

# Annual Report and Action Plan

Company Name: **Emeis Cosmetics Pty Ltd**

Trading As: **Aesop**

ABN: **56007409001**

## About APCO

Australian Packaging Covenant Organisation (APCO) is a co-regulatory not-for-profit organisation leading the development of a circular economy for packaging in Australia. APCO's vision is a packaging value chain that collaborates to keep packaging materials out of landfill and retains the maximum value of the materials, energy and labour within the local economy.

Each year, APCO Brand Owner Members are required to submit an APCO Annual Report and an APCO Action Plan. This document is the Annual Report and Action Plan output for the organisation listed above. This document provides the overall performance level of the organisation, as well as any commitments they have made to work towards on their packaging sustainability journey. This document may also include additional information provided by the Member in their report.

## Overall Performance **Leading**

The chart below indicates the overall performance level of this organisation listed above in the 2022 APCO Annual Report. The organisation's reporting period was **January, 2021 - December, 2021**



### Understanding APCO Annual Reporting performance levels:

- 1 Getting Started:** You are at the start of your packaging sustainability journey.
- 2 Good Progress:** You have made some first steps on your packaging sustainability journey.
- 3 Advanced:** You have taken tangible action on your packaging sustainability journey.
- 4 Leading:** You have made significant progress on your packaging sustainability journey.
- 5 Beyond Best Practice:** You have received the highest performance level and have made significant progress on your packaging sustainability journey.

### Contact

A: Suite 1102, Level 11, 55 Clarence Street, Sydney, NSW, 2000  
E: [apco@apco.org.au](mailto:apco@apco.org.au)

## Additional Information

The information below indicates additional information that the organisation included in their APCO Annual Report.

**Describe initiatives, processes or practices that you have implemented during your chosen reporting period that have improved packaging sustainability**

Throughout 2021, Aesop maintained its focus on improved sustainability outcomes through both the recruitment of key sustainability-focused roles and the implementation of major business initiatives & packaging projects.

Aesop on-boarded key sustainability-focused roles in 2021 across Corporate Strategy, Supply Chain Operations, and Packaging teams, to not only help deliver business circularity projects and packaging improvements, but importantly to ensure the clear measurement of project outcomes against goals.

Since 2019, Aesop has progressively light-weighted plastic packaging and transitioned from virgin to recycled PET. Across 2021, the business took a further step to optimise the tertiary packaging in which the recycled PET bottles are transported globally, to further reduce the volume of materials used. Over 55 SKU's have had their tertiary packaging re-designed to remove dividers and to optimise both the palletisation configuration and material weight. This initiative has delivered a 15-tonne reduction in fibre board consumption across all tertiary packaging and it is significant because it demonstrates Aesop's commitment to look across the total Supply Chain for opportunities to reduce unnecessary material.

**Describe any opportunities or constraints that affected performance within your chosen reporting period**

Strong global public health campaigns focused on hand hygiene during the global COVID-19 pandemic inadvertently contributed to growth across Aesop's Hand Care portfolio across 2020 and 2021.

Housed in lightweight recycled PET formats (re-designed in 2019-2020), Aesop's strong Hand Care product sales led to an increase in overall recycled plastic consumption in packaging (versus virgin plastic) from 36% in 2019, to 49% in 2020 and 50% in 2021.

Strong global business growth over this period also afforded Aesop greater influence with suppliers and industry partners, which in turn enabled the business to improve its own packaging sustainability, whilst also creating additional industry demand for post-consumer recycled materials.

**Please use the space below to provide examples or case studies of exemplary packaging sustainability conducted by your organisation.**

From November 2021, customers at Aesop South Yarra, Melbourne were invited to take part in Aesop's first in-store product refill trial. As part of this (ongoing) pilot programme, reusable glass bottles were made available to purchase and filled with select formulations from a custom-made dispensary machine. Once depleted, customers were invited to return the glass bottles to store for refill/replenishment.

Over time, it is believed that this initiative will allow for a significant reduction in plastic use and will help to lessen an individual's carbon footprint. It also celebrates the durable nature of Aesop's signature amber glass bottles, without compromising the efficacy of the products housed within. Alongside the environmental and design benefits, Aesop customers are incentivised with reduced cost/mL for product replenishment (after the initial investment in their reusable vessel).

Since launch, the business has seen up to a 27% customer return rate for this circular initiative (based on the units sold in the 10 weeks prior).

Over the coming years this circular initiative will be expanded into more stores, as part of Aesop's continued investment and commitment to sustainability—helping reduce environmental impact and driving Aesop further towards becoming a regenerative business.

## APCO Action Plan Commitments

For each of the Packaging Sustainability Framework criteria listed below, a description is provided along with the commitments made by the organisation in their APCO Action Plan.

Criteria 1:

### Governance & Strategy:

This criteria considers actions to integrate packaging sustainability into business strategies.

- Develop a strategy that includes goals (objectives) and targets for packaging sustainability that addresses the Sustainable Packaging Guidelines (SPGs) or equivalent.
- Include a commitment to achieving the 2025 National Packaging Targets in our strategy.
- Have our executive or board of directors review our strategy and have the strategy integrated within our business processes.
- Regularly communicate and promote packaging sustainability objectives and targets within our organisation.
- Regularly engage or communicate with our external stakeholders about the environmental impacts of our packaging.
- Actively participate in initiatives to promote packaging sustainability outside of our organisation.

Criteria 2:

### Design & Procurement:

This criteria considers actions taken to ensure that sustainability principles are considered in the design or procurement of both new and existing packaging through use of the Sustainable Packaging Guidelines (SPGs).

- Review **100%** of our packaging against the Sustainable Packaging Guidelines (or equivalent).
- Improve the accuracy of our data regarding reviews of packaging using the Sustainable Packaging Guidelines (or equivalent).
- Incorporate the Sustainable Packaging Guidelines (or equivalent) into procurement processes.
- Consider the following Sustainable Packaging Principles in our packaging reviews:
  - Design for recovery
  - Optimise material efficiency
  - Design to reduce product waste
  - Eliminate hazardous materials
  - Use of renewable materials
  - Use recycled materials
  - Design to minimise litter
  - Design for transport efficiency
  - Design for accessibility
  - Provide consumer information on environmental sustainability

- 100% of our packaging to be optimised for material efficiency.
- Improve the accuracy of our data regarding packaging material efficiency.

## Criteria 3:

**Recycled Content:**

This criteria considers actions taken to increase or optimise the amount of recycled material used by your organisation.

- Develop a policy or procedure to buy products and/or packaging made from recycled materials.
- Use recycled content in:
  - Primary packaging that we use to sell our products
  - Secondary packaging that we use to sell our products
  - Tertiary packaging that we use to sell our products
- 50% of our packaging to be made using some level of recycled material
- Improve the accuracy of our data regarding use of recycled materials.

## Criteria 4:

**Recoverability:**

This criteria considers actions taken to improve the recovery of packaging at end-of-life and increase use of reusable packaging.

- 2% of our packaging to be designed to have all packaging components be recoverable at end-of-life.
- Improve the accuracy of our data regarding recoverability.
- Use PREP to assess the recyclability of our packaging through kerbside collection in Australia and/or New Zealand.
- Investigate opportunities to use reusable packaging.
- 1% of our packaging to have all packaging components that are reusable.
- Improve the accuracy of our data regarding reuse.
- Participate in a close-loop recovery program/alternative collection system.

## Criteria 5:

**Disposal Labelling:**

This criteria considers the extent to which packaging has been labelled to help consumers determine what to do with packaging at end-of-life.

- 100% of our packaging to have on-pack labelling to inform correct disposal.
- Improve the accuracy of our data regarding labelling.

## Criteria 6:

**On-site Waste:**

This criteria considers progress in increasing the amount of on-site solid waste being diverted from landfill.

- Have recycling programs for the following materials:
  - Paper/cardboard
  - Soft plastics
  - Rigid plastics
  - Glass
  - Metals
  - All ANZ stores have on-site recycling collection for at least 1 material.

On-site recycling varies from store to store. Overall, the following materials are collected across our stores:  
Paper/cardboard, soft plastics, metals, glass and rigid plastics.  
Some stores also have recycling collection for printer cartridges, batteries, lightbulbs, E-waste and compost.
- Aim for 79% of our on-site waste to be diverted from landfill.
- Improve the accuracy of our data regarding on-site waste.

Criteria 7:

**Problematic Materials:**

This criteria considers the extent to which organisations are actively phasing out problematic and unnecessary single-use plastic packaging and preventing/reducing litter.

- Help reduce litter by:
  - Sponsoring a clean up day
  - Aesop will continue to volunteer in environmental related initiatives through 2022.
- Phase-out the following problematic and unnecessary single-use plastic items:
  - Lightweight plastic shopping bags
  - Fragmentable (e.g. oxo-degradable) plastics
  - Expanded polystyrene (EPS) packaging for food and beverage service or retail fresh produce
  - EPS loose fill packaging
  - Moulded EPS packaging for white/brown goods or electronics
  - Rigid polyvinyl chloride (PVC) packaging
  - Rigid polystyrene (PS) packaging
  - Opaque polyethylene terephthalate (PET) bottles
  - Rigid plastic packaging with carbon black