

2018 Report

# Sustainability and Corporate Social Responsibility



Jurlique

Ulrike Klein  
Jurlique Co Founder

Our dream was to connect  
people back to nature.  
That connection...that's  
the really important thing  
for us as human beings.



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## Message from our CEO

Dear Stakeholders

Welcome to the Jurlique Sustainability and CSR Report, which covers our environmental and social initiatives and performance in 2018, as well as significant events for Jurlique during the year.

Jurlique was founded in 1985 by Dr. Jurgen Klein and his wife Ulrike. They sought the purest place on Earth to establish the Jurlique Farm and found it in the pristine environment of South Australia's Adelaide Hills. As the only Australian beauty brand with its own certified biodynamic\* farm, Jurlique has been the leader in natural skin care science for over 34 years, applying advanced technologies to biodynamic ingredients to create high performing, potent skin care for healthy radiant skin. Today, Jurlique products are sold in more than 19 countries around the world.

As Jurlique products are reliant on a healthy environment, we are always committed to sustainable practices and nourishing the earth. Sustainability is integrated in all aspects of our business strategies including formulation, procurement, packaging development, and supplier management. We're proud of what we've accomplished, but we know there is more to do to continue to make progress in each area. I hope this report provides you with meaningful insights which can inspire a more sustainable future for all.

Toru Yamamoto  
CEO, Jurlique International

\*Certified biodynamic by the National Association for Sustainable Agriculture, Australia. Jurlique's products and farm are not certified by or affiliated with Demeter USA or Demeter International.



## Jurlique at a glance

Jurlique was born in the unspoilt hills of South Australia, the only place on earth where our concentrated ingredients could originate.

We're proud custodians of our beautiful piece of land, unlocking the healing powers of nature to create original skin care that cultivates radiant, healthy-looking skin that can't be manufactured in a lab.



1985

We were born in South Australia in 1985

Purpose

Our purpose is to inspire people to wellbeing through a connection with self, others and nature

19 countries

Our products are sold in 19 countries

Biodynamic

Our farm is certified as biodynamic\*. We care for our farm as an integrated, living organism.

759 employees

We have 759 employees working across 5 countries

4,500

4,500 people have enjoyed our Jurlique Farm tour since 2016

58 varieties

58 varieties of herbs are planted on the Jurlique Farm each year

75kW

Our farm and Natural Beauty Plant feature 75kW solar panels

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## Our sustainability journey

We've come a long way since Jurlique was established in 1985 - from a small skin care brand in the Adelaide Hills, to one with a global presence. But much remains the same. Our commitment to sustainability is as strong as it was on day one, and this commitment only continues to grow.



| 1987   | 2005   | 2009              | 2010                            | 2011   | 2012   | 2014  | 2015  | 2016  | 2017   | 2018   |
|--|--|-------------------|---------------------------------|--|--|---|---|---|--|--|
| Jurlique Farm established in the Adelaide Hills: the 'purest place on Earth' | Signatory to Australian Packaging Covenant Organisation (APCO) | Green Team formed | Zero Waste SA Recognition Award | District Council of Mount Barker Environmental Award | Jurlique's first Tree Planting Day at our farm in the Adelaide Hills | Australian Packaging Covenant Organisation (APCO) Highest Performer | APCO Highest Performer - Personal Care<br>—<br>Sustainability Beauty Awards Finalist<br>—<br>Solar panels installed at our farm and factory | CEW Eco Beauty Award<br>—<br>APCO Highest Performer | APCO Highest Performer<br>—<br>Corporate Social Responsibility (CSR) strategy developed<br>—<br>Opened new Jurlique Natural Beauty Plant, complete with sustainable features | Partnership with TerraCycle for post-consumer waste<br>—<br>CSR Champions across 8 offices worldwide<br>—<br>First Tree Planting Day in Hong Kong office |

## Sustainable development goals



The Sustainable Development Goals (SDGs) are 17 global goals that define the 2030 development agenda of the United Nations. The SDGs challenge companies to align their goals with the international community, which holds enormous potential for positive change.

At Jurlique we recognise the importance of all 17 global goals in order to achieve peace and prosperity for people and the planet, now and into the future. According to the nature of our business and the environment in which we operate, we have been working on eight goals:



## Sustainable development goals



### 3 GOOD HEALTH AND WELLBEING



At Jurlique, we know the importance of putting personal health and wellbeing first. All employees have the option to purchase extra leave and partake in our monthly wellbeing programs, while our farm employees receive physiotherapy to look after their physical health. Outside of the company, we partner with charities that look after women's wellbeing.

### 5 GENDER EQUALITY



We're committed to gender equality. We ensure there are no pay gaps between male and female employees and the majority of leadership roles within our organisation are held by women.

### 7 AFFORDABLE AND CLEAN ENERGY



We have solar panels at our farm and plant. As South Australia tracks to have 75% of its electricity from renewable sources by 2025, we're planning further investment for additional solar panels and battery storage.

### 8 DECENT WORK AND ECONOMIC GROWTH



At Jurlique, we strive to provide fair work opportunities for our employees, suppliers and community.

- We provide training to empower our employees, providing informative sessions about retirement, superannuation and budgeting; and offer fair wages and working conditions
- We use Sedex - the auditing platform to report against labour standards, health & safety, environment and business integrity - to secure ethical supply chains
- We provide science students with the opportunity to work in the field, gaining valuable experience and skills in everything from formulation and engineering, to packaging design and sales

### 11 SUSTAINABLE CITIES AND COMMUNITIES



Our farm, office and factory in South Australia are located outside urban areas, keeping our employee population out of the city. We have also planted more than 12,000 native trees to improve our carbon footprint, as well as enhance the area's biodiversity and natural waterways.

### 12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Our Natural Beauty Plant features efficient temperature control, renewable energy, low-voltage lighting and usage of rainwater tanks. We also include sustainability into the business process, with our Life Cycle Assessment for packaging, Supplier Code of Conduct, and new employee induction.

### 13 CLIMATE ACTION



We are actively committed to reducing our scope 1, 2 and 3 emissions. In our offices, our Global Switch-off campaign educates employees in ways to reduce energy consumption, and a new video conference system has led to a reduction in business trips.

### 15 LIFE ON LAND



At our farm, we use organic, biodynamic\* farming methods free from synthetic pesticides, herbicides and fertilisers to optimise the rich and fertile soil.

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## Our farm

For more than 30 years, we've grown ingredients here using biodynamic\* farming methods, free from synthetic pesticides, herbicides and fertilisers

Some of our most powerful ingredients are grown on our farm in South Australia's Adelaide Hills. Our founders selected this region for its pure, unpolluted air and nutrient-rich soil, which we continue to nurture and respect.

For more than 30 years, we've grown ingredients here using biodynamic\* farming methods, free from synthetic pesticides, herbicides and fertilisers, using the bees in our hives to pollinate our crops. We gently hand-pick and extract our botanicals when they're at their peak to preserve their power and purity and harness their unique properties.

In line with our commitment to sustainability, we installed solar panels and a complete solar power production system at our farm in 2015, so we can use clean energy as much as possible. We reuse, recycle or recover everything we use. Recycled water is used to irrigate our crops, rain water is used for washing and drinking, and even the compost we use to enrich our soil is made from plants grown at our farm. We're proud to say that our farm has sent zero waste to landfill since 2016.

We love sharing our farm with the public and open it up regularly to provide knowledge about sustainable farming and showcase our unique processes.



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## Caring for our planet

We've planted over  
12,000 native trees at our  
Jurlique Farm since 2012

### Tree Planting Day

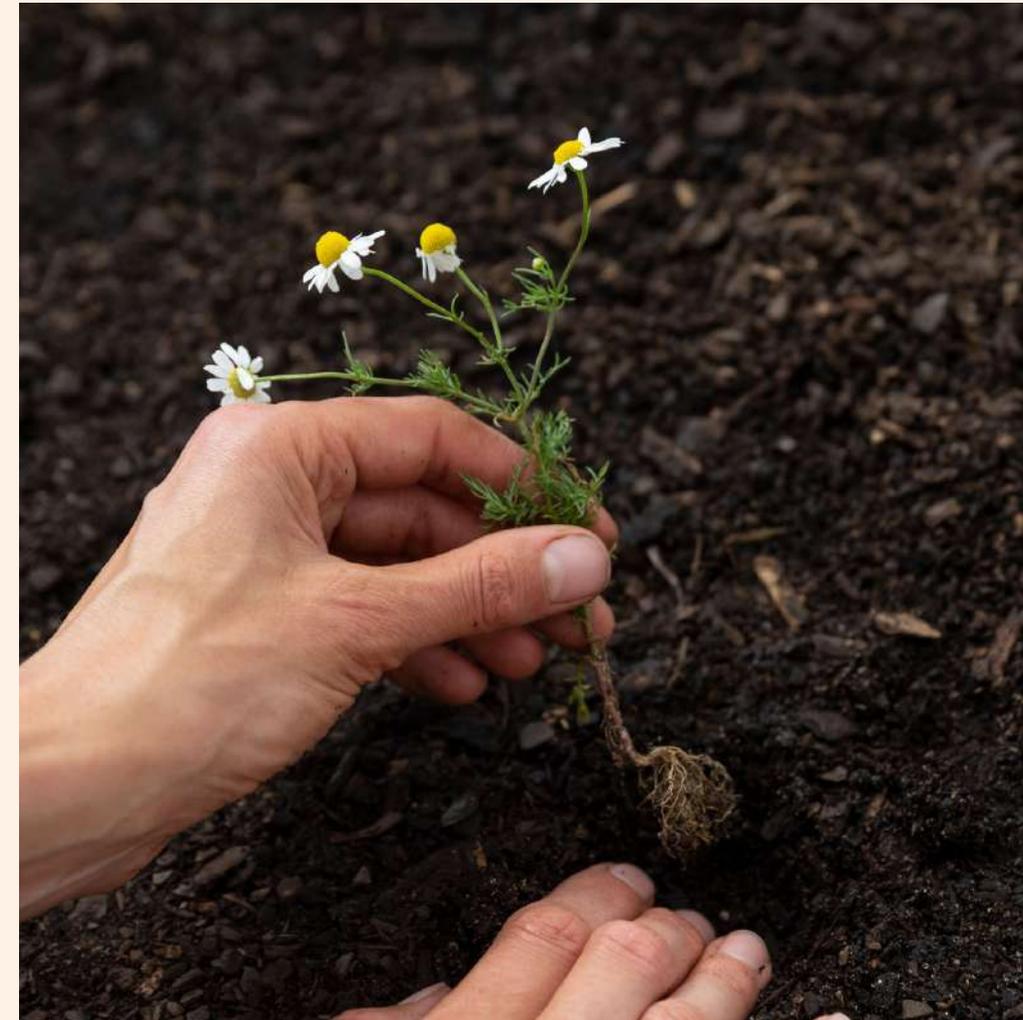
First established in 2012, our annual Tree Planting Day has seen our staff plant over 12,000 carefully selected native trees at our farm in South Australia. These trees improve our carbon footprint, enhance the area's biodiversity and natural waterways, and provide natural, chemical-free protection for our organically grown botanicals.

Our colleagues in Hong Kong launched their first Tree Planting Day in 2018. We're planning to extend this event to our international offices, so that our global team can plant native trees in their local areas - and improve the environment in cities around the world.

### Recycling our Packaging

In partnership with global recycling pioneers TerraCycle, we encourage our customers to recycle their empty Jurlique products.

Consumers can return empty products via post, or to Jurlique standalone boutiques across Australia. As a thank you, customers receive a 10% discount on their next in-store purchase of any Jurlique product. Since initiating this program, we have collected 22,000 units (or 0.5 tonnes) of packaging.



# Caring for our planet

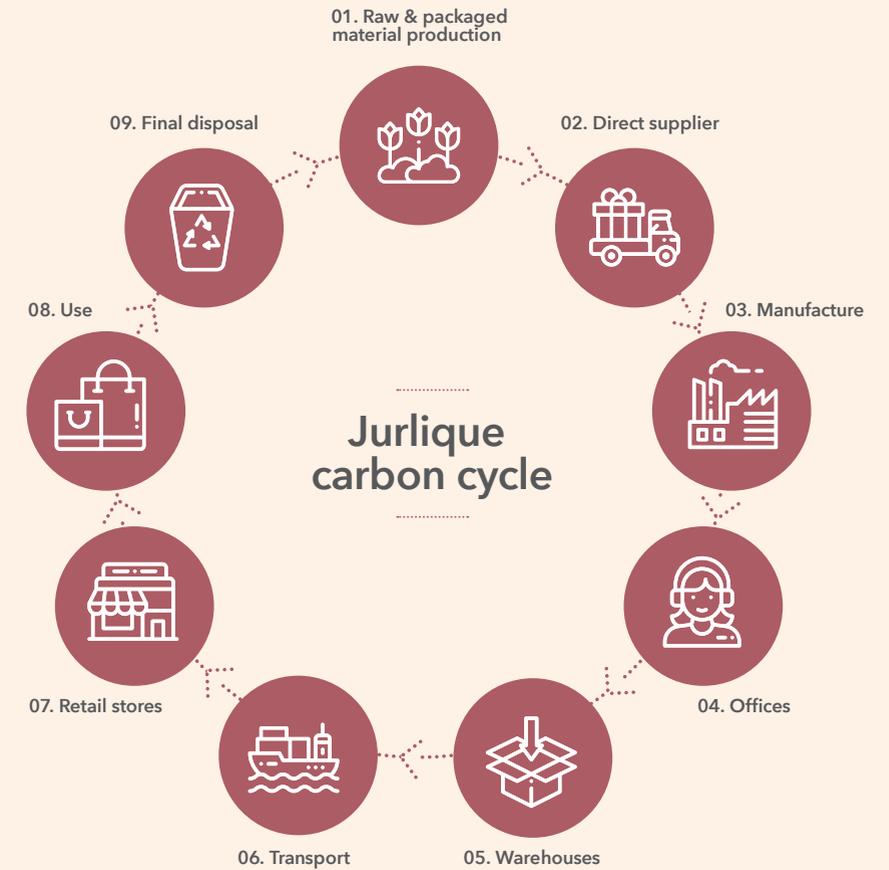
We've reduced approximately 20% of emissions from transport since 2015 by the freight management initiative

## Jurlique Carbon Cycle

Our goal is to analyse and reduce our environmental impact through the whole supply chain - including everything from the extraction of raw materials to the final disposal of packaging after a consumer has used the product. To do this, we have been monitoring and analysing the environmental impact of our farm, plant, international and national offices, warehouse, and transport.

One of our initiatives includes moving the majority of our shipment from air-freight to sea-freight, which offers significant emissions savings. Since 2015, our freight management initiative has enabled us to reduce approximately 20% of emissions from transport.

Through further analysis, we believe that we can take actions to dramatically reduce our environmental impact in the years ahead.



## Caring for our planet

We aim to use 100% certified (Mass Balance or Segregated) sustainable palm oil-derived ingredients – a healthier and safer alternative to petrochemicals

### Natural Beauty Plant

Our new, state-of-the-art Natural Beauty Plant, near our farm in the South Australian Hills, is built from recycled, locally made, or low maintenance materials. It was designed for minimal environmental impact, using clean energy wherever possible. Plus, we reuse, recycle or recover everything we use, converting it into energy.

### Palm Oil

Jurlique is committed to the principles of the Round Table for Sustainable Palm Oil (RSPO). We aim to use 100% certified (Mass Balance or Segregated) sustainable palm oil-derived ingredients as it is a healthier and safer alternative to petrochemicals. In some cases, we also use a “book and claim” model as an interim solution until a critical mass of certified Segregated or Mass Balance materials becomes accessible on the market. By working closely with our suppliers, we aim to achieve 85% of RSPO certified (Mass Balance or Segregated) by the end of 2019 and 100% RSPO certified (Mass Balance or Segregated) by the end of 2022.



## Caring for people

Our wellbeing program promotes a connection with self, others and nature

### Wellbeing Program

At Jurlique we believe that beauty comes from within and we believe that it shows when we're living in harmony with ourselves and the world around us.

Our wellbeing program at Jurlique promotes a connection with self, others and nature, helping us to feel good about ourselves and our contribution.

Wellbeing helps us to be resilient through the natural highs and lows that we all experience. It's what makes it possible for us to not just 'function' and get by, but to truly feel like we're 'flourishing' at work and in life.

To build culture and capability we also provide a wide range of training for our employees around the globe:

- The Jurlique Way: vision, values and concepts for creating a strong culture of personal growth, accountability and team
- Growing Resilience: PERMA+ skills and tools to increase resilience and promote a growth mindset
- Leader as Coach: providing additional skills to managers to be effective, influential and inspiring leaders, and enabling them to create and lead successful, high performing teams
- Cultivating Leaders Program



## Our progress

|                          |   |  |   |
|--------------------------|---|--|---|
| <b>Achievement</b>       | <b>18%</b>  | <b>Zero</b>  | <b>12,000</b>   |
|                          | of water usage has been reduced since 2015  | Zero non-hazardous waste from our farm and plant has been sent to landfill | Native Trees have been planted by Jurlique employees                                |
| <b>2019/2020 actions</b> | Continue utilising rainwater wherever possible  | Reduce the absolute amount of waste  | Tree Planting Day to go global  |
| <b>Achievement</b>       | <b>20</b>   | <b>30%</b>   | <b>2,900</b>  |
|                          | CSR Champions at Jurlique across five countries   | of our employees around the globe have had Growing Resilience sessions     | products have been donated to charitable organisations                              |
| <b>2019/2020 actions</b> | Regular training for the CSR Champions  | Continue to increase resilience and promote a growth mindset globally      | Continue partnering with charitable organisations to improve the wellbeing of women |
| <b>Our Aims</b>          | <b>1.</b>   | <b>2.</b>  |   |
|                          | To reduce 20% of Scope 1, 2 & 3* missions, water and absolute amount of waste by 2020 (per unit produced, baseline is 2015) | To enhance employees' wellbeing satisfaction and CSR awareness             |   |

\*Scope 1&2 emissions include fuel and electricity usage. Scope is Farm, Plant and 4 offices. Scope 3 emissions include air travel, waste management, and final product transport.

## Contact

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If you have any questions regarding this report, please contact us at:

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