



Natural cosmetics

MADE BY ASAMBEAUTY

SUSTAINABILITY REPORT

As of: January 2022

 **asambeauty**
You are beautiful.

FOREWORD

Dear Reader,

The past year was a time of great challenges – for us as a company too. The pandemic affected our business, brought general uncertainty and called for changes in everyday life and many a creative solution. But 2021 has once again shown that sustainable positioning pays off.

As a family business, we offer high-quality, natural cosmetics MADE IN GERMANY. We have always attached great importance to treating the environment fairly and conserving resources.

This philosophy enabled us to remain equally committed to our business and sustainability goals in 2021. Our jobs also remained secure. And not only that: our workforce has actually grown. I am proud to say that we have emerged from this crisis stronger and more successful than before.

This also applies to our initiatives for greater sustainability: this report provides an insight into our milestones in 2021 and a look forward to what else you can expect from us in the future.



Marcus Asam
Founder & Chief Executive Officer

ASAMBEAUTY

IN NUMBERS

33 M

PRODUCTS SOLD IN 2021

140 M€

IN SALES IN 2021

No. 1

IN THE EUROPEAN BEAUTY
TELESHOPPING MARKET

650

PRODUCTS
MADE IN GERMANY

5

BRANDS

510

EMPLOYEES

1 M

CUSTOMERS ON
ASAMBEAUTY.COM

5.5 k

DISTRIBUTING
RETAIL PARTNERS

4

SALES CHANNELS: E-COMMERCE,
TELESHOPPING, RETAIL & PRIVATE LABEL

50

DISTRIBUTION COUNTRIES

As of: January 2022

ASAMBEAUTY

SUSTAINABILITY IN NUMBERS

130,000 €

DONATED TO CHARITY ORGANIZATIONS (2020/2021)

400,000 kg

OF PLASTIC PACKAGING
SAVED (SINCE 2018)

98%

RAW MATERIALS DERIVED
FROM EUROPE

*Sustainability
in our DNA*



162,000

PACKAGING MADE FROM
100% SOCIAL PLASTIC

341,500 kWh

SOLAR ENERGY FROM OWN
PHOTOVOLTAIC SYSTEM

17

SUSTAINABILITY MEASURES
IMPLEMENTED IN 2021

As of: 2021

OUR VALUE CHAIN



ASAMBEAUTY

FAMILY BUSINESS



AS A FAMILY BUSINESS, WE TAKE RESPONSIBILITY.

Founded in 1963 as "Asam Kosmetik", the traditional family business has remained true to its standards of corporate responsibility towards society and the environment.

FROM A SINGLE SOURCE. MADE IN GERMANY.

An in-house development and research laboratory, production facilities in Beilngries and Steinach in Bavaria, production of our own grape raw materials from the marc in the family-owned production facility in Landau in the Palatinate: producing everything from a single source and in our own country means short distances and conservation of resources.

Furthermore, we have started to completely switch the production sites to green electricity. More than 340,000 kWh of solar energy could be generated in 2020 alone using the company's own solar plant at the Beilngries production site.



Family business



Made in Germany
quality



Own research &
development

ASAMBEAUTY

PRODUCTION & RESEARCH



RESOURCE-EFFICIENT PRODUCTION.

To protect our environment, we use resources as sustainably and sparingly as possible. We source raw materials from selected suppliers who comply with strict sustainability guidelines in extraction and processing.

Returns are handled in a resource-conserving manner. Continuous improvement measures for logistics processes and transport routes contribute to the further reduction of CO2 emissions.

PIONEERING RESEARCH.

Good is never good enough for us. That is why we support scientific research on specialized topics such as preservation or the replacement of liquid micro-plastics. We work with renowned, scientific institutes (for example, the Fraunhofer Institute) and cooperate with suppliers on developing new textures and raw materials – all for the natural, responsibly produced cosmetics of tomorrow. The raw materials we use are carefully selected and strictly tested for quality, origin and compatibility.

Strict monitoring of raw materials during the analysis phase, dermatological compatibility tests, testing and confirmation of efficacy by external laboratories – every product undergoes numerous stringent tests before it is ready for the market.



*We combine the best of nature
and science and develop
cosmetics with a passion
for beauty.*



Resource-friendly



The best of nature
and science



Skin compatibility
dermatologically approved

PURCHASING

**OUR PURCHASING SOURCES.**

2021 posed a number of challenges for purchasing in particular. However, despite raw material shortages and the pandemic, we still managed to keep our delivery promises. Our sustainable positioning with a focus on regional suppliers paid off here.

ORIGIN OF RAW MATERIALS AND PACKAGING MATERIALS IN 2021.
Raw materials
15.5 M EUR

Raw materials come 98 % from European distributors.



90% Germany
8% Europe
2% Outside Europe



Packaging material



Raw materials



Delivery routes

Packaging material
16.9 M EUR

Around 74 % was sourced from Europe, 50 % of which came from Germany.



50% Germany
24% Europe
26% Outside Europe

REPACK

1. *Reduce*

Reduce the amount of packaging material through improved packaging concepts.

4. *Replace*

Replace the use of plastic with alternative packaging materials.



2. *Reuse*

Reuse packaging material through recycling.

3. *Recycle*

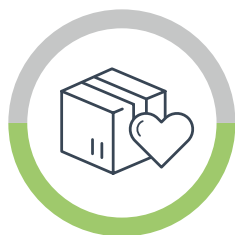
Recycle packaging material into new packaging.

SUSTAINABILITY MILESTONES



PRODUCTS: TEXTURE & PACKAGING.

- Expanded the vegan product range
- Started switching ahuhu packaging materials to Social Plastic® (2021)
- Saved over 400,000 kg of plastic packaging (since 2018)
- Developed refill solutions for the Bath & Body range (launch Q1 2022)



REPACKAGING.

- 100 % switch to FSC certified paper
- Preparations made to introduce environmentally-friendly shipping boxes (thus saving material and eliminating the need for adhesive strips and plastics)



SOCIAL COMMITMENT.

- 10-hour livestreaming shopping event for a good cause
- Donation of 15,000 euros to the "Deutschland hilft" campaign
- Support for the DKMS Life fundraising week
- asambeauty fundraising week: 60,000 euros for 3 charity organizations
- Stem cell matching campaign for employees with the DKMS
- Employee campaign: Advent calendar for disadvantaged children



PROCESSES.

- Introduction of bicycle leasing for employees
- Mobile working permanently to reduce the carbon footprint
- Collaboration with Climate Partner: offsetting of carbon emissions retroactive to 2019



LOCATIONS.

- 341,500 kWh of green electricity annually from own photovoltaic system
- All production sites switching to green electricity

ON THE AGENDA

GERMAN SUSTAINABILITY CODE.

The German Sustainability Code is the transparency standard for companies' sustainability reporting. It applies across all industries, defines sustainability criteria and facilitates better comparability. asambeauty has decided to proceed according to the German Sustainability Code in future. So we want to develop a long-term sustainability strategy based on the Sustainability Code's standards and regularly report on our company's developments.

To comply with the Sustainability Code, each company must submit a declaration on 20 of the code's criteria such as strategy, process management, environmental and employee concerns, and society and corporate governance. asambeauty has set itself the target of submitting a Sustainability Code declaration by 2023.

EXPANDING THE CSR COMMITMENT.

Giving something back to society has always been important to us. That is why, from 2022, we will be working closely with SOS Kinderdorf children's villages worldwide, primarily supporting projects for disadvantaged children and women.

CARBON FOOTPRINT:

COLLABORATION WITH CLIMATE PARTNER.

We are still forging ahead with various sustainability projects along our entire value chain to reduce our carbon footprint. We are also working with the climate action experts at Climate Partner. We are offsetting our CO₂ emissions retroactively from 2019. We have calculated our footprint for this purpose. The next step is to select suitable offsetting projects.



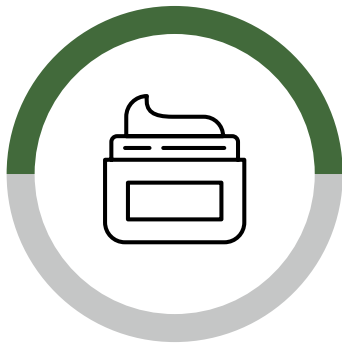
"Sustainability, resource conservation and respectful, fair treatment of our environment are firmly anchored in our corporate culture and have long been practiced as a matter of course at asambeauty."

Marcus Asam

Founder & Chief Executive Officer



ASAMBEAUTY PRODUCTS



Clean beauty is our goal. Our skincare products already do not contain any parabens, kerosenes, mineral oils, aluminum salts and solid microplastic particles.

THE MAJORITY OF OUR PRODUCTS ARE VEGAN.

We do not use ingredients derived from animal substances. Due to their very good care properties, we use honey, beeswax or propolis in exceptional cases only. At asambeauty vegan means: no gelatin, beeswax, honey, collagen, propolis, keratin, milk, caviar, lanolin.

“VEGAN” ONLINE SEARCH FILTER.

Hundreds of vegan products are available in all categories from our www.asambeauty.com webshop. With the new “vegan” search filter they are now very easy to find.

Of course, all products were and are **NOT TESTED ON ANIMALS.**

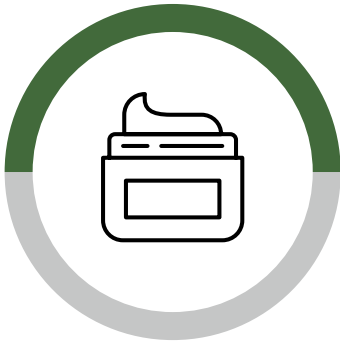
NATURAL COSMETICS LINE PLANNED.

We will soon go one step further. The launch of a certified natural cosmetics line is planned for 2023. Product development is already underway.



ASAMBEAUTY

PRODUCTS



PRODUCTS: TEXTURE & PACKAGING.

Our mission is to develop and patent our own active ingredients as well as delivery systems for them to absorb deeper into the skin. Our in-house research and development department is working together with renowned external institutes such as the Fraunhofer Institute on this. The packaging is recyclable, and stock sizes also help prevent packaging waste. All boxes and leaflets are made of 100% paper sourced from wood grown in sustainable forests. Massive savings are being made in plastic packaging, and alternative packaging materials such as glass and recyclable plastic are increasingly being used. Products like ahuhu’s solid shampoo and conditioner bar also help protect the climate: they do not contain any water and come without plastic packaging.

SWITCH TO SOCIAL PLASTIC®.

Since fall 2021, we have been working together with Plastic Bank and purchasing so-called Social Plastic®: This means recycled plastic that transfers its value to the lives of the people who collect it. Collectors in coastal regions of emerging and developing countries receive rewards from the Plastic Bank in exchange for the plastic waste they have collected.

After recycling, Social Plastic® is made available to us as plastic granulate with food grade certification. Since fall 2021, the first ahuhu products have been available in Social Plastic® packaging. We plan to switch the complete range to recyclates:

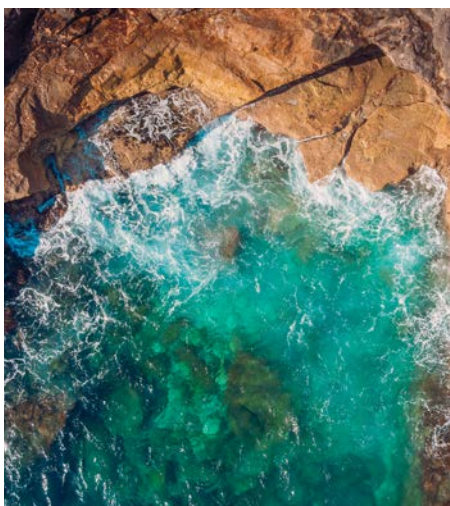
	2020	Ziel 2023	Ziel 2024
Share of recyclates / total plastic	52%	min. 70%	100%
Share of Social Plastic / rPET	60%		



ASAMBEAUTY

AHUHU ORGANIC HAIR CARE

ahuhu
organic hair care



AHUHU ORGANIC HAIR CARE.

ahuhu organic hair care by asambeauty is hair care based on nature in effective professional quality. We can guarantee the highest standards and safety for the innovative care line with our in-house research and development laboratory and own cosmetics production in Germany.

ahuhu does not contain any silicones, parabens, mineral oils etc. and instead processes valuable plant extracts, high-quality oils and proven active ingredients from anti-aging care for strong and healthy-looking hair from the roots to the tips.

In the summer of 2021, an ahuhu shampoo and conditioner were launched as solid hair care products that do not use plastic packaging.

Since Q3 2021, bottles have also been gradually switched to 100 percent recycled Social Plastic® from the Plastic Bank organization. At least 55 percent PCR (post consumer resin) material is used for tubes and jars.

Organic Hair Care



{
No silicones
No parabens
No mineral oils
}

ASAMBEAUTY

M. ASAM[®] BATH & BODY



{ 97% }
raw materials
of natural origin

M. ASAM[®] BATH & BODY PRODUCTS.

All M. Asam[®] sugar scrubs contain 97% raw materials of natural origin.

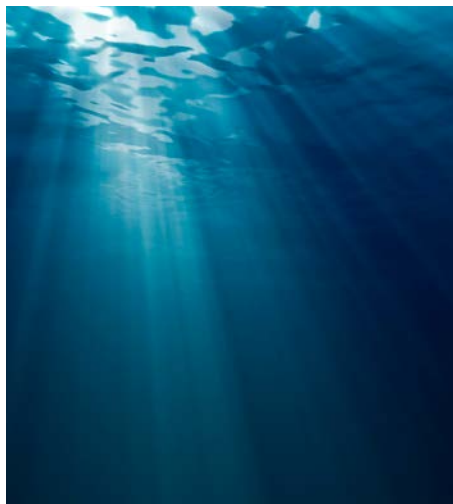
The packaging concept of the M. Asam[®] BATH & BODY line will be extended by a refill system with refill jars from Q1/2022. Once the care product is used up, there is no need to dispose of the entire jar. Just the inner cup is replaced – which means you can reduce your packaging waste by more than 80 percent. In addition, the introduction of refill pouches for the shower gels is in development.



ASAMBEAUTY

FLORA MARE™

FLORA  MARE™
OCEAN SKIN THERAPY



FLORA MARE™.

This pure, vegan marine cosmetics line does not use any microplastics, silicones, mineral oils and allergenic fragrances. About 50 clean, sustainable products are available for every skin type and age.

ALTERNATIVE PACKAGING MATERIALS.

In principle, glass packaging is used for Flora Mare™ Face Care. For Body Care products, we use at least 30% PCR material. The share of these materials is gradually being increased.

THE 360° PRINCIPLE

We take something out of the sea and give something back – because true value for us means that looking good and doing good go hand in hand and that we treat our skin, our oceans and the planet with respect.

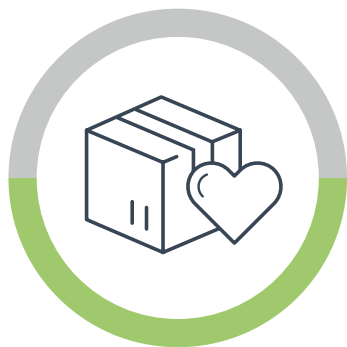


Ocean Skin Therapy

{
Vegan
No silicones
No microplastics
No parabens
No mineral oils
}

ASAMBEAUTY

PACKAGING CONCEPT



FOLDING BOXES.

Since January 2020, we have been reducing finishing processes and laminating where possible for hygiene reasons. In general, we are aiming to work without foil laminations as far as possible and to switch to folding boxes with a barrier slot in order to avoid unnecessary plastic.

GIFT WRAPPING.

We have not been using any metalizations since January 2020, this has already been 100% implemented.

PLASTIC-FREE SHIPPING BOXES.

In 2021, we have been working flat out to switch to shipping boxes with no plastic and adhesive strips. These will be introduced in a pilot phase in two sizes for the time being. The boxes are made of pure corrugated cardboard, use less material and can be resealed thanks to a special closure with locking slot.

FSC AND PEFC CERTIFICATION.

All asambeauty shipping boxes and the paper used for the folding boxes are FSC certified.

The “You are beautiful.” customer magazine is printed on PEFC-certified paper.



ASAMBEAUTY SOCIAL COMMITMENT



Taking responsibility towards society is a matter of course for asambeauty. For this reason, the company is involved in regular campaigns for good causes. A total of 130,000 euros was donated in 2020 and 2021 alone.

In July, we used a 10-hour livestreaming shopping event to call for donations for flood victims in Germany. For each order, 1 euro went to the "Deutschland hilft" campaign. asambeauty rounded up the sum collected to 15,000 euros.

We were also able to celebrate the 10th anniversary of our partnership with DKMS Life in 2021. DKMS Life organizes make-up seminars for cancer patients under the name "Look good, feel better". We support these with donations of money and products. We also used our social media reach to promote DKMS Life's "Cancer Doesn't Take a Break" fundraising week in November. Together with DKMS, we also organized a stem cell matching campaign for our employees in the run-up to Christmas. To support the DKMS in the fight against blood cancer, we distributed free test kits for inclusion in the bone marrow donor list at all company locations. In addition, asambeauty made a donation to DKMS to cover expenses.



We call for donations every year in the fall during the asambeauty fundraising week. In 2021, 1 euro was donated to charity for every order placed through the asambeauty online store from October 22 to 29. 20,000 euros each went to the FortSchritt special education daycare center, Tafel München and Frauenhilfe München.

In addition to the fundraising week, we carried out another campaign together with our employees for the benefit of Frauenhilfe München. On the occasion of the International Day against Violence against Women on November 25, more than 50 residents of a women's shelter received numerous care products and their personal M. Asam® MAGIC FINISH pack. Their children were also able to enjoy the day: asambeauty employees had personally provided an advent calendar for each child. So games, fun and entertainment were guaranteed every day during the run-up to Christmas.

Other product donations this year went to the IMMA e.V. girls' home, the Freudentränen association and the Dolphin Aid foundation.



ASAMBEAUTY PROCESSES



PROCESSES: EMPLOYEE RESPONSIBILITY.

Our employees are the foundation for the Asam family's success. Appreciation and respectful treatment are practiced at our company, professional qualifications and social commitment are encouraged. As a fast-growing company, we are one of the important employers at the rural locations.

OUR KEY HR FIGURES FOR 2020

Sickness rate 1	4%
Women in management up to level 3 2	17%
Women in management up to level 4 3	52%
Number of occupational accidents	7
Length of service of employees	4.2 years
Fluctuation	9%
New hires	105

1) Proportion of sickness-related absences to target working time

2) At management board level and the two management levels below

3) At management board level and the three management levels below



DOCUMENT & SIGNATURE MANAGEMENT.

We are committed to saving paper by using digital invoice management (Document Capture) and digital signatures (DocuSign).

ASAMBEAUTY "EATS" WASTE-FREE.

Switching to water dispensers instead of reusable deposit bottles and glass bowls instead of disposable packaging for lunch-to-go is very important to us.

MOBILE WORKING.

Our "Flex Desk & Mobile Working" hybrid working model, which was introduced permanently in 2021, will help us protect the environment and traffic. Even before the coronavirus, the use of digital meetings (Zoom, Skype, Teams) was important to us, as it has drastically reduced business travel.

CO2-FREE COMMUTE.

We offer employees cheaper bicycle leasing to get to and from work comfortably and climate neutrally. We also subsidize monthly tickets for public transport.

PROMOTE, DEVELOP, CONSULT.

All applicants and employees have the same opportunities and prospects with us. All employees have a fixed annual budget for personal further training. More than half of the managers are female. We also conduct regular employee surveys for new ideas and feedback on the topic of sustainability.

ASAMBEAUTY

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