EMMA LEWISHAM

FY21 – FY22

Sustainability Strategy.
Emma Lewisham Sustainability Strategy
FY21 – FY22

Emma Lewisham was founded to set a new benchmark in beauty. Our mission is to create luxury, science-led skincare that has a positive impact on our skin, wellbeing and planet. We are dedicated to leading an industry wide movement towards circular, carbon positive and transparent beauty, with this Sustainability Strategy serving as our roadmap to making incremental and ongoing change.

In line with this, we have organised this strategy under three key pillars: Circular Beauty, Planet Positive Path and Transparency. We have identified key areas of impact under each of these pillars and aligned these with the United Nations Sustainable Development Goals. Under each impact we have outlined why these are important areas of focus and broken down our challenges and corresponding annual targets until the end of 2023.

Although this strategy is about striving for the next frontiers, we felt it was important to also include a ‘business as usual’ section, which speaks to our existing practices that we remain committed to upholding. These include initiatives such as our circularity programme, ‘Beauty Circle’, our product level carbon positive certification, as well as our dedication to disclosing 100% of our ingredients, manufacturing with 100% renewable energy in New Zealand and our PETA certification for cruelty free beauty.

In writing this strategy, we feel it is of the highest importance to recognise and acknowledge all Traditional Custodians of the land - around the world - on which we grow, manufacture and gather. We pay our deepest respects to these peoples, both past and present. We also believe it is important to recognise the ultimate unity of people and planet. Although often separated in ‘sustainability’ language, we understand that caring for our planet and our people, are one and the same. Within this strategy you will find targets speaking to them independently, however ultimately the goal remains the same - to uphold our responsibility as caretakers and guardians of this land and all its living beings.

We hope that through striving for a circular, carbon positive and transparent benchmark in beauty, that we may create a truly beautiful beauty industry. One that nurtures noticeable change and creates a cleaner, healthier, and more prosperous planet for all those who are yet to call it home.

With warmth,

[Signature]

Emma Lewisham
How we will action this strategy.

- Strategy reviewed and approved by management and Board.
- Updates provided in monthly Board Reports.
- Sustainability Working Group (including independent consultant) meet fortnightly to manage delivery of strategy.
- Strategy reviewed and updated annually including a public report on progress.
United Nations Sustainable Development Goals.

The SDG’s were “adopted by all United Nations Member States in 2015, a shared blueprint for peace and prosperity for people and the planet, now and into the future. The 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing - in a global partnership recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.”

sdgs.un.org/goals

We recognise the SDG’s as a benchmark for sustainable business practices across the globe, and we are aligning our strategy to these goals. We have selected seven goals (displayed below) we feel we can have the biggest impacts on, while also ensuring we are not negatively contributing to any others. We have included the relevant SDG’s beside our goals in this strategy.

- Gender Equality
- Clean Drinking Water
- Industry, Innovation and Infrastructure
- Reduce Inequalities
- Responsible Consumption and Production
- Climate Action
- Life Below Water
Our Existing Commitments and Practices.

Our business as usual.

Our actions / policies / initiatives relating to sustainability that we have already undertaken, or continue to undertake as part of our BAU.
We are a circular designed beauty brand. 100% of our products are available with a refillable option. We accept back all our packaging at no cost to our customer to be first and foremost refilled and what needs to be retired for recycling, we ensure is actually recycled through paying for it with Terracycle. 79% of our packaging can be sterilised and refilled (the packaging we can’t sterilise and refill currently is our refill pouches).

Emma Lewisham Beauty Circle

- We are extremely passionate about leading this movement towards circular beauty.

- 100% of our products are carbon positive (we offset more emissions than we emit) with a displayed carbon emissions score to let customers know the climate impact of their purchase.

- We manufacture all our products in New Zealand using 100% renewable energy.

- 100% of our product box/paper packaging is produced in New Zealand using 100% renewable energy. Our office operations are powered by 100% renewable energy.

- We publicly disclose 100% of our ingredients and their origin and extraction methods. [https://emmalewisham.com/blogs/sustainability/ingredients-1](https://emmalewisham.com/blogs/sustainability/ingredients-1)

- We publicly disclose 100% of the packaging materials we use.

- We use ingredients that are natural, nature derived or natural identical. 100% of our ingredients can be found in nature.

- None of our ingredients have been tested on animals and we are PETA certified.

- We do not manipulate the skin, face, or figure of models that appear in our imagery.

- We provide equal pay for all staff of comparable roles and are a Living Wage accredited employer.

- 100% of the palm oil extracts we use are RSPO certified. [https://emmalewisham.com/blogs/sustainability/ingredients-1](https://emmalewisham.com/blogs/sustainability/ingredients-1)

- 85% of our workforce and 30% of our board members are women, we also have a female CEO.
Goals and Targets.

Outlined below are our high level goals for the next two years for each impact we identified as material, and the corresponding annual targets.

We have organised them under our three key pillars: Circular Beauty, Planet Positive Path, Transparency.
Circular Beauty.

**Impact**  
Packaging

**Our Goal(s)**  
100% of our packaging to be refillable and a return service made available to all customers globally.

**Why this is important to us**  
An estimated 120 billion units of packaging are produced every year by the beauty industry and contribute the largest portion of carbon emissions. Emma Lewisham is leading a paradigm shift for one of the largest markets in the world.

**SDG Alignment(s)**  
- Industry, Innovation and Infrastructure
- Responsible Consumption and Production
- Climate Action
- Life Below Water

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**Our Challenges**

Our industry was built on linear economic thinking that will take time to change.

Due to its complexity (e.g. pumps, coloured plastic and glass), the vast majority of beauty packaging is not economical to recycle and is sent to landfill, incinerated, or pollutes the environment.

We require packaging that protects our formulations and ensures they have a long shelf life.

Due to the current available technology for sterilising and refilling packaging, our packaging must be of a particular design.

Packaging design and materials used have a huge impact on carbon emissions.

We rely on our customers to be engaged in returning our packaging to us.

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**Achieve by March 2022**

Create a circular design checklist.

All new products to be available in refillable packaging.

Launch and maintain communications to encourage our customers to purchase and return the refillable packaging.

Engage an Australian based 3rd party logistics (3PL) provider to distribute products and receive returned packaging from Australian customers.

Engage a UK based 3PL to receive returned packaging from the UK customers as part of our Emma Lewisham Beauty Circle.

Produce and display visual communications showing how the refillable pods are retrieved, sterilised, and refilled.

Collect data on the number of refillable packaging units we sell, retrieve, sterilise, and refill and set targets for the following year.

Reuse any tissue paper returned to us.

Provide our customers the option of choosing reused boxes.

Continue to innovate and research packaging options to ensure the smallest possible use of resources and prioritise the use of recycled, or reused materials.

Collect data on the volume of virgin fossil fuel feedstock we use in our packaging.

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**Achieve by March 2023**

Maintain communications to encourage our customers to purchase and return the refillable packaging.

Achieve targets relating to the retrieval, sterilisation, and refill of packaging.

Continue to collect data and set new targets.

Continue to innovate and research packaging options.

Engage a North American based 3rd party logistics (3PL) provider to receive returned packaging from the North American customers as part of our Emma Lewisham Beauty Circle.

Reuse any boxes returned to us that are in an acceptable condition to protect and deliver our products.

Reduce the percentage of virgin fossil fuel feedstock in our packaging.
Planet Positive Path.

Impact  | Greenhouse Gas Emissions
---|---
Our Goal(s)  | Lead and influence the beauty industry towards creating a decarbonised world.
Why this is important to us  | We are in a climate crisis and we need to change how business is done.
SDG Alignment(s)  | Industry, Innovation and Infrastructure, Climate Action

Our Challenges

We transport ingredients and packaging to our New Zealand based laboratory, and then our finished products to global markets.
The vast majority of transport is powered by fossil fuels.
Many people are not well educated on greenhouse gas emissions and our climate crisis.
As we grow our need for energy and resources grows.
We rely on our customers to return our packaging to us.
It is hard to find partners who are as ambitious to decarbonise business as us.
It takes significant time and resources to map and manage our emissions data.
Understanding our Scope 3 emissions in detail relies on us receiving good data from our suppliers.

Achieve by March 2022

All our products to be certified carbon positive.²
Achieve the Toitu climate positive business certification.
Launch and maintain communications to encourage our customers to purchase and return our refillable packaging.³
Continually advocate for a decarbonised world through all of our communication channels.
Gain visibility of all our suppliers’ initiatives to reduce carbon emissions and increase their usage of renewable energy, and work with them to achieve those wherever possible.
Establish staff training to ensure all procurement decisions support the reduction of carbon from our suppliers.
Produce information packs for our staff on how they can reduce their individual GHG emissions.

Achieve by March 2023

Develop a carbon reduction plan to halve our products’ carbon footprints by 2023, and cut them to virtually zero by 2030.
Develop a distribution checklist to ensure we are taking all possible steps to minimise emissions.
Continue to map and disclose our emissions to a product level.
Prioritise packaging suppliers who use renewable energy, and set a target to achieve all packaging suppliers powered by 100% renewable energy.

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¹ Scope 3 emissions relate to those in our supply chain and the distribution of our products.
² Carbon positive means we offset more than 100% (125%) of the emission we are responsible for.
³ Our refillable packaging has a emissions footprint that is 74% lower than our single-use packaging. Independent product carbon footprint research undertaken by Toitu Envirocare.
## Planet Positive Path.

<table>
<thead>
<tr>
<th>Impact</th>
<th>Water</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Our Goal(s)</strong></td>
<td>To practice the highest standards of responsible water use.</td>
</tr>
<tr>
<td><strong>Why this is important to us</strong></td>
<td>2.2 billion people around the world do not have safely managed drinking water services, 4.2 billion people do not have safely managed sanitation services, and 3 billion lack basic hand-washing facilities.(^4)</td>
</tr>
<tr>
<td><strong>SDG Alignment(s)</strong></td>
<td>Clean Drinking Water, Life Below Water</td>
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### Our Challenges

- We require water to make our products.
- We use water as part of our refills cleaning and sterilisation process.
- Water is required to make our packaging.
- Water is required to grow and extract the ingredients we use.

### Achieve by March 2022

Review our existing usage of water within our formulations to identify whether we can reduce our usage.

### Achieve by March 2023

- Review our existing suppliers of ingredients to gain full transparency of their water use.
- Review our existing suppliers of packaging to gain full transparency of their water use.
- Add a clause relating to the highest standards of water management to our Supplier Code of Conduct.
- Continually encourage our suppliers in working towards closed-loop water systems.

\(^4\)World Health Organisation (WHO).
Impact | Traceability
--- | ---
Our Goal(s) | To achieve 100% traceability of our ingredients right back to source.
Why this is important to us | We care deeply about the impacts we are having on our supply chain and know that we are not causing anyone, or any place, harm.
SDG Alignment(s) | Responsible Consumption and Production

**Our Challenges**

Historically our industry has not taken responsibility for the traceability of supply chains.

There are many within our industry with entrenched views of not sharing the source of ingredients.

Some ingredients we use are blended, making it very difficult to trace each individual ingredient back to source.

We rely on the goodwill, trust, and transparency of our supply partners.

We have specialised formulas that contain more ingredients than most other beauty products.

Not all the ingredients we use are currently available as organic certified, or are not available in the quantity and quality we require.

**Achieve by March 2022**

Every formulation to undergo our due diligence to trace all ingredients.

We always prioritise the sourcing of ingredients that we can prove are from organic, regenerative, and ethical sources.

Continue to publicly disclose every ingredient we use and the traceability we have over them by updating our ingredients list with any and every change we make or new ingredient we source.

**Achieve by March 2023**

Reduce the number of ingredients in our formulations.

Review the ingredients we use to ensure we are not having any unintended impacts on biodiversity or environmental restoration.

Become a B-Corp certified business.

Publish a sustainability report.
Impact
Our Goal(s) Bring about change to New Zealand Beauty banned ingredients list.
Why this is important to us The New Zealand Beauty Standards allow over 272 ingredients that are banned in the European Union but unregulated in New Zealand, exposing New Zealanders to dangerous chemicals.
SDG Alignment(s) Responsible Consumption and Production

Our Challenges
New Zealand is lagging behind when it comes to regulating the use of harmful ingredients in cosmetics products.

Achieve by March 2022
Align all our products with the more stringent EU legislation.
Continue to engage with the Environmental Protection Authority (EPA), asking that the list of banned ingredients be updated.
Use our social media platform to educate our followers.

Achieve by March 2023
Repeat our open letter if changes have not been made.

Impact
Our Goal(s) To help achieve gender equality and empower women.
Why this is important to us We believe in the equal treatment of everyone, regardless of their gender or ethnicity.
SDG Alignment(s) Gender Equality Reduce Inequalities

Our Challenges
We are a small business with limited resources, we can only support so many causes and initiatives.
We can have long supply chains which can be hard to influence.

Achieve by March 2022
Providing funding to charitable causes, who support and empower women.
Use our social media platform to consistently discuss achieving pay equity for women.
Ringfence products to be used for charitable causes, who support and empower females.

Achieve by March 2023
Identify a charitable trust that we would like to have a long-term relationship with.
Create and deliver a communications campaign relating to the imagery used in the beauty industry.