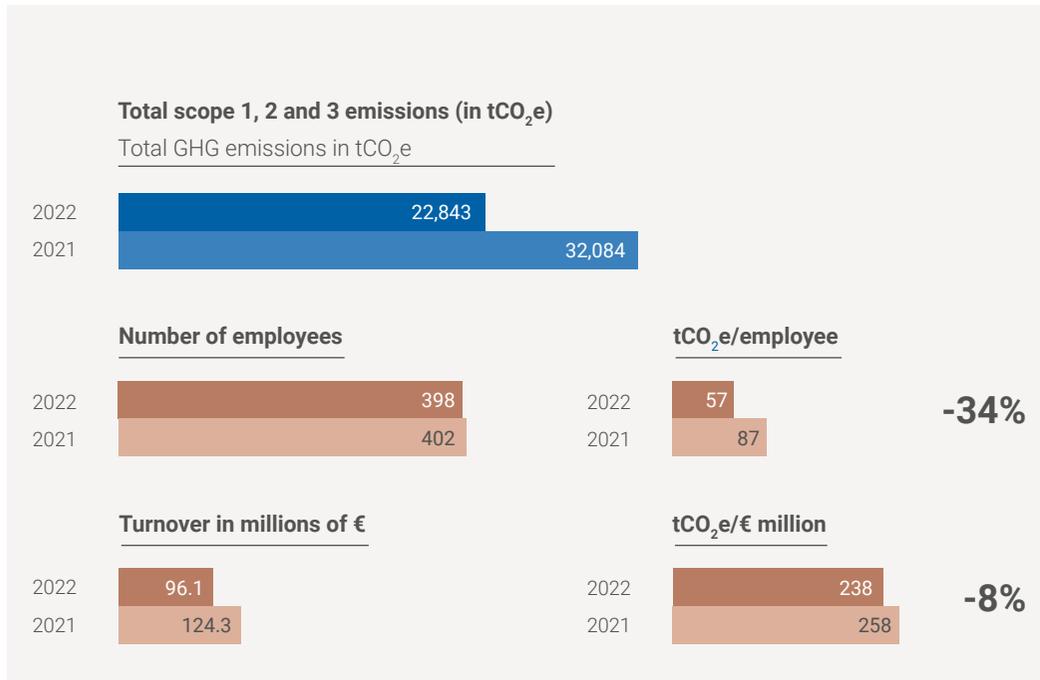
Emissions reduction

Over the past year, total emissions in scopes 1, 2 and 3 were 22,843 tCO₂e, down 28.8% on 2021, when total emissions came in at 32,084 tCO₂e. Of these emissions, 3.6% were scope 1 emissions (2021: 2%), while scope 2 emissions totalled 0.4% (2021: nil). The biggest decrease came in scope 3, where emissions dropped 30.3% from 31,468 tCO₂e to 21,929 tCO₂e, mainly as a result of a reduction in goods procurement and improved data and calculation methods.



Our GHG assessments are increasingly accurate

Sustainability consultancy firm South Pole has been performing impact assessments for Auping since 2019. Together with them, we work year after year to make our calculations more accurate. We are in it for the long haul. Carbon emissions are often still measured using assumptions based on industry averages and calculations, meaning that not all calculations apply in full to our situation and they are sometimes hard to compare, especially for scope 3. Year on year, we have managed to make our calculations more accurate. This year, for example, we did that by using our Stores' actual energy consumption figures (scope 3) instead of assumptions as we did in the past. We also factored actual energy consumption data from our international sales offices in Belgium, Germany, and Denmark into the calculation this year. As a result of the use of actual data instead of industry averages, we are seeing our carbon reduction measures reflected in our emissions figures.



Emissions overview

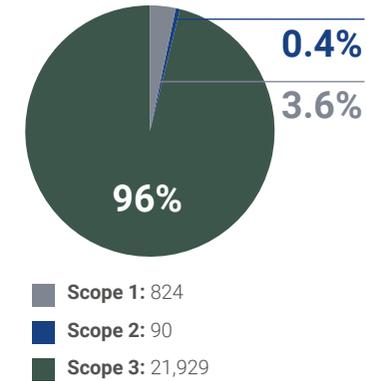
96% of Auping's emissions are scope 3 emissions, i.e. from other indirect energy consumption. Of this amount, 86.1% comes from activities related to the procurement of our goods and services, while the other 3.7% comes from our franchises' operations.

Scope 1	
Direct GHG emissions in tCO ₂ e	
2022	824
2021	615

Scope 2	
Indirect GHG emissions in tCO ₂ e	
2022	90
2021	0

Scope 3	
Other indirect GHG emissions in tCO ₂ e	
2022	21,929
2021	31,468

Total for scopes 1, 2 and 3



Scope 3 activities: other indirect GHG emissions in tCO₂e

Per primary source	2021	2022		
Business travel	160	66	0.3%	
Procurement of goods and services	21,117	18,881	86.1%	
Capital goods	2,350	263	1.2%	
Employees' commute	172	286	1.3%	
Upstream transport and distribution	1,303	548	2.5%	
Operational waste	629	548	2.5%	
End-of-life processing of products sold	681	241	1.1%	
Fuel and energy-related activities	688	285	1.3%	
Franchises	4,368	811	3.7%	
Total	31,468	21,929		

Scope 3: indirect GHG emissions in tCO₂e associated with the procurement of goods and services

2022	18,881
2021	21,117





What we measure with scopes 1, 2 and 3

Scope 1: emissions in this category are direct carbon emissions caused within the organisation.

These are emissions from our activities, such as those in the logistics and manufacturing domains, and then in particular from our heating, vehicles, and air conditioning systems.

Scope 2: this category comprises indirect carbon emissions caused by the generation of the power or heating used. This includes power consumption at our temporary production facility.

Scope 3: this concerns indirect carbon emissions caused by the operations of partners in our production chain and that we have no direct control over. Scope 3 emissions include emissions produced by our suppliers, for example.

Scope 1

When it comes to our own direct impact, which comes primarily from our factory, we can build on the transition to a single production facility that we initiated in 2015. Not only the production environment will reap the benefits of that, so will the office environment, which we are heating using residual heat from the factory. Last year, we saw a slight increase in scope 1 emissions, caused mainly by the use of gas at our temporary circular mattress production site (Bergweidedijk 7, Deventer). Additionally, we also include company-leased cars used by employees in scope 1 instead of scope 3 this year, as the use of these vehicles does come under our direct control.

We expect scope 1 emissions to drop over the coming years following the closure of the temporary production facility. On top of that, we believe there is further room to reduce our scope 1 emissions by switching from a gas-fired to an electric muffle furnace at our factory.

With our current muffle furnace, we consume around 100,000m³ per year to cure the coatings on our products. Our aim is to have completely stopped using natural gas and, therefore, have a carbon-neutral factory by 2025.

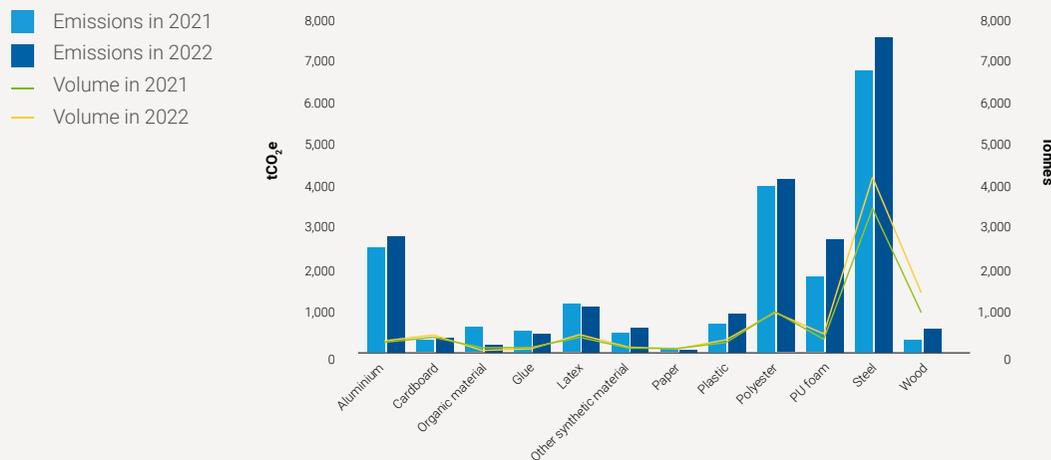
Scope 2

All energy-efficiency measures and our green energy contract (100% Dutch wind power) have kept our scope 2 emissions at a very low level for years now. The increase registered in 2022 is mainly due to electricity consumption at our temporary production facility. Given that we do not expect to be using this facility for the long term, we see this increase in emissions as an isolated, temporary peak and will not implement any further energy-efficiency measures in response. We will, however, continue to invest in ramping up our capacity to generate our own energy at our permanent sites. We expect to ultimately be able to self-generate 80% of the energy we consume.

Supply chain impact, scope 3

Since 2019, we know that the biggest impact of our total operations is in scope 3, i.e. indirect carbon emissions produced by our suppliers and retailers. Within this category, 'procurement of goods and services' carries the most weight, representing approximately 86% of our scope 3 emissions in 2022. This category comprises all materials we procure for the manufacturing of our beds, mattresses, box springs, and other products.

Summary of emissions from resources used in 2021-2022



Therefore, the drop in our absolute scope 3 emissions compared to 2021, which are related directly to our operations, was mainly driven by the 'procurement of goods and services' category. The reduction in emissions relating to goods procurement in 2022, compared to 2021, came, for example, on the back of the end of the face mask production contract from the Dutch government. We continued to make face masks for only a short period in 2022, meaning that we procured fewer materials for it. A second impactful driver of the drop in scope 3 emissions is the use of more accurate data that provides a more realistic picture of our situation than the generic data we used in the past. This particularly comes to the fore in the impact of the 'franchisees' category.

Our retail partners are franchisees who play a crucial role in our objective of bringing rest to the world. In scope 3, we take into account retailers who use our 'Store' format. These are single-brand

Auping Stores where we are able to exercise some level of control over emissions, as opposed to the multi-brand Studio outlets. Over the past year, the single-brand Auping Stores produced 3.5% of our scope 3 emissions. Together with our retailers, we will be stepping up our efforts to cut energy consumption. Additionally, we are going to encourage these entrepreneurs to increase the share of 'green' energy in their total energy mix. The aim is 100% green energy by 2030. At present, the Auping Stores' average energy consumption is 48kWh/m² and 3.23m³/m² for power and gas respectively. Currently, 70% of that is green energy.

In order to realise our goal of halving our scope 3 emissions, we will primarily target reduction of the impact of the goods we procure, including by using recycled content as an alternative to high-impact materials such as steel, and by engaging with suppliers on how to reduce emissions across the supply chain.



Steven Terpstra, Supply Chain Risk Operator:

'We believe in a collaborative supply chain'

Steven's focus is on analysing the full spectrum of materials supplied, and the extent to which they meet Auping's sustainability criteria. Besides the materials themselves and the distance over which they are shipped, this analysis now, as of 2022, also looks at suppliers' energy consumption and carbon emissions. Steven: 'We are committed to building long-term relationships and, therefore, expect an effort from our suppliers when it comes to their energy consumption. It really is

teamwork. We ask them to take a detailed look at the impact of their manufacturing. The tricky part is to determine how much of their carbon emissions are Auping-related. Not everyone has that kind of detailed insight into their emissions. This is how we fulfil our role in the complete supply chain, as we indirectly also stimulate them to produce as energy-efficiently as possible and join us as we work to reduce the impact of the total supply chain.'



Where we stand today

A study by sustainability consultancy firm South Pole shows that we have already made great progress on scopes 1 and 2. Going forward, we will take the final steps in this process, so that our operations will be carbon-neutral by 2028 and energy-neutral by 2030. The challenge clearly lies in scope 3. For Auping, 2023 will be year in which we will also make plans for reduction of this indirect part of our emissions.



Care for people

Care for people

Topic	Indicator*	Status	Commitment	
		2022	2025	2030
Employees	eNPS	35	40	45
Suppliers	% Code of Conduct Insight into 2 nd tier	- 25%	80%/100% 50%	80%/100% 100%
Customers	Good sleep quality (PSQI)	95%	>90%	>90%

*See appendix (page 48) for indicator definitions.

Whether you look at the rising cost of living or our renewed freedom of action after the pandemic, the year 2022 once again showed that we are living in a rapidly changing world. This requires organisational resilience and agility, but also resilient and agile employees. It has made long-term development of employees and offering them a safe work environment even more important. However, care for people also implies care for our suppliers and our customers.

Employees

The long-term development of our employees is a key prerequisite for our ability to anticipate and respond rapidly to today's changing world. In 2022, we recorded our vision on this and started to roll it out. In our vision, a focus on the individual and their personal

development is a given. Reciprocity in the manager-employee relationship from a safe basis comes first here, whereby employees are empowered to take control of their own development. A key aim in this respect is that we offer our employees an accessible, broadly scoped, and diverse range of learning options.

eNPS

We are proud of our eNPS (Employee Net Promoter Score) of 35. But it does not stop there for us, we want to further improve our score by, among other things, ensuring a safe place to work for all. We are also working to make training courses and learning and development programmes for employees even more accessible. We will, furthermore, closely evaluate the results of the employee engagement survey, with a view to extrapolating points for improvement.

Inclusion

Auping is committed to a safe work environment where everyone feels at home, regardless of age, experience, background, gender,

and sexual orientation. This is why our recruitment and selection policy includes a focus on engaging in frank dialogue and building diverse teams.

In order to get career switchers to join Auping, we have teamed up with Aventus and Randstad to offer them the retraining they need for a new career at Auping. A language programme has also been launched to help employees who are struggling with Dutch to become fluent in the language.

Leadership programme

In order to be able to offer the safe basis needed for optimum development of our employees, we kicked off a major leadership programme in 2022 for the 24 managers who make up Auping's senior management layer. Based on the principles of Secure Base Leadership, this programme offers managers tools to create a safe work environment and bolster an entrepreneurial mindset.



eNPS: Top 10 employer in the region

Do our employees recommend us as an employer? That is the question we seek to answer every year by determining our eNPS (Employee Net Promoter Score). Our eNPS was so high in 2022 (35) that we can call ourselves a World-class Workplace in 2023. While we are, of course, proud of that, it is not the end of the line for us. We want to become one of the top 10 employers in our region, so as to reinforce our ability to attract and retain even more talent.

A safe place to work

We are committed to a safe work environment where everyone feels at home and to a place of work that is also safe in a literal sense. In 2022, we took several important steps in the HSE domain (health, safety, and the environment).

Dedicated HSE Manager

We appointed a dedicated HSE Manager in 2022. She has started to update the HSE policy to reinforce the focus on prevention.

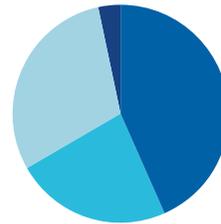
Occupational health and safety management system

In addition, an occupational health and safety management system was set up and safety incident reporting has now been digitised. All production managers have an app that lets them report incidents easily and quickly. There are five incident categories (see graph).

Total in 2022: 90 safety-related incidents reported

Of these 90 safety-related incidents reported, 14 were repeat incidents. We took 54 corrective measures to prevent repeats.

Safety-related incidents reported



- 39 ■ Hazardous situation
- 21 ■ Near accident
- 27 ■ Minor injury accident
- 3 ■ Feeling unwell
- 0 ■ Environmental incident



Inge van der Weijden, Works Council Chair:

'Maintaining dialogue based on trust'

Inge van der Weijden is Trade Support Coordinator and Chair of the Works Council. Inge: 'What unites us here at Auping is the pride we take in the Auping brand, our history, our innovation, and our objective to offer a completely circular product range by 2030. The works council has meetings throughout the year, and we also have consultative meetings with the director. You can only be effective together if you are open with each other. As the works council, we are open about our concerns, questions, and the advice we share, and the director openly and transparently shares information with us.'

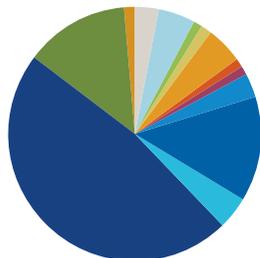
'I'm pleased with the way we are working together. There is a basis of trust, and we feel heard. This enables us to really be good representatives of our colleagues. A lot of attention is given to leadership development, so as to give managers the tools they need to create a safe work atmosphere where employees feel empowered to take initiative. This is something that will be developed further over the coming years. It is enormously important to us that Auping, as an employer, creates a fertile ground from which employees can grow and thrive.'

Suppliers

Auping worked with 55 product-related suppliers in 2022 (2021: 52). We often have long-term relationships with these suppliers and this part of the supply chain produces by far the largest share of our emissions (scope 3). Besides the fact that we are committed to reducing these emissions, we want to broadly forge partnerships in which our values are represented.

Supplier material flows in 2022

Values (in kg)		compared to 2021
Aluminium	220,222	↓ 13.76%
Cardboard	341,589	↓ 13.76%
Organic material	88,245	228.12%
Glue	99,404	48.40%
Latex	340,858	↓ 15.60%
Other synthetic material	82,402	↓ 20.84%
Paper	73,901	13.55%
Plastic	216,144	↓ 23.16%
Polyester	951,364	1.89%
PU foam	293,627	↓ 30.44%
Steel	3,417,728	↓ 17.85%
Wood	940,843	↓ 32.75%
Other	94,493	↓ 45.39%
Total	7,160,819	↓ 17.58%



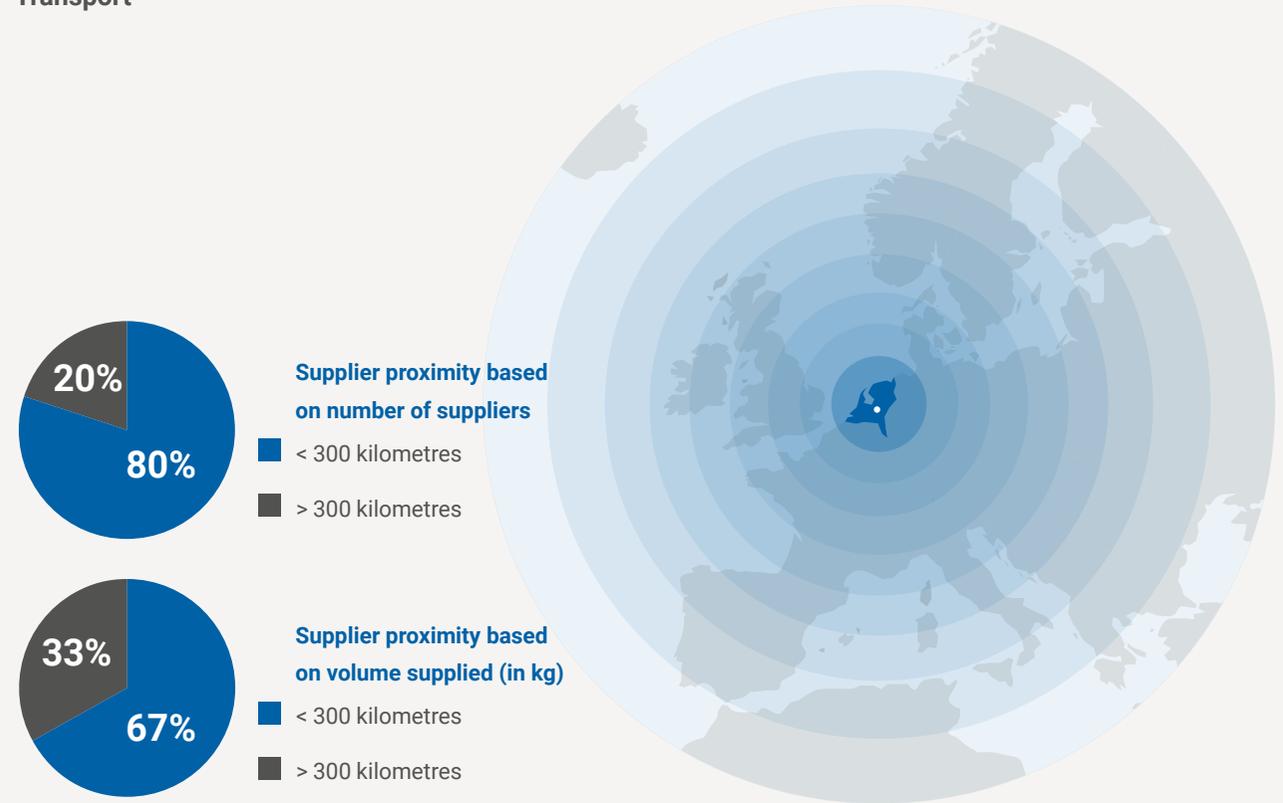
Code of Conduct

To this end, we updated our Code of Conduct in 2022. In 2023, we will engage in open dialogue with our suppliers and record these agreements together. Our aim is to have all suppliers from whom we procure product-related goods sign our Code of Conduct (100%). For non-product-related procurement, which covers various services and goods, we are aiming for 80% of our purchase spend.

2nd Tier

Besides investing in accurate insight into and thorough understanding of our suppliers' operations, we will also invest in increasing our knowledge of our suppliers' suppliers, i.e. the 2nd tier, over the coming years. The idea is to gain a better view of our total supply chain, so as to subsequently be able to better estimate our impact. By 2030, we want to know who all our suppliers' suppliers are.

Transport



Customers

Everything we do at Auping is geared towards bringing rest. Good sleep quality is essential for healthy living and, therefore, truly valuable. Anyone who sleeps poorly knows that it affects many aspects of life. You feel tired, are irritable, easily distracted. When you are well rested, you experience the opposite effects: you are relaxed, energetic, sharp, and pay more attention to others. After a good night's sleep you are the best version of yourself.

Good sleep quality according to Auping

This is something we have all known for a long time. And yet many people do not prioritise their sleep and lack awareness of what is important for them when it comes to sleeping. We are all familiar with most of the conditions for a good night's sleep, such as sleep duration, a regular schedule, and as few disruptions as possible. The thing is, however, that every human being is unique. We all have our own needs and preferences, also when it comes to sleeping. Auping helps gain insight into these needs and preferences and offers valuable sleep solutions to meet them.

The importance of sleep

Sleep quality affects how we function during the day. Studies have shown that when we do not sleep or do not get enough sleep, our brain is severely impacted. It affects our memory, our ability to concentrate, our speech, our reaction time, our decision-making capacity, and our sense of time, place, and organisation. On top of that, it has an impact on our emotions and physical health. Poor sleep and a lack of sleep can have adverse effects on, for example, our mood and perseverance. Good sleep leads to higher energy levels and a fitter body. The importance of sleep can roughly be subdivided into physical recovery, mental recovery, and emotional recovery.

How do Auping customers sleep?

How well do customers sleep on an Auping mattress? This is what we measure every year by sending out a questionnaire to a section of our customers. This questionnaire is based on part of the Pittsburgh Sleep Quality Index (PSQI) questionnaire (item 9), which

is a commonly used tool in sleep research. The questionnaire is perfectly aligned with our 'Auping brings rest to the world' strategy, asking respondents about their sleep quality over the past month.

Sharing sleep knowledge

Our aim is a well-rested world. With this in mind, we are putting great effort into raising awareness among all our stakeholders of just how important good sleep quality is. We do that through the Auping Academy, workshops, and online communications such as newsletters and blogs.

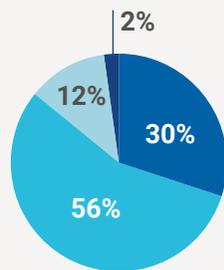
Sponsor of Rest

As a 'Sponsor of Rest', we not only bring rest to teams in different sports by giving them Auping mattresses to sleep on, but also by organising knowledge sessions with and for those teams. In 2022, for example, we organised knowledge sessions on the importance of rest with the Royal Dutch Field Hockey Association for the Dutch women's and men's national field hockey teams. We supplemented

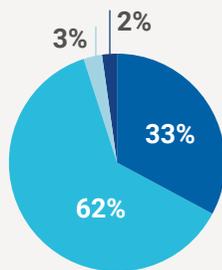
Sleep quality survey*

How would you rate your overall sleep quality during the past month?

- Very poor
- Fairly poor
- Fairly good
- Very good



All respondents
86% sleep fairly well to well



Auping sleepers
95% sleep fairly well to well

* Sample size: 501. Percentage of Auping sleepers in the sample: 12%.



these sessions with personalised sleep advice for each participant. The goal is to improve the teams' performance by helping them sleep better.

One of the things we did in 2022 as part of our sponsorship of our local Deventer football club Go Ahead Eagles was to give a workshop on the importance of rest with practical sleep tips for 250 footballers aged between 13 and 21. The workshop was also attended by parents.

In 2023, we will be further deepening our collaboration with Go Ahead Eagles. With their under-18s and under-21s, we will be doing workshops on what good sleep quality can do for individual on-pitch performance. This will be linked to scientific research where we measure the effect of good sleep quality on things such as speed and pass accuracy.

Auping Academy

The Auping Academy is the training institute for all Auping advisers, offering a range of nearly twenty different e-learning courses on our products, but also on ergonomics, on the 'value of rest', and, of course, on our sustainable dreams. A large number of these e-learning courses are available in as many as five languages. Since 2019, we have pulled out all the stops to expand and further internationalise our online training offering. Over the past three years, our e-learning courses were taken more than 9,000 times.

In 2022, we put on over 300 in-person training sessions with a team of over twenty specialists and trainers, and over 1,500 people worldwide took our e-learning courses.



Helen Zwiers, Auping Academy Knowledge Manager:

'We contribute to that genuine Auping feeling'

At Auping, we do not just sell a bed, box spring, or mattress. We sell rest. We do not do that on our own. Auping believes in close collaboration with committed independent entrepreneurs who love Auping just as much as we do. Helen Zwiers: 'Where you get that ultimate Auping feeling? At a shop where an Auping adviser welcomes you with love, tells you all about our great brand with enthusiasm, knows all the ins and outs of our products, and gives you ergonomically substantiated mattress advice. Wherever possible, we help them with that. The Auping Academy is the go-to training institute for any Auping adviser with an ambition to learn and develop. Our programme is based on the pillars of Auping ambassadorship: product knowledge, sales, ergonomics, management coaching, and hospitality.'

We put on in-person training sessions in shops and at our showroom in Deventer (with the look and feel of a real Auping Store), as well as online training in the form of e-learning courses. With a team of over twenty specialists and trainers, we hosted over 300 in-person training sessions in 2022, and over 1,500 people worldwide took e-learning courses in five languages. With the Auping Academy team, we do more than just convey knowledge to our retail channels, we also seek to strike up collaborations with our entrepreneurs and Auping advisers. This close collaboration is essential if you want to do better every day. At every training I give, it is fantastic to see just how much passion the Auping advisers have for their work and for our brand.'



Governance and risk management

the basis for our company

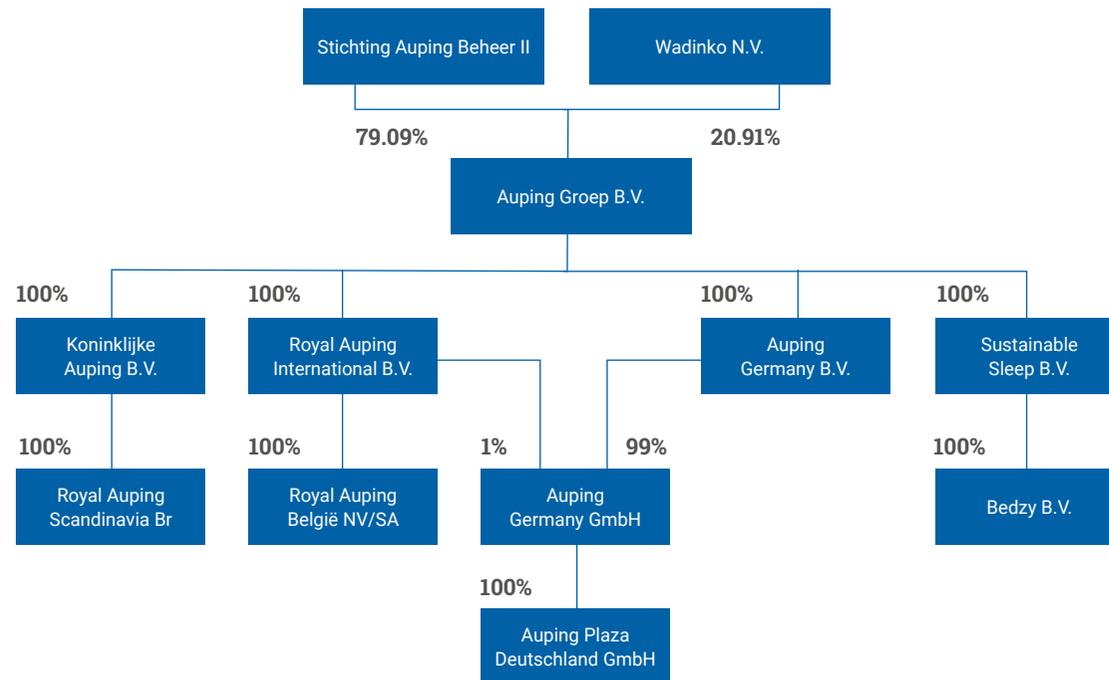


Management Team

From left to right: Dijana Husedinovic, Jan-Joost Bosman, Martijn Aalders, Martijn van Haaf, Linda Hoebe, Mark Groot Wassink

Corporate Governance

Auping is a company with a two-tier board that was founded and is based in the Netherlands. Dutch laws and regulations and the company’s articles of association determine the governance structure. The legal structure of the group is shown below.



Roles

Auping board

Auping’s formal executive director is Jan-Joost Bosman (Chief Executive Officer and Chair of the Management Team (MT)).

Management Team

Auping’s executive board is made up of the Management Team. Besides the chair, the MT is made up of the following people:

- Linda Hoebe (Chief Financial Officer).
- Martijn van Haaf (Operations Director).
- Dijana Husedinovic (Marketing Director).
- Mark Groot Wassink (Sustainability & Innovation Director).
- Martijn Aalders (Human Resources Director).

The MT’s responsibilities include:

- Achieving the goals.
- Implementing the strategy with the associated risk profile.
- The result.
- The company’s development, including relevant social aspects.

Tasks and responsibilities

The board focuses on the interests of Auping and associated companies. The board is responsible for Auping's corporate governance structure and compliance with the corporate governance code, accounting for its efforts in this respect to both the Supervisory Board and the shareholders.

The board's tasks include the following:

- Achieving Auping's goals.
- Formulating and implementing the strategic policy.
- Identifying and managing general and financial risks.
- Organising Auping's whistle-blower scheme and, more in general, human resource management associated with Auping's business activities.
- Ensuring well-functioning internal risk management and control systems.
- Ensuring and preparing the financial reporting process, which includes preparing the financial statements, the annual budget and main capital investments.
- Compliance with laws, regulations and the corporate governance code.
- Ensuring good relations with shareholders and depositary receipt holders:
 - Ensuring good relations with the works council.
 - Taking care of the social aspects of doing business that are relevant to the company, such as integrity.
 - Advising the Supervisory Board in nominating an external auditor for the shareholders to select.
 - Ensuring good relations with the Supervisory Board.
 - Making and implementing decisions faster thanks to shorter lines of communication.

Supervisory Board

Auping's Supervisory Board is made up of three members: Harm Tunteler (chair), Harm-Jan Mens and René Wolfkamp. Every shareholder has the right to nominate one Supervisory Board member.

Given the size of the Supervisory Board and Auping's manageability, the Supervisory Board has not set up a separate audit and remuneration committee.

Tasks and responsibilities

The Supervisory Board performs all tasks specified in the law and articles of association, supervising and advising the board. In fulfilling their role, Supervisory Board members are guided by Auping's best interest. This also includes considering relevant social aspects of doing business. The Supervisory Board also focuses on the effectiveness of internal risk management and control systems and the integrity and quality of financial reporting.

The members of the Supervisory Board are collectively responsible for the fulfilment of their tasks and activities.

Supervisory Board meetings

The Supervisory Board has at least four regular meetings with the board every year, and more often as and when deemed necessary by a Supervisory Board member or the board. Supervisory Board meetings are led by the chair and resolutions are adopted by an absolute majority. Minutes are taken at every meeting.

Information provision

The board will brief the Supervisory Board in writing at least once a year on the main points of the strategic policy, the general and financial risks, and the company's risk management and control system. The board also makes sure that the Supervisory Board always has any data at its disposal that it needs to fulfil its tasks.

Quality

The Supervisory Board is responsible for the quality of its own performance. The performance of the Supervisory Board as a whole and individual Supervisory Board members is reviewed at least once a year. These performance reviews are not attended by the board.

Shareholders

The lines of communication to shareholders are short. Regular informative meetings ensure that shareholders are always updated on important developments at Auping in a timely manner and enabled to express their opinion.

Formal arrangements

Formal arrangements between shareholders, the Supervisory Board and the board are laid down in the articles of association, the shareholders/Supervisory Board/board covenant, the Supervisory Board rules of procedure, and the board regulations. The board and the Supervisory Board jointly set the strategy to follow. The covenant, rules of procedure and regulations include arrangements on communication between the board, the Supervisory Board and shareholders.

They also include provisions on things that the board cannot change or do without informing or seeking approval from the shareholders or Supervisory Board first. This includes amending the articles of association, company structure, financing, entering into major financial commitments, making major investments and appointing directors.

Appointment and remuneration

Governance

The Supervisory Board appoints the board and has the authority to suspend and dismiss the CEO. Dismissal is possible only after the

shareholders have had the opportunity to voice their opinion on the intended dismissal at the general meeting of shareholders.

The Management Team (MT)

It is up to the board to decide, with the Supervisory Board's approval, which positions make up the Management Team. Management Team composition is subject to change, for example following organisational changes. The board nominates new MT members and decides on their remuneration. MT members are appointed after the Supervisory Board has given its approval. Any changes to the agreement with MT members are also subject to Supervisory Board approval.

The Supervisory Board decides on the remuneration and other terms and conditions with respect to the Auping CEO's work, or any changes thereto.

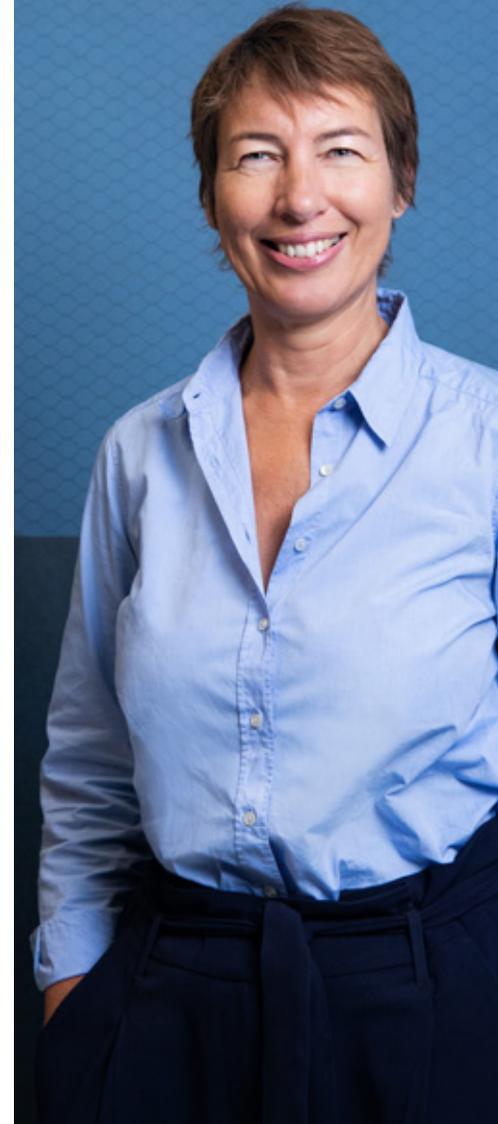
Supervisory Board

Supervisory Board members are appointed by the general meeting of shareholders following nomination by the Supervisory Board. Nominations are based on a profile compiled by the Supervisory Board. Shareholders and the works council may also nominate persons for appointment to the Supervisory Board. Auping appoints Supervisory Boards members to a four-year term. A Supervisory Board member can be reappointed to consecutive terms no more than once. Supervisory Board members retire from the Supervisory Board as of the end of the general meeting following termination of their (second) term. The Supervisory Board draws up a retirement schedule. Deviation from this schedule is possible in exceptional situations and for a maximum term of four years.

The Supervisory Board submits periodical proposals to the general meeting of shareholders on the remuneration of the chair and other Supervisory Board members.

Linda Hoebe, Chief Financial Officer:

'Balancing risk'



Linda Hoebe has been Auping's Chief Financial Officer since the summer of 2020. Linda: 'We recalibrated our strategy in 2022. In doing so, we departed from two basic principles: to protect continuity in the interest of all our stakeholders and to bring rest to the world. The latter is our promise to the world away from our non-financial goals. This promise revolves around value creation. Guided by our risk framework, we assess on a regular basis how we are doing on all our value pillars (circular value chain, energy-efficient operations, and care for people), what risks we are coming up against and how to mitigate them. Compliance and risk responsibility are key issues in this respect. My role is primarily to safeguard the balance between both basic principles. This means that the focus cannot solely be on financial risks, but must also be on the risks associated with our sustainability ambition, or risks that jeopardise this ambition. This risk approach enables us to guide Auping towards a sustainable future.'

Risk management

Auping's risk management approach is guided by its mission of 'Auping brings rest to the world'. In order to bring rest to our stakeholders, Auping makes short-term and long-term promises and converts these into concrete business objectives. This is based on a broad definition of direct and indirect stakeholders. By communicating its risk appetite, Auping informs its stakeholders of the nature and scope of the risks that Auping is willing to incur in achieving its business objectives.

In defining its risk appetite, Auping goes by the following risk areas (see the next page for explanatory notes):

- Strategic
- Financial
- Legislation and regulations
- IT and cybersecurity
- Operational

Over the coming years, Auping will further develop risk management as a topic and knowledge area, with a view to achieving a suitable level of maturity within the various divisions. The aim is to develop risk leadership among employees at all levels with respect to delivering on our promises, without creating unnecessary bureaucracy.

Risk appetite	Explanatory notes	Risk policy
Strategic risks		
Medium/high	Susceptibility to economic fluctuations, geopolitical and labour market developments with increasing requirements for innovation in the sustainability of the organisation and the circularity of the product portfolio requires policy that guarantees continuity for the long term.	Positively charging and guarding the Auping brand towards all stakeholders. Actively managing the product portfolio with a focus on different product groups, price propositions, and markets, while actively advancing the decarbonisation of our product portfolio and manufacturing process.
Financial risks		
Low	The financial policy is geared towards long-term profitability, ensuring correct reporting to stakeholders, and hedging risks where possible and economically sound. Maintaining the financial strength needed to bear strategic risks.	The organisation is set up with a segregation of duties based on the nature of the activities to safeguard Auping's values to achieve the objectives. Maintaining an adequate and effective financial control system prioritising the planning and control cycle, capital management, and liquidity and cash flow risk management.
Legislation and regulations		
Low	Legislation and regulations are primarily intended to protect society and create a level playing field for all companies. Auping has committed itself to these objectives and organises its operations in a way that ensures compliance with legislation and regulations.	Compliance policy and methods to maintain insight into and a grip on the increasingly complex regulatory landscape. In addition, we create a culture where detecting compliance irregularities and risks is not seen as a negative signal, but instead serves as a basis for further improvement.
IT and cybersecurity		
Low	An active IT and cybersecurity policy is imperative, given the growing importance of our IT systems for sales, stakeholder communications, and support of internal organisations.	With respect to IT, the policy is targeted at keeping IT up to date, while the focus for cybersecurity is on prevention and recovery. On top of that, we have our controls and systems audited/hacked by white-hat hackers.
Operational risks		
Medium	The operational domain encompasses a wide range of risks, whereby the priority is applied on the basis of the Auping house. Employee health and safety, quality, supplier delivery reliability, and risk come first.	The policy is focused on prevention (people, partners), resilience (systems, processes), and insurance (low probability, major impact).

Appendix

About this report

In the following, we will explain the concepts used in this report and their definitions. We have arranged the concepts by pillar.

Circular value chain

Product range

- CTI product range: circularity indicator for material inflow and outflow, expressed as a percentage of the complete product range. The score for the overall product range is relative based on turnover by product group.
- Reuse of returns: the share of high-quality reuse of products returned, which is subdivided into remanufacture, refurbish, repair, reuse, and recycle on a similar level, measured in terms of weight as a percentage of the total weight of products returned.

Material procurement

- Recycled content: the share of recycled resources and materials procured as a percentage of the total volume of resources and materials procured. The total recycled content is the sum of virgin and recycled content.
- Sustainable wood: the share of procured wood (in kgs) from verifiably sustainable sources, expressed as a percentage of all the wood procured.
- Sustainable textiles: the share of procured textiles from verifiably sustainable sources, expressed as a percentage of the total volume of textiles procured. Sustainable textiles include GOTS-certified textiles, GRS-certified textiles, textiles made of 100% recycled content, and textiles that can be recycled fully and to high quality standards. This applies to all textiles used in our product range, such as fitted sheets and bedding.

Residual waste

- Reduction of residual waste: the volume by which residual waste from manufacturing of the product range has been reduced as a percentage of the volume of residual waste in 2021.
- Useful application of waste materials: the share of residual waste from the manufacturing of the product range that is used for recycling and reuse, not including recovery. The volume of waste materials used for a useful purpose is expressed as a percentage of the total volume of residual waste (including packaging material such as pallets).

Energy-efficient operations

Energy and water

- Reduce consumption: reduction of power (kWh), gas (m³), and water (m³) consumption at our offices in the Netherlands and internationally. Expressed as a percentage reduction compared to 2022.
- Green energy: the share of green energy in our total energy consumption at our production facility and offices in the Netherlands and abroad.
- Self-generated energy: the share of self-generated power in our total consumption at our production facility and offices in the Netherlands and abroad. Expressed as a percentage of total power consumption (kWh).

Impact of our operations

- Scope 1 carbon emissions: reduction of direct carbon emissions from our own sources within the organisation. These are emissions from our own buildings, means of transport, and manufacturing (including gas). The reduction also includes any carbon offsets backed up by certificates. Expressed as a percentage reduction compared to 2022.
- Scope 2 carbon emissions: reduction of indirect carbon emissions caused by the generation of the power or heating we procure and use. Expressed in tonnes of CO₂.

Supply chain impact

- Scope 3 carbon emissions: reduction of emissions resulting from the company's activities, but not from sources that are owned or controlled by the company. Expressed as a percentage reduction compared to 2022.
- Suppliers' energy consumption: the percentage by which energy consumption at 1st-tier production-related suppliers has been reduced compared to 2022, and the share of 'green' energy in the total amount of energy used by these suppliers.
- Retailers' energy consumption: the percentage reduction in energy consumption (compared to 2022) in the Auping retail environment where we can exert substantial operational influence, i.e. at the Auping Stores, and the share of 'green' energy in the total volume of energy consumed at these Auping sales outlets.

Care for people

Employees

- Good employment practices – eNPS: the share of employees who recommend Auping to family and friends as a good employer on a scale of -100 to +100.

Suppliers

- Code of Conduct percentages: the share of the annual purchase spend at suppliers who have signed the Code of Conduct, expressed as a percentage of the total purchase spend and a percentage for the share of suppliers for product-related purchase spend. The goal is, therefore, for 100% of the product-related suppliers and 80% of the total purchase to sign the Code of Conduct.
- Insight into 2nd tier: insight into the source of the materials and resources supplied by our suppliers, expressed as a percentage of the purchase spend at product-related suppliers who are fully transparent on the source of their resources and materials as a percentage of total product-related purchase spend.

Customers

- Sleep quality: every year, we measure how a sample of our customers (>n=100) rates their sleep quality based on the PSQI method. We are aiming for a score that exceeds the average in society.

Appendix

GRI table

In drawing up this report, we went by the Global Reporting Initiative's (GRI) G4 Sustainability Reporting Guidelines. We report as per the 'Core' option based on the guideline from 2016.

GRI

indicator	Description	Explanation or reference	Page number	Explanatory notes
Organisational profile				
102-1	Name of organisation	Koninklijke Auping B.V.	Cover, 54	
102-2	Brands, products and/or services	Product range	14	
102-3	Location of headquarters	Maagdenburgstraat 26, 7421 ZC Deventer, Netherlands	54	
102-4	The number of countries in which the organisation operates	Operates in Europe with a focus on the Netherlands and exports to 30 countries	13	
102-5	Ownership structure and legal form	Corporate Governance	43-45	
102-6	Sales markets	List of Core Markets and Export markets	13	
102-7	Size of the organisation	Our DNA and Key workforce figures	8, 9	
102-8	Composition of the workforce	Key workforce figures	8, 9	
102-9	Supply chain information	Circular value chain, Closing the loops, Collaboration with suppliers and Code of Conduct	21-28, 25, 39	
102-10	Significant organisational changes during the reporting period		N/A	None
102-11	Explanation of the use of the precautionary principle	Risk management	46-47	
102-12	External initiatives that the organisation endorses	B Corp certification, Closing the loops	16, 25	
102-13	Membership of associations and interest groups	Closing the loops	25	

GRI indicator	Description	Explanation or reference	Page number	Explanatory notes
Strategy				
102-14	Statement from the most senior decision-maker about the relevance of sustainable development to the organisation	Foreword, Corporate Governance	5, 43-44	
102-15	Key impacts, risks and opportunities	Our impact, Our stakeholder strategy, Value creation model, Closing the loops, and Risk management	9, 15, 20, 25, 46-47	
Ethics and integrity				
102-16	Values, principles, and standards of conduct	Our values	2	
102-17	Internal and external reporting systems for unethical and irresponsible behaviour	Care for people	36-39	
102-18	Operational structure of the organisation	Corporate Governance	43-45	
Governance				
102-18	The governance structure of the organisation, including committees under the highest governance body, as well as the committee responsible for decision-making on economic, environmental and social issues	Corporate Governance	43-45	
Stakeholder engagement				
102-40	List of stakeholder groups the organisation has engaged	Our stakeholder strategy	15	
102-41	Employment terms and conditions	Care for people	36-39	
102-42	Principles for the identification and selection of stakeholders	Our stakeholder strategy, Reporting framework	15, 19	
102-43	Manner in which stakeholders are kept involved	Reporting framework, Circular value chain (Circular Transition Indicators, CTI roadmap to 2030, Closing the loops, Wouter Dijkman interview)	19, 21-28	
102-44	Key topics and issues that have arisen from stakeholder consultations, and how the organisation has responded to them	Reporting framework, Closing the loops	19, 25	

GRI

GRI indicator	Description	Explanation or reference	Page number	Explanatory notes
Reporting principles				
102-46	Process for defining the content and specific scope of the report and the assumptions it uses	Our stakeholder strategy, Reporting framework	15, 19	
102-47	Substantive issues identified in the process of determining the content of the report	Reporting framework	19	
102-48	Consequences of any restatement of information contained in a previous report and the reasons for any such restatement	Not applicable		
102-49	Significant changes with respect to previous reporting periods in terms of scope and boundaries	Suppliers' and retailers' energy consumption, GHG measurement, Summary of emissions from resources used, customers enjoying good sleep quality (PSQI), 2nd tier, Employee Net Promoter Score (eNPS)	30, 32, 34, 37, 40, 39, 37	
102-50	Reporting period	1 January 2022 – 31 December 2022		
102-51	Publication date of the most recent report	May 2022		Auping 2021 Corporate Social Responsibility Report
102-52	Reporting cycle	Annual		
102-53	Contact for questions regarding the report or its contents	info@auping.nl	54	
102-54	GRI application level	GRI 4 Core (2016 guideline)	50	
102-55	GRI content index	GRI table	50	
Material topics				
201-1	Direct economic impact	Our DNA, SDG 9.4	8, 18	
203-1	Procurement impact	Circular value chain, Energy-efficient operations	21-28, 29-35	
203-2	Indirect economic impact	SDG 8.2	17	
205-1	Anti-corruption	Care for people	36-41	
206-1	Anti-competitive behaviour	Care for people	36-41	
302-1	Energy consumption within the organisation	SDG 13.2, Energy-efficient operations	18, 29-35	

GRI

GRI indicator	Description	Explanation or reference	Page number	Explanatory notes
302-3	Energy intensity	Energy-efficient operations	29-35	
302-4	Reduction of energy consumption	Energy-efficient operations	29-35	
303-5	Water consumption	Energy-efficient operations	29-35	
305-1	Direct emissions (Scope 1)	Energy-efficient operations	29-35	
305-2	Indirect emissions (Scope 2)	Energy-efficient operations	29-35	
305-3	Other indirect emissions (Scope 3)	Energy-efficient operations	29-35	
305-4	Intensity of emissions	Energy-efficient operations	29-35	
305-5	Reduction of greenhouse gas emissions	Energy-efficient operations	29-35	
306-1	Total weight of waste by type and disposal method	Circular value chain	22-28	
306-2	Management of significant waste-related impacts	SDG 12.5, Circular value chain	18, 22-28	
306-3	Waste produced	Circular value chain	22-28	
306-4	Waste diverted from disposal	Circular value chain	22-28	
306-5	Waste directed to disposal	Circular value chain	22-28	
307-1	Non-compliance with environmental laws and regulations	Not applicable		No fines or sanctions imposed on account of non-compliance with environmental laws and regulations.
401-1	Employee intake and turnover	Our DNA, Key workforce figures	8, 9	
403-2	Health and safety at work	Care for people	36-41	
404-1	Training and education	Care for people, Auping Academy (Helen Zwiers interview)	36-41	
404-2	Programmes for improving the skills of employees	Care for people	36-41	
405-1	Diversity within governing bodies and staff	Our DNA	9	

About this publication

This is the fourth edition of the Auping Corporate Social Responsibility Report.

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This report covers the period from January 2022 to December 2022. We are committed to gender diversity and do not want to label people, things, or characteristics as 'male' or 'female', so as to make sure that everyone feels included. Wherever this report does inadvertently use the pronouns 'he' or 'she', we mean that in an inclusive way and while allowing differences between people.

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