



Aēsop

Impact Report 2022

Maintaining Momentum

'Survival is never an accident. It's always been a creative act.' **Ocean Vuong**

Aēsop



Acknowledgement of Country

We acknowledge the Wurundjeri people, who are the traditional owners of the lands on which the Aesop Melbourne Office is located and where we conduct our business. We pay our respects to ancestors and elders past and present. Sovereignty has never been ceded. Aesop is committed to acknowledging and honouring all First Nation peoples' unique cultural and spiritual relationships to the land, waters and seas and their rich contribution to our society.

Contents

This report covers the 2022 calendar year. During that time, Russia invaded Ukraine, the humanitarian crisis in Afghanistan deepened, the US Supreme Court overturned the decision that guaranteed women's abortion rights, the rising cost of living became a crisis for millions, and our climate continued to warm at an alarming rate. Amid this geopolitical, economic and environmental turmoil, our people remain committed to making a positive impact.

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Message from the CEO



Michael O'Keeffe
CEO Aesop

After the period of tumultuous disruption to our lives ushered in by Covid-19, 2022 saw the resumption of some kind of normality, while the experience of those years will leave us forever changed.

For Aesop, it was a year of considerable momentum which built on the foundations laid in 2021, including our in-store refill trials and climate approach.

For instance, by the end of 2021 we had already met our objective of using 50% recycled material in our plastic packaging by 2025. By the end of 2022, we continued to surpass this target, reaching 54.7%.¹ This is a really encouraging result which we will continue building on, now that we have reached our initial goal.

In 2022 we also launched our first climate action plan, which offers—among other things—a clear framework to drive how we will reach net zero. We also achieved our first overall reduction in freight emissions (- 24%) from 2021 to 2022 having introduced an internal carbon budget for logistics, a new governance procedure for approving air freight and implemented new internal processes on stock management, inventory and planning that improved our supply chain management.

Additionally, we propelled our journey towards sustainability in store design by hiring our first Sustainable Store Design Manager. This function will enhance our capabilities in reducing the impact of our locations, while continuing to create unique store experiences for our customers to enjoy.

We couldn't have achieved any of this without the ongoing dedication and hard work of all our employees across the globe. 2022 was my twentieth year at Aesop, and I can honestly say that I've never been prouder of our organisation and what we stand for—I am honoured to be part of it.

Our Approach

We approach our sustainability work with humility—understanding that this is a journey, that we will make mistakes, and that our business success fundamentally depends on a healthy environment and society. As a B Corp™, we add our voice to a growing chorus for change, championing the processes, conversations and connections that may bring it about.

Proud to be a B Corp



Aesop first achieved B Corp certification in 2020, with a score of 87.1. We are pleased and proud to join more than 6500 other brands from 89 countries on a mission to make business a force for good. We continue to strive to meet B Corp's high standards of verified performance, transparency and accountability.

In 2022, following an internal assessment which gathered over 200 data points, an action plan was developed across the five B Corp themes of governance, workers, communities, environment and customers. Work is now underway with all Functional Leads to ensure meaningful improvements to our practices and processes towards our next recertification.

¹ Based on stock shipped to market, excluding wastage.

Our Planet

As global temperatures continue to rise ahead of predictions, the impacts of climate change will keep increasing in both scale and seriousness. Last year's COP27 climate summit saw some hints of progress, including a hard-won agreement to help vulnerable countries deal with losses and damages from the impacts of climate change. Climate justice must remain at the forefront of our global climate approach.

Rising temperatures are not the only issues affecting our planet's health. Our addiction to plastic, our extractive economy and our disrespect for other life forms are all contributing to the biodiversity crisis through, for example, pollution, poaching and habitat loss.

As a profit-making enterprise, Aesop must acknowledge its role in contributing to this crisis, and accept its responsibility to deliver rapid, ambitious change. We are working hard to transform our business model from linear and degenerative, to circular and regenerative—creating positive impact for our people, customers and planet. It is a journey we are proud of and passionate about.

This chapter outlines our approach and key actions from 2022, including our work to make our packaging, stores and ingredients more circular and regenerative, as well as our progress toward our goal to become net zero.



Our Packaging

Packaging plays a critical role in the Aesop story. It embodies our brand while delivering exceptional products and customer experience. However, to continue providing this kind of value, our bottles, boxes, jars and tubes must stop generating greenhouse gas emissions and waste.

Most of the world's packaging is designed for a linear system—take, use and dispose. This extractive, wasteful model is inherently unsustainable, and our personal and planetary health is suffering as a result. At Aesop, we have made changes to immediately reduce our impact, such as switching to post-consumer recycled material and lightening the overall weight of packaging. We are at the start of this journey but know we must continue a rapid transition to a circular system that creates positive impact at every step.

In this chapter, we explore the progress toward our packaging goals, looking at our materials and at how we are engaging customers on our circular journey.



Our Packaging

Progress on Materials

Aesop's packaging is mainly made from four materials: in 2022, we used 525 tonnes of glass, 417 tonnes of plastic, 76 tonnes of paper or card, and 59 tonnes of metal.

2022 saw good progress toward our packaging goals. One goal in particular is well ahead of schedule: in 2022, we exceeded our target for 50% of the plastic (reaching 54.7%) used in our plastic packaging to come from recycled content by 2030. Having surpassed this target, it now allows the business to prioritise progress across other metrics, particularly our target of 100% reusable, recyclable or compostable packaging by 2030. In 2022, we reached 83%.

It is critical that we accelerate our work in this area, further progress will come from ongoing materials innovation and from supporting our customers to reduce, reuse and recycle their packaging.

Award winners

We warmly celebrate the awards received from the Australian Packaging Covenant Organisation in 2022. Nominated by our peers, our teams were recognised for the significant efforts they made to reduce packaging material use and encourage reuse.

Aesop was awarded:

- Outstanding Achievement in Design & Procurement**
 This celebrates collaboration between our Packaging and Procurement teams, who reviewed our sourcing practices and, through packaging design, reduced use of virgin plastic. As a result of this and other projects, Aesop decreased its use of virgin plastic by more than 50%.
- Industry Sector Award (Healthcare & Scientific)**
 This award recognises Aesop's efforts in overall material reduction and reuse, including our South Yarra in-store refill trial (see below). It also notes the introduction of our roadmap and efforts to ensure a clear plan and tracking of initiatives.

2030 Target	2021 Results	2022 Results	Status
100% of packaging to be reusable, recyclable or compostable	82,7%	83,0%	In Progress
50% plastic packaging material used is recycled	50,8%	54.7%	Target Achieved
>20% weight reduction % of weight reduction compared to baseline year (2019)	-24,2%	-23,7%	Target Achieved – to be maintained to 2030



Our Packaging

Piloting circular packaging systems

To reach our circular packaging goals, we must make it as easy as possible for customers to reduce, recycle and reuse their Aesop packaging. Currently, we do this through two models: in-store refills (initially available in two stores in Australia) and Rinse and Return (a low-impact solution for customers in countries that offer limited recycling).

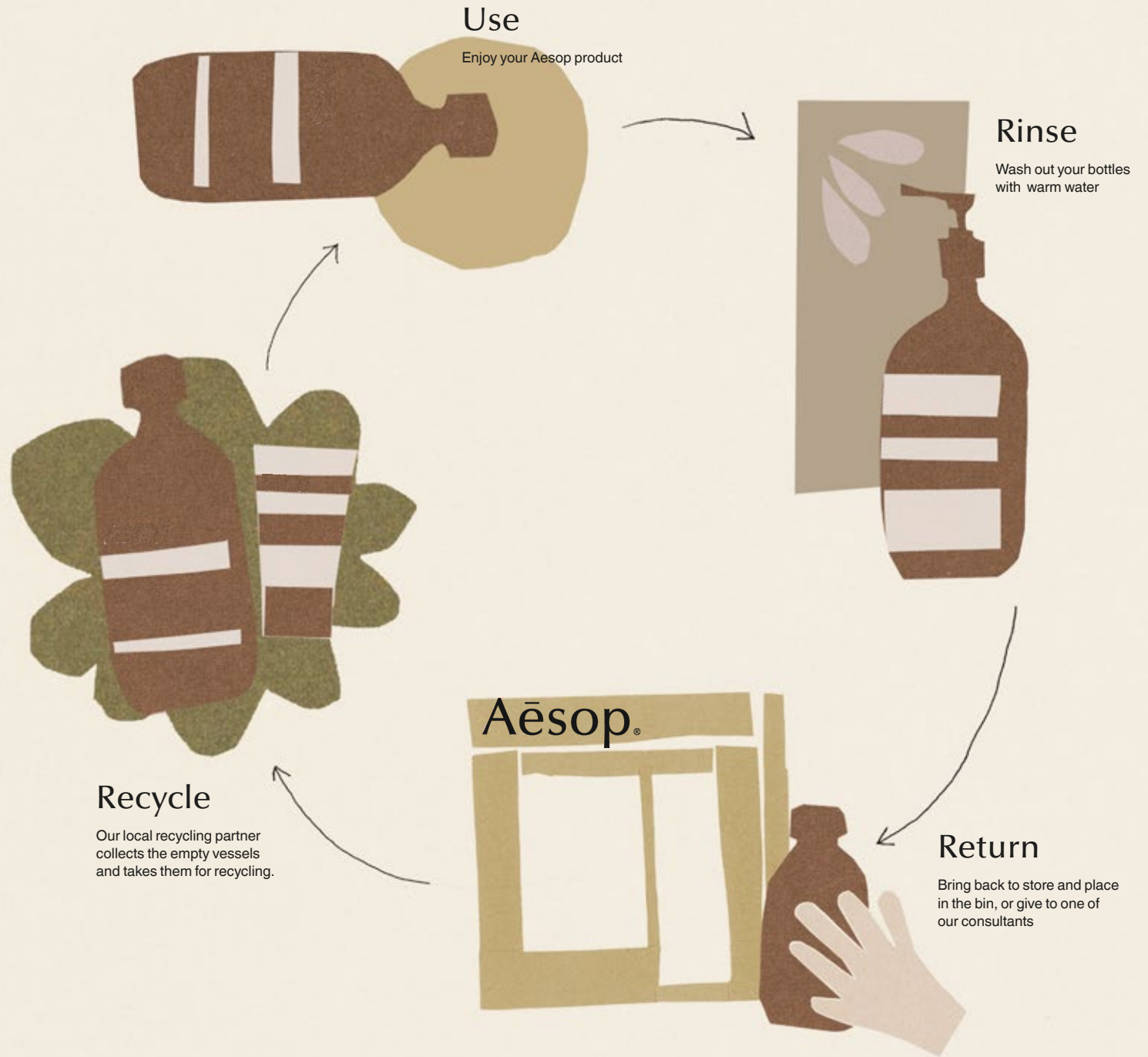
In 2020, we ran a remote refill trial in Adelaide, Australia. Building on this, in 2021 we launched an in-store refill trial in South Yarra, Australia. This trial continued to enjoy strong customer engagement throughout 2022. Forty percent of customers who bought our Resurrection Aromatique Hand Wash, our bestselling product, returned to refill it.

As a result of this success, we have expanded our in-store refill offering to our QV store in Melbourne. Aesop QV is located inside a shopping centre, which provides a valuable opportunity to trial refills in a different setting.

Alongside this, we operate successful Rinse and Return programmes in Hong Kong, Macau, Taiwan, Singapore, Malaysia and Korea, with Japan launching in early 2023. Where some of these markets lack kerbside recycling, this programme makes it easier for customers to recycle their packaging.

In order to continue to advance these programmes at pace, in late 2022 we launched our new Circular Innovation HUB. The HUB is an agile global function tasked with overseeing and delivering on circular workstreams that ladder up to our 2030 sustainability goals.

The HUB will continue the work on our core refill programmes, including the continued support of an Aesop refill solution both in-store and at-home among other circular initiatives.



Our Packaging



Interview with Catherine O'Dea — General Manager, Strategy, Sustainability and Growth

What is Aesop's vision for circularity?

At Aesop, we see the climate and nature crisis as the defining challenge of our time. In response to this, we see an opportunity to transform our business model from one that is linear and degenerative to one that is circular and regenerative—benefitting our people, our customers and our planet.

We are evolving our approach to design, applying circular principles to transform our products, packaging and operations. As we embark on this transformation we will strive for progress over perfection, ensuring we test and learn to establish long-term solutions for our business and our customers. Circularity offers us opportunities to create long-lasting conversations with our customers. We want every interaction to be one to remember, and circularity will give us more and more ways to surprise and delight. We will partner with our customers on this journey to ensure they feel empowered in choosing a recyclable or circular option with Aesop.

There is constant innovation in circularity, how does Aesop determine the right solution for our customers?

Circularity requires us to make some choices outside of our normal process as it really demands a shift within customer behaviour. Therefore, more recently we have been engaging with our customers directly to help understand what their expectations and needs are when it comes to circularity. This is a relatively new way of approaching things for Aesop, but one that has proven to be successful in putting customers' needs at the centre of our decision-making processes while navigating the compromises that circularity inevitably requires.

What have we learnt so far on our circularity journey?

It is inspiring how engaged our customers are in circularity and sustainability. There are many solutions available on the market today—whether to address packaging, ingredients, or other circular materials—but not all of these really equate to a more sustainable future. It has been important for us to understand the challenges that Aesop and its customers face and assess the most effective solutions. We have a long way to go on our journey, but we know we have the support of our customers to get there.

How are you engaging customers on this journey? Is there any demand from them for change?

We're very lucky to have our retail consultants who share feedback with our product teams around the needs of our customers. There is a huge demand for more sustainable products, and we're putting a lot of effort into finding the right solutions for this.

What do you see as the most exciting innovations in circularity?

We are at an exciting moment for circularity, in that we are seeing innovation across many sectors that aim to provide solutions to our linear systems. However, these innovations must have an opportunity to participate and embed in the circular economy, or they can end up contributing to further waste.

That's why it's important for us as a consumer brand to engage with the needs of our customers, encouraging their behaviour change to participate in these new models, and offering brand experiences—both in-store and online—that facilitate this.

For example, we are excited by new return and re-use models that are coming into the market, but these are only better if our customers participate. It is the partnership between brand and customer that allows these types of innovation to flourish.

Outside of packaging, how else is Aesop pursuing circularity across the business?

We're working with external partners to explore ways to contribute to a regenerative economy, through ingredient and sourcing changes as well as new formulations and formats that simplify circular models and reduce our impact.

The Climate Crisis

In early 2023, the Intergovernmental Panel on Climate Change (IPCC) shared its latest report, issuing a 'final warning' on the climate crisis as greenhouse gas emissions continue to rise. The report brings together the research and insights of hundreds of scientists but can be summarised in one sentence: act now, or it will be too late.

In 2022, having developed the framework of our Climate Action Plan, we at Aesop focused on modelling our decarbonisation pathway in more detail, and identifying the projects and partnerships that will deliver the biggest carbon reductions.

We are also working to digitalise our environmental accounting, ultimately giving our business much greater visibility across a wide range of key indicators, starting with our carbon emissions. This will improve the accuracy and transparency of our reporting, while helping to keep us accountable to our commitments.

While this work progressed, we were pleased to see encouraging reductions in our freight emissions having implemented a carbon budget for air freight in 2022 and improved our supply chain management and governance procedures to deliver against it. The establishment of our first ever European manufacturing partnership—which came online in 2022 with capacity growing moving forward—will deliver further reductions in our emissions.

In 2023, we also plan to conduct a Climate Risk Assessment to better understand where we need to build our climate resilience. There are also plans to set more functional carbon budgets, to scope the feasibility of low-carbon freight solutions, to continue seeking feasible alternatives to carbon-intensive surfactants for our formulations, and to convene climate salons with other businesses exploring common challenges we all face in striving for net zero and seeking to identify and share solutions.

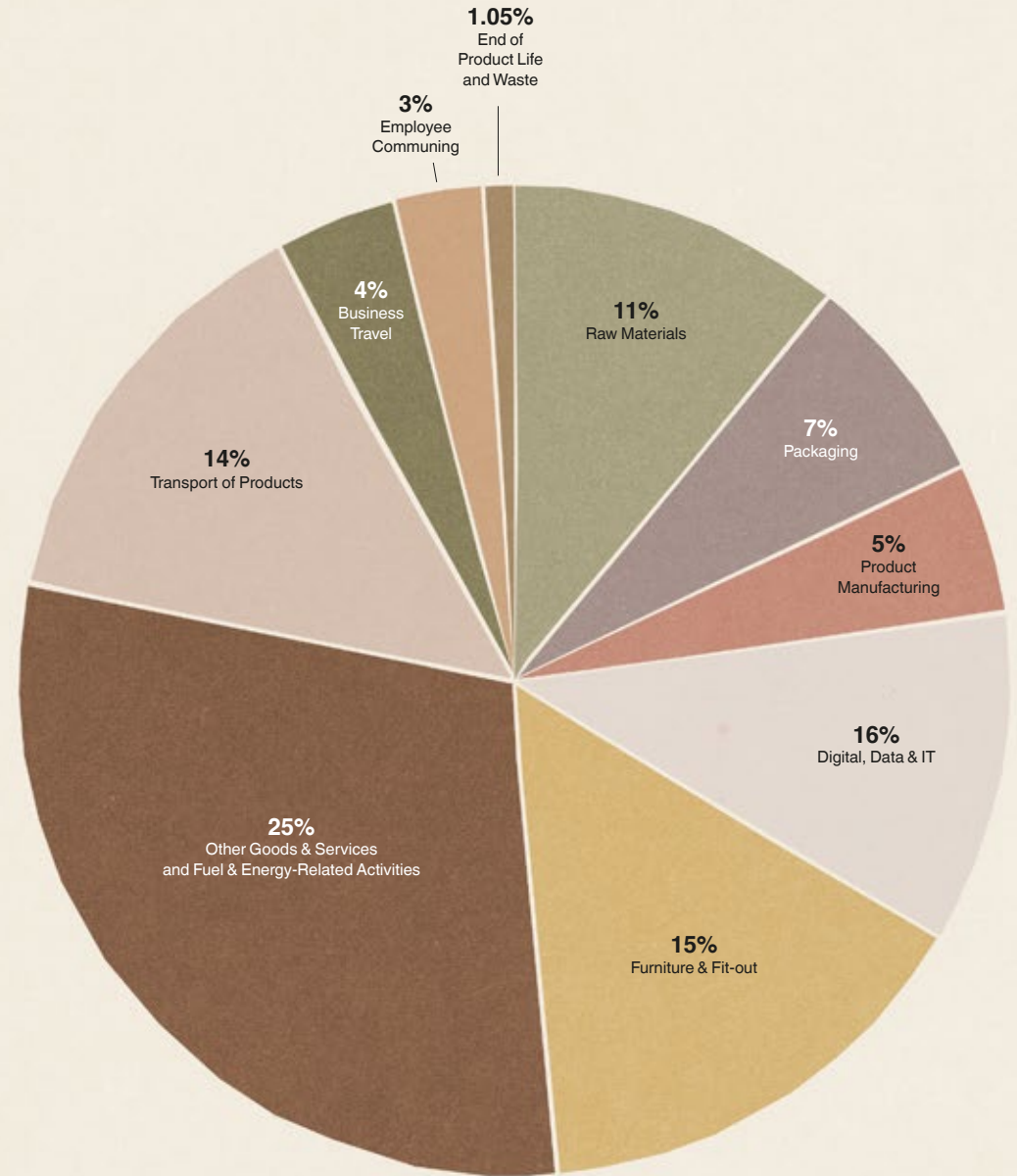


The climate crisis

Our Footprint

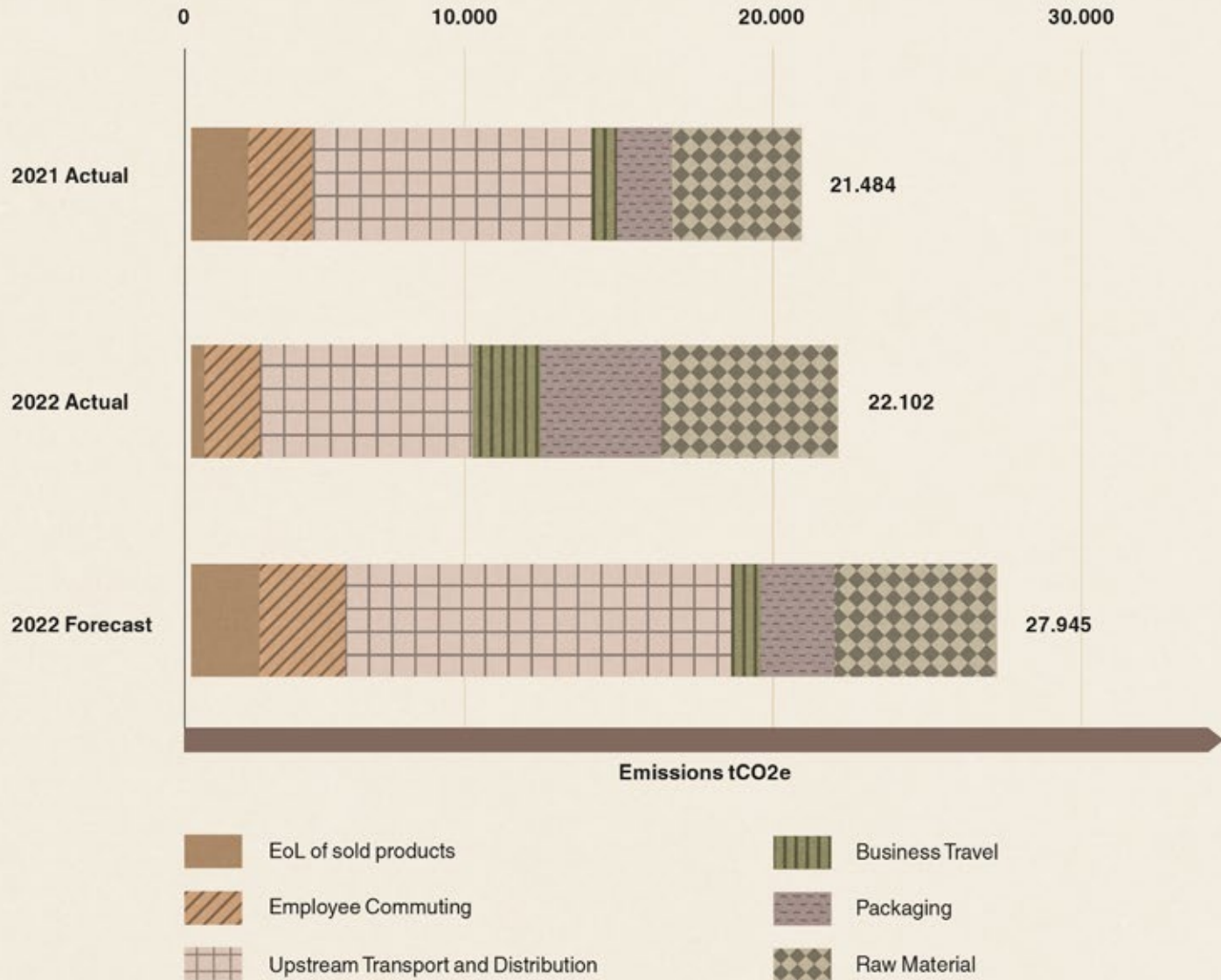
For calculation of our 2022 footprint, we worked with Watershed for the first time, a digital carbon accounting platform that enables businesses to drive deeper accuracy and granularity and of their carbon footprint across scopes 1,2 and 3. As a result of this work we have captured and brought within our footprint calculation additional emissions from purchased goods and services and improved the methodology being used across some other key emission areas. This process (coupled with strong growth driven by our expansion into China and the global easing of previous covid restrictions on trading) has seen our overall emissions increase.

However, despite these overall increases, for the categories of emissions falling within the boundary of our 2030 Science Based Target for Scope 3 we are pleased to report a 13% reduction in carbon intensity per product unit driven by reductions in our freight emissions. We look forward to continuing to build on this strong progress in 2023.



Scope 3 Category (excl. use of product)

The climate crisis



Scope 3 Emissions within SBTi

In June 2022 the Science Based Target Initiative validated a 2030 science based emission reduction target which applies to all of our scope 1 and 2 emissions and 67% of our scope 3 emissions (represented by the categories above). In 2022, compared to our projected Business as Usual emissions, we achieved an overall reduction of 13% in our carbon intensity (per product unit) for the categories falling within the boundary of the scope 3 SBT target.

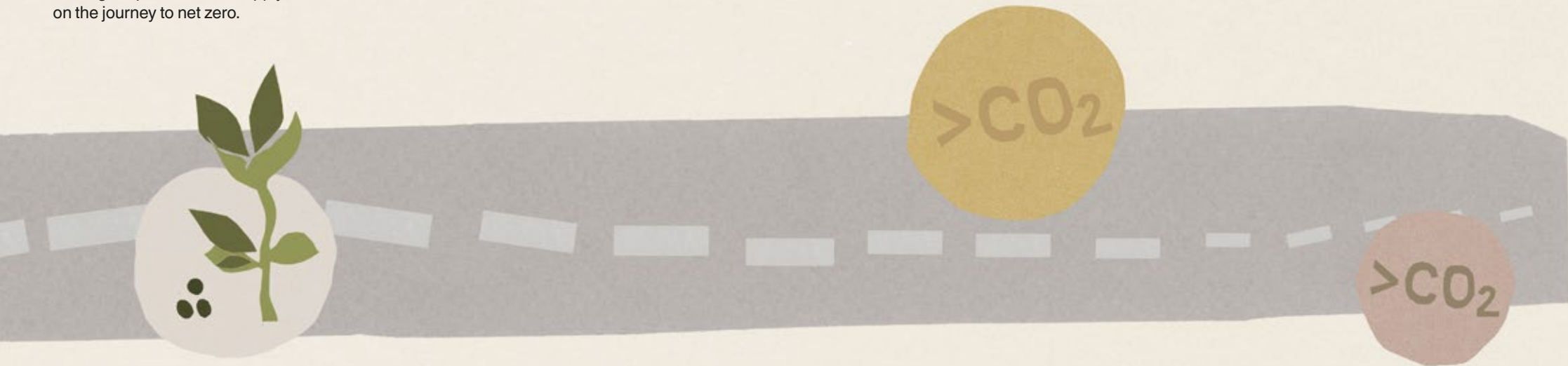
Carbon neutrality and offsetting

Since 2018, our Australian operations have been certified carbon-neutral under the Australian Government's Climate Active scheme. It is important to us, as a business with the majority of manufacturing operations in Australia, to take part in schemes such as this. This year, in order to achieve our Climate Active certification, we are proud to have invested in supporting an Indigenous-owned & directed not-for-profit Aak Puul Ngantam (APN Cape York) in partnership with Balkanu Cape York Development Corporation, on a Savanna Burning project comprises 370,000 hectares of land on Traditional Homelands. The income derived from the carbon credits we purchased is supporting a range of activities that APN Cape York runs alongside the carbon project which benefit the local community.

We have also mitigated all of our global Scope 1, 2 emissions as well as emissions from our upstream and downstream logistics. Recognising that effective carbon removal is an important part of achieving net zero, we have sought (in offsetting our scope 1 emissions) to support an innovative Australian biochar project, with the aim of playing our part in helping to get this novel technology to scale. The project uses organic residues (agricultural crop and timber wastes) that would otherwise be burned or land-filled (e.g., husks, straws, woodchips) and through a pyrolysis process creates a biochar product that permanently traps carbon. When spread on land the biochar then has potential to offer wider benefits in terms of improved soil health.

The road to net zero

The below summarises how Aesop is decarbonising and making its operations and supply chain more climate-resilient on the journey to net zero.



1. Sourcing our ingredients more sustainably

Sourcing the ingredients in our formulations accounts for 11% of our Scope 3 emissions. Innovation will further reduce the carbon footprint of our raw materials, whether it is through deploying next-generation biosurfactants or by supporting our essential-oil suppliers to adopt regenerative agriculture techniques.

2. Engaging our suppliers in our low-carbon mission

We are working with our suppliers to understand where they are on their own decarbonisation journeys and to encourage them to develop their own carbon reduction strategies. Going forwards our plan is to prioritise working with suppliers with existing science-based emission-reduction targets or who have committed to setting one.

In 2022, we developed new sustainability criteria for the procurement of major suppliers.

3. Transitioning our manufacturing portfolio

As our business has expanded globally, so has our manufacturing portfolio evolved. By making sure we build capacity for regional manufacturing, we can drive down emissions from freight. In 2022, we developed new sustainability criteria for the procurement of major suppliers.

In 2023, we plan to scale up work with our French manufacturing partner to meet a greater share of customer demand in our European and North American regions.

4. Driving toward cleaner logistics

Reductions will come from optimising routes, improving supply chain management, reducing reliance on air freight, selecting logistics partners with carbon reduction strategies in place, and transitioning to low-carbon modes of transport wherever possible.

In 2022 this approach has already started to deliver results with our first overall reduction in freight emissions (-24%) from the year before.

5. Removing carbon from the atmosphere

In line with the recommendations of the Oxford Offsetting Principles, as we prioritise investing reductions in our own supply chain, we are transitioning away from offsetting the entirety of our global carbon footprint and claiming carbon neutrality. Purchasing a smaller number of offsets focused on high quality carbon removal as opposed to carbon avoidance wherever possible. We will also aim to invest in projects that support early stage carbon removal technologies that offer long term carbon removal of greater permanence.

The road to net zero



6. Embracing low-carbon design for our stores

Good design has always been central to the Aēsop ethos. In our pursuit of net zero, we will improve both the physical fabrication of our stores and their operational energy efficiency.

In 2022, a new hire joined the sustainability team—our first Sustainable Store Design Manager. This role is dedicated to reducing the environmental impact of our stores, reporting on progress and keeping us accountable.

7. Choosing lower-carbon ways to travel

We worked with our corporate travel provider, Travelperk to analyse our travel data and identify both the factors and trends that are driving our emissions and the most effective interventions we can deploy to reduce our footprint. We will use this analysis to develop a new lower carbon travel policy. We will also continue to use Travelperk's tool to align our travel choices with our carbon goals wherever possible.

8. Switching to renewable energy

Where possible, Aēsop sources 100% renewable energy directly from electricity suppliers for all stores and offices. Where this is impossible because of a lack of availability or pre-existing lease contracts, we purchase renewable energy certificates (RECs). We are also working with our contract manufacturers to encourage them to transition to renewable energy as part of our decarbonisation strategy.

9. Evolving our packaging portfolio

Aēsop packaging is made using four main materials—glass, plastic paper, and metal—each of which creates carbon emissions throughout its lifecycle. We will fulfil our net zero ambitions by continuing to deliver against our packaging roadmap. Progress is good. In 2022, we exceeded our target for 50% of the plastic used in our plastic packaging to come from recycled content by 2030.

10. Evolving our product portfolio in support of a circular economy

Today's products will not deliver tomorrow's low-carbon world. In particular, the systems we use to deliver products to our customers must keep evolving. In 2022, we increased the number of markets that provide Rinse and Return, making recycling easier for our customers living in regions typically lacking this type of infrastructure.

Our Stores

A restorative approach

Entering an Aesop store should feel like a seamless and nourishing experience. We take design seriously because we believe it can — and does — improve lives. This approach is grounded in a deep respect for place. For new store locations, we seek opportunities to align with our cultural and environmental neighbourhood. This helps us go beyond minimising our negative impact, and toward nurturing connection between people and nature, using materials and practices that add something of value to the places where we operate.

Aesop Taipei 101

The wooden furniture of the temporary store was painted and repurposed in the signature store.



Our stores



Aesop Collins Street

The ceiling is made of upcycled Aesop bottles, and the tiled floor is made from recovered travertine stone.

Embedding sustainable design

In 2022, Aesop hired its first Sustainable Store Design Manager. This role breathes new life into our design principles, supporting the wider store design team to reduce negative impact while creating value throughout the construction and operation of our stores.

Our Sustainable Store Design Manager has energy-engineering experience, which provides capacity to work on the energy performance of our stores in order to reduce their consumption.

Sustainable practices in Seongsu

In last year's report, we talked about the Seongsu project—our flagship sustainable store in Korea, built in 2021. The project involved working with local artisans, using traditional materials and construction practices, as well as installing a low-impact irrigation system.

We are pleased to report this work is bearing fruit: in 2022 our Seongsu store used almost 10% less electricity per square metre than an equivalent street store in Korea.

A look ahead

With the success of Seongsu and the recruitment of our Sustainable Store Design Manager, we are eager to continue improving the impact of our stores as our business continues to thrive.

Our Sustainable Store Design Manager is currently upgrading our Sustainability Scorecard. This tool, originally launched in 2019, measures the social and environmental impact of Aesop stores, from construction through to decommission. The new and improved tool will accelerate progress, helping us evaluate the embodied carbon of the materials we use, and favour reused, recycled and local materials across our stores.

Our stores



Aesop Cambridge
Decorative reed—beautiful, versatile and quick-growing.

Our Supply Chain

To create formulations that are truly valuable for our business, our customers and our world, we must know the provenance of our ingredients. However, global supply chains are incredibly opaque—even when sourcing from reputable suppliers, as we do.

As part of our supply chain transformation, we are focusing on five critical materials as high-risk for potential labour and environmental exploitation. Our goal is to have full traceability and/or certification for these five ingredients by 2025.

In 2021, we reviewed and strengthened our environmental and ethical policies. In 2022, we built on these strong foundations, launching supplier sustainability strategies, rolling out ethical-sourcing training, revising our code of conduct and publishing our sustainable procurement policies.

It is worth noting that our supply chain is both affecting and already being affected by climate change. As we seek to reduce our supply chain's environmental impact, we must also increase its resilience to the reality of increasing global temperatures.



January

First ever carbon budget set for freight—in line with Science-Based Targets initiative

First draft of Climate Action Plan completed with functional priorities

February

First-ever supplier environmental sustainability criteria (SESC) developed

April

Natura &Co Code of Conduct updated to reflect sustainability best practice

May

Five ethical-sourcing training workshops delivered across all regions

June

Sustainability KPIs embedded into future contract framework

July

Project kicked off for trialling B2B deliveries using electric vehicles

Palm, paper and cotton sustainable-procurement policies formally approved and published

August

>50% reduction in freight emissions intensity compared to CY21 recorded

November

Ethanol and soy critical-materials policies formally approved and published

December

Aesop took part in a review of the Natura &Co Commitment to Life targets

Our Supply Chain

Aesop's Ethical Sourcing Programme

Aesop's supply chain has a global reach and influence. We have over 150 Direct Suppliers, such as our providers of essential oils, and many more Indirect Suppliers, like our cleaners and consultants. Although many of our Direct Suppliers are located in Australia, the majority have international supply chains.

Our Ethical Sourcing Programme brings together the policies and processes we use to collaborate with our supply partners. The programme aims to ensure our global supply chain uses environmentally responsible processes, provides safe working conditions, treats all workers with dignity, and protects human rights.

Our Modern Slavery Statement is a key component of Aesop's Ethical Sourcing Programme. It provides a comprehensive summary of the ongoing actions Aesop takes to understand and minimise modern-slavery risk in its operations and supply chain.



Choosing the right partners



Aesop has developed and deployed a new points-based rating system to evaluate suppliers' environmental performance. Field-tested in early 2022, the system uses 'yes or no' questions to get a quick and reliable understanding of sustainability performance, and to easily rank potential new suppliers. The system is now embedded in Aesop's process for supplier selection and onboarding.

Assessing and monitoring supply partners

Aesop uses the Sedex platform to assess and monitor the ethical and environmental performance of its suppliers. When appropriate, Aesop will ask a supplier to complete a self-assessment questionnaire (SAQ) on Sedex. We use this, along with Sedex's risk assessment tool, Radar, to determine a supplier's risk level. If a supplier is rated high or medium risk, we require either a new or recent ethical audit.

Our preferred audit methodology is the Sedex Members Ethical Trade Audit (SMETA). Audits are graded and, where necessary, a Corrective Action Plan to address non-compliances is agreed upon. Once concerns have been addressed, high-risk sites are approved for 12 months, and medium-risk sites are approved for 24 months.



Our Supply Chain

Mission-critical materials

Each and every ingredient in our formulations is an important part of our sustainability story.

The richer the picture we can build of the quality and provenance of our materials, the more fully we can create the kind of positive social and environmental change we need. Aesop aims to have full traceability and/or certification for five critical ingredients by 2025.

In 2022, all policies were developed, refined and approved for all critical materials.

Palm oil

- Created a dashboard to measure Roundtable for Sustainable Palm Oil (RSPO) -certified palm oil, improving data visibility and forecasting.

- The palm oil we use is 22.87% RSPO Mass Balance certified, building on 22% from 2021. In 2022, through data cleansing and supplier material verification we discovered further materials containing conventional palm. We will continue regular monitoring to keep working toward our critical-materials goals. The remainder will be offset with RSPO Book & Claim credits.

Paper

- In 2022 we published our sustainable procurement policy for paper and 89% of our volumes were sourced in line with critical-materials policy.

Ethanol

- Natura &Co policy on ethanol formally approved and published in November 2022.

- Traceability: cultivation origin of our ethanol feedstock is known for 90% of our 2022 volumes.

- 0% of our volumes were certified.

Soy

- Natura &Co policy on soy formally approved and published in November 2022.

- 46.19% of the soy we use was sourced in accordance with the policy. Given the complex nature of soy supply chains and the success of our palm traceability study, Aesop will be partnering with Action for Sustainable Derivatives to complete a traceability study on our soy feedstocks to gain a deeper and wider understanding of the origin of our soy.

Cotton

- Placed and received our first order of recycled (70%) and organic (30%) cotton, heavily contributing to the uptick in policy-aligned volumes

- 98%+ cotton sourced from India.

- 58.14% aligned with policy.

Nurturing Communities and Individuals

In a world of increasing division, investing in people and communities can create healing and harmony. Aesop is committed to supporting the communities we serve, internally and externally. In practice, that means everything from ensuring our company practices and policies create belonging and empowerment, to supporting our people to volunteer, donate or campaign for issues they care about.

Nourishment can come in many forms—from how we make and sell our formulations, to how we invest in our professional relationships, to how we imbue our physical spaces with purpose. It is through the daily practice of our values that Aesop stays true to its nature and nurtures the world we live in.



Philanthropy and Social Impact

“The Aesop Foundation believes those directly impacted by exclusion have the courage, ability, and passion for creating a better world. As a global grant maker we remain committed to supporting lasting social change and will continue to prioritise our philanthropy for both people and planet as we scale our funding over the next seven years”.

Jules Chalmers, Head of Aesop Foundation

No brand is an island. At Aesop, we believe business should add value to the world around it, rather than extract as much profit as possible. We take this responsibility seriously, with a commitment to grant at least AU\$40m to charitable causes by 2030, as well as donate 1% of employee time to volunteering, and donate AU\$14m worth of product to charitable causes.

In 2022, Aesop completed its first full year of a global philanthropy programme, building on five years of grantmaking in Australia. We continued to support strategic Australian partnerships, while expanding our portfolio internationally. As per our public commitment, this included increasing investments in social causes by 20%. We also matched (and will continue to match) all employee charitable giving, dollar for dollar, with no upper limit.



Image provided by Aesop Foundation partner, MSI

Philanthropy and Social Impact

Employee involvement

The Aesop Foundation is supported by four regional employee committees and works closely with our three Employee Resource Groups. In line with our philanthropy strategy, grantmaking is aligned with Aesop's values. We are proactively diverse, equitable and inclusive, and have continued to build partnerships with those working alongside systematically excluded communities.

Rapid response

In 2022, we used our new global philanthropic reach to respond to world events.

Solidarity with Ukraine

In response to the Russian invasion of Ukraine in February 2022, the Aesop Foundation moved quickly to approve grants of US\$25,000 each to four charities—Save The Children, Médecins Sans Frontières, the International Rescue Committee and the UN Refugee Agency (UNHCR).

Aesop stores were also encouraged to use their monthly product donations to support local organisations that help refugees and displaced people.

We continue to stand in solidarity with the people of Ukraine and wholeheartedly hope for a swift and peaceful end to this conflict. Aesop has stopped all trading in Russia. As part of our ongoing commitment to humanitarian aid and to ensure we are responding even when there is no media attention, we entered into a five-year partnership with Médecins Sans Frontières. The Foundation is providing unrestricted support for MSF with a total commitment of AU\$1,270,000 over this period. Aesop has a long-standing relationship with MSF, which first began in the early days of the business with MSF Australia.

Protecting bodily autonomy

In June 2022, the US Supreme Court overturned Roe v. Wade, leading to restricted access to safe abortions for millions of women. In response, the Aesop Foundation donated a total of US\$100,000 to two organisations—the Center for Reproductive Rights and MSI Reproductive Choices.

Aesop also altered its healthcare policy in America. Any employee living in a state that restricts abortion rights can now access financial support to cover travel expenses (including accommodation and food) to the nearest legally available reproductive health care service.



AU\$11.2m
granted by the Aesop Foundation since 2017



AU\$3.1m
granted during 2022, with a further \$4.4m committed in multi-year partnerships



26,000
employee volunteering hours¹



AU\$2m
product donations



AU\$100,000
matched donations



AU\$200,000
emergency funding

¹ Recorded volunteer hours by Aesop employees in 2022.

Philanthropy and Social Impact



Aesop Foundation partner, Médecins Sans Frontières

Strategic partnerships

Alongside the Foundation's emergency response grantmaking, it has continued to invest in organisations that seek to make a positive impact across education and the environment. In 2022, the Board approved AU\$7.5m worth of investments into a range of existing and new partners.

Our 2022 partners

100 Story Building, All Out, Asylum Seeker Resource Centre, Breaking Barriers, Centre for Reproductive Rights, Create, Everyone's Invited, Indigenous Climate Action, IRC, Karrkad Kanjdji Trust, Library for All, Luminary Bakery, Médecins Sans Frontières, Melbourne Fringe, Mission with a Vision, MSI Reproductive Choices, My Planet Now, Outright International, Orka Project, Pan Intercultural Arts, Photographers without Borders, Rebuild by Design, Refugee Community Kitchen, Room to Read, Save the Children, Seeding Sovereignty, The Asia Foundation, UNHCR, Voice of Witness, War Child, Writers South Australia.

Looking ahead

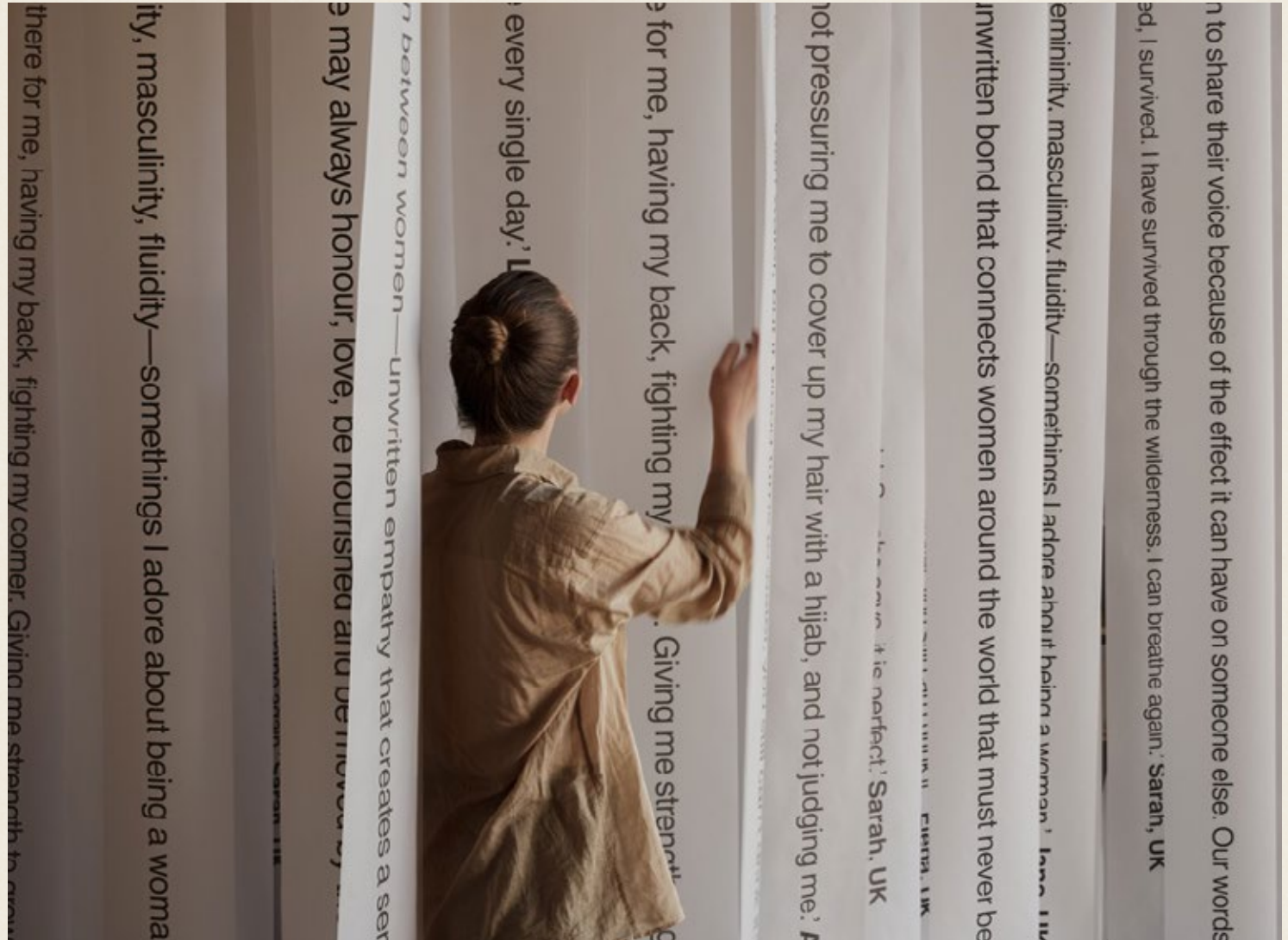
In 2023, the Aesop Foundation will continue to increase its financial commitments, in line with its 2030 giving goal. The grantmaking programme will be further enhanced through the application of a theory of change that seeks to maximise its positive impact. We are also exploring how best to share our learning and provide additional benefits to all our partners.

Diversity, Equity and Inclusion

Since day one, Aesop has keenly felt its responsibility to the communities it serves, both internally and externally.

In 2022, we continued to embed our Diversity, Equity and Inclusion (DE&I) programme of work into our global practices, ways of working, policies and behaviours across our organisation. Continuing to strengthen Aesop's Employee Resource Group (ERG) programme—safe spaces for colleagues with shared lived experiences—fostered belonging and support for historically and systemically excluded people and communities. These groups drive awareness on key issues that particularly impact those communities, and acknowledge and celebrate key cultural and religious moments in the year.

In this chapter, we offer an update across the four pillars of our DE&I strategy.



Diversity, Equity and Inclusion

Progress across the DE&I pillars

One year on from the launch of the Aesop DE&I strategy, progress continues apace across each of its four pillars. The strategy was aligned to our targets across gender balance, equitable pay, living wage and representation of diverse groups at the management level.



1 Workplace: creating a safe and inclusive workplace where colleagues are empowered and feel like they belong.

- Launch of Aesop's Global DE&I Policy, outlining our commitments and expectations.
- Launch of a new Employee Resource Group (ERG) focusing on issues of race, ethnicity and culture.
- Rich calendar of events and activations from Aesop's ERGs.
- Launch of Aesop's Global Menopause Policy.



2 Workforce: building a diverse workforce that allows all colleagues to develop to their full potential.

- Continued to embed inclusive hiring practices within our recruitment process.
- Introduced 'Inclusion' as a formal Aesop Capability—an internal protocol that outlines essential qualities, behaviours and skills for Aesop employees.



3 Customers and communities: demonstrating that DE&I is at the core of how we show up with our customers, communities and the marketplace.

- 1,000 completions of a new learning module for retail teams, focusing on creating inclusive experiences for customers with diverse needs.
- Ongoing partnership with Beam, a social enterprise supporting refugees and people experiencing homelessness. Through the partnership, Aesop provided employment opportunities and workshops for CV-writing and interview skills.
- Expanded the Aesop Queer Library initiative to nine locations across five countries, giving away over 35,000 books.



4 Insights: gathering insights to understand the experiences of our people and how we need to transform.

- 58% colleague participation in the DE&I demographic-data collection programme. Following an initial launch in five markets in 2021, the programme was extended to cover all but two markets in April 2022.
- Employee feedback from internal surveying shows steady progress in colleague sentiment across the categories of Inclusion, Speak my Mind, Equal Opportunity, and Belonging.

Diversity, Equity and Inclusion

Throughout 2022 we remained focused on making progress toward our goals—including creating and fostering a more equitable, inclusive and safe environment for our colleagues at Aesop.

Target	2021	2022
Gender balance: 50% women on board / senior team by 2023	40%	46%
Equitable pay, closing the gender gap by 2023	-1%	-0.58%
Work toward 30% inclusion, in management, of under-represented groups—in terms of racial or ethnic background, sexual orientation and gender identity (LGBTQIA+), socio-economic disadvantage, and physical or mental disability—by 2030.	Carried out the relevant market-by-market legal due diligence to eventually enable us to capture our demographic baseline and help us measure progress against this goal.	Formally launched Aesop's first ever DE&I demographic data collection programme, an important first step toward understanding our baseline of where we stand today in relation to our goals and as a means to measure progress against our targets.
Living wage (or above) for all by 2023 (1A ¹)	1A—98%	1A—98%

¹1A is one adult.



Diversity, Equity and Inclusion



Aesop Notting Hill: A selection of books gifted to customers in celebration of Notting Hill Carnival

Launch of Ubuntu

In 2022, a new ERG, Ubuntu, was formed by Aesop staff. Ubuntu is Aesop's Race, Ethnicity and Culture ERG, with a remit to build connections between colleagues through celebration, education, advocacy, and sharing and participation of other cultures. Ubuntu's vision is for Aesop to be a place of belonging for systematically excluded and marginalised communities. Ubuntu has been formed as an evolution of the valuable work of the Anti-Racism Committee (ARC), which was established in 2020 following the murder of George Floyd.

Ubuntu joins two other ERGs at Aesop. PRISM—a space for our global LGBTQIA+ community—and Aesop Women – which looks to address the issues facing all women in the workplace and beyond. Aesop ERGs have a combined membership of over 500 colleagues.

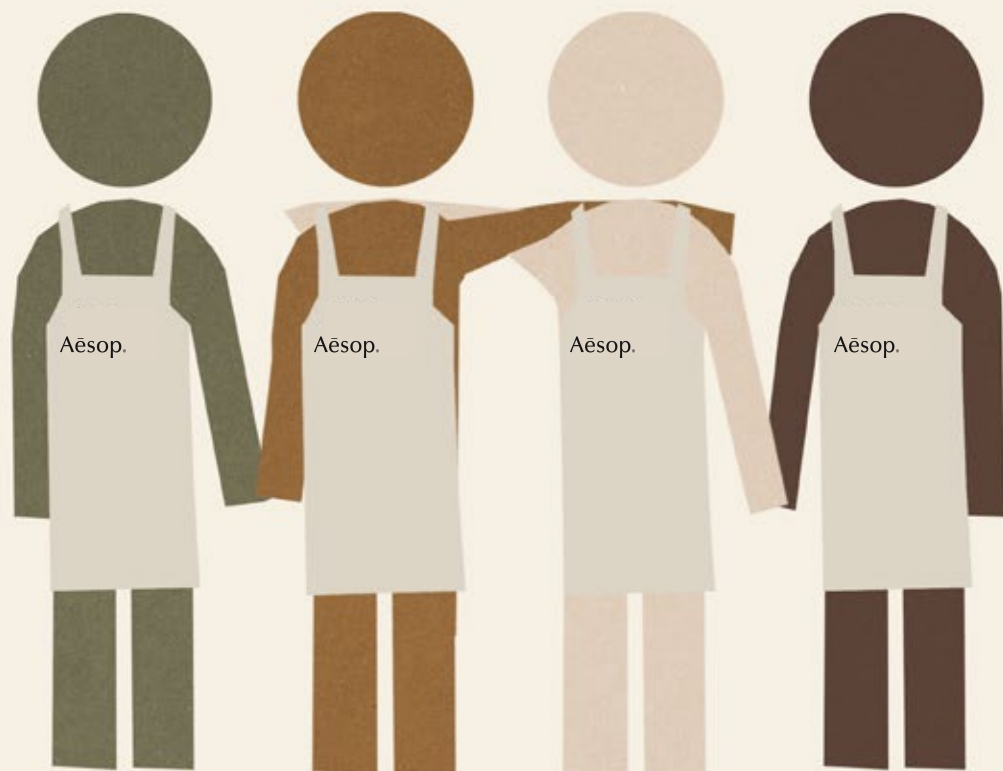
Global Menopause Policy

In 2022, the Aesop Women ERG led the launch of Aesop's first Global Menopause Policy. The group helped raise awareness of the new policy globally, which offers paid leave and benefits to colleagues who are going through the menopause.

Embedding inclusion within our Talent Management processes

We have established strong foundations to inclusive Talent Management—the way we hire, develop and nurture talent is an important step on our DE&I journey. The continued embedding of Inclusive Hiring Principles plays an important role in promoting inclusive mindsets, instilling objectivity and de-biasing our practices and behaviours when we hire talent. Furthermore, the introduction of 'Inclusion' as a new Aesop Capability has been an important step toward embedding the necessary inclusive behaviours across our annual talent management and objective setting processes.

Employee wellbeing and engagement



Everyone who works at Aesop should feel they are seen, appreciated and accepted for who they are. They should feel supported in their role and know their work has meaning and value to people and planet.

To build that sense of belonging, and to understand the barriers and opportunities we face as an organisation, we need to keep asking the right questions and truly listen to the answers. In pursuit of this, we run regular focus group discussions and two annual employee engagement surveys.

Our most recent employee survey was in October 2022, which saw a participation rate of 88%, as well as the submission of over 8,000 comments. Although several scores dipped by one or two points from the previous survey in April, the long-term trend remains positive. For example, our score for Employee Engagement has been consistent over the last few years, reaching 74 in April and 73 in October. Similarly, although our scores for Belonging (73) and Career Path (72) dropped slightly, we performed well against external benchmarks.

- Survey participation rate: 88%, and over 8000 comments, all read by senior leadership
- Current Employee Engagement score — 73
- Top strengths — Corporate Citizenship (75), Belonging (73), Career Path (72)

Our active-listening strategy provides valuable information about what we should focus on in the months and years ahead. Our biggest opportunities relate to how we work together at Aesop—how we prioritise and make decisions, and how we collaborate and communicate. By addressing this in 2023, we hope to in turn improve workload, work-life balance and overall engagement.

Focus on balance

Last year, coming out of the Covid-19 pandemic, we focused on bringing more balance into our business. We saw the impact of this focus reflected in our most recent employee survey, with key metrics of Workload and Work-Life Balance both increasing by two points since April 2022.

Aesop is committed to supporting work-life balance initiatives for our people to increase wellbeing. In 2022, we piloted Summer Hours, inviting employees to take Friday afternoons off work for three months during the summer. We included a question about this initiative in our most recent employee survey. Scoring 78 points, Summer Hours positively impacted people's wellbeing; they will therefore be returning this year and every year after that.

Summer Hours—for office staff

Every year, over the summer period, on Friday afternoons we encourage all office-based staff to take time for themselves away from screens and meetings to recuperate, regenerate and replenish after lunch. The offices are closed, and we collectively enjoy time away from focussed work.

Wellbeing Days—for retail staff

This initiative aims to give Aesopians more time to refresh and replenish by providing retail staff with two additional Wellbeing leave days over the summer period each year.

Meeting-Free Fridays—year-round

Year round meeting-free Fridays are meant—where operationally possible—to be meeting-free and low-traffic days, allowing time for focused work or reflection. this.

Using our stores for good

Our stores have purpose. We want everyone who enters an Aesop space to feel enriched by the experience—whether they are an employee, a customer, or simply a curious passer-by. Alongside the work we do to make our stores sustainable by design, we aspire to create inclusive spaces that promote wellbeing and growth, both for individuals and for the wider community.

Queer Libraries

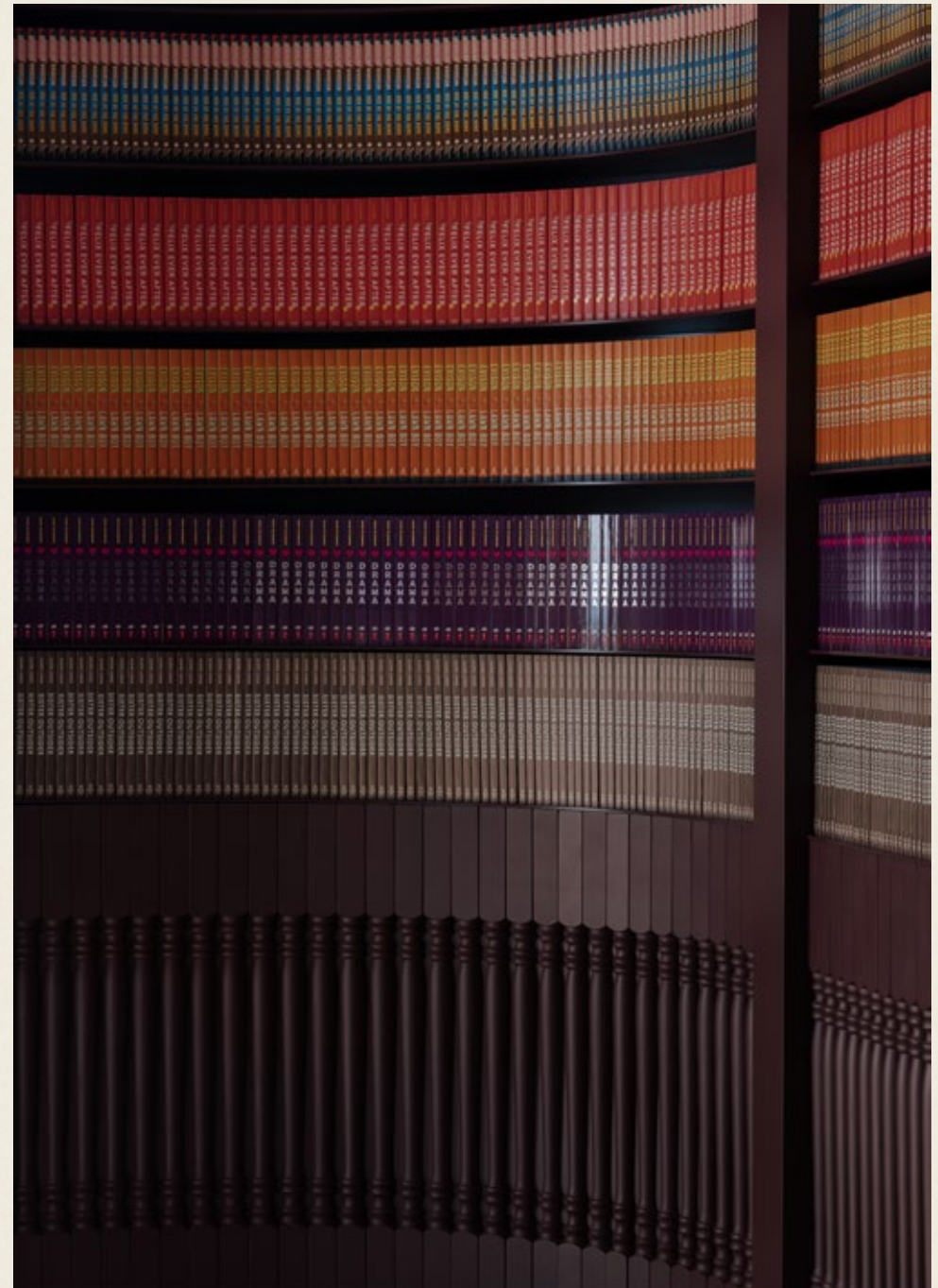
We believe queer storytelling has the power to broaden horizons and unite communities. In 2022, we expanded our Queer Library initiative to several new locations, giving away over 34,000 books by LGBTQIA+ authors.

During the event, the formulations usually found on our shelves were replaced with a diverse selection of literary works, usually sourced from nearby independent queer bookstores. Customers were invited to collect a complimentary book, with no purchase necessary. Each iteration of the Aesop Queer Library is run in partnership with Penguin Books, as well as several other global charity partners.

In 2022, branches of the Aesop Queer Library opened in Melbourne, Sydney, LA, New York, Toronto, London and Berlin. We also held Queer Libraries in Tokyo, Osaka and Hong Kong for the first time.

The final Aesop Queer Library of the year was in Taiwan. This included our first mobile library, which proved hugely successful, with lines of customers patiently waiting to engage with our team and find a good book.

Aesop Yorkville
Queer library 2023



Using our stores for good

Women's Libraries

In April 2022, Aesop hosted its first Women's Library. For five days, the shelves of two signature stores in Singapore were filled with books by predominantly South East Asian authors who identify as women and allies, purchased from local independent publishers and booksellers.

Visitors were invited to take home a complimentary book, with no purchase required.

To complete the experience, the stores played a soundtrack from Aesop's global Sounds of Sisterhood initiative—a soundscape created for International Women's Day, featuring colleagues and collaborators sharing stories of affection, wisdom, and the multifaceted nature of womanhood.



Aesop VivoCity
Women's Library 2022

Using our stores for good



An environmental spotlight

In August 2022, Aesop Korea organised a trio of PR events entitled *Kyklos*—the ancient Greek word for ‘cycle’—focused on sustainability.

Thoughtful sourcing at Aesop Garosu-gil

Speaking to conscious, biodegradable ingredient sourcing, we collaborated with greenskeepers from nearby Hakdong Park to turn green waste into an enveloping, zero-waste installation. A compelling result, with almost zero environmental or financial cost, which was later returned to the park to be used as fertiliser.

Circular store design at Aesop Seongsu

Aesop Seongsu’s garden designer, Dae-Gill Lee created soundscapes using field recordings from Jeju Island, the inspiration for the garden. These beautiful aural montages were played in-store to highlight different aspects of circular design. For example, a symphony of insects and frogs emanated from the Rinse and Return bin. The piece urged visitors to reflect on the unobserved natural processes that are always at play—even in the bustle of the city.

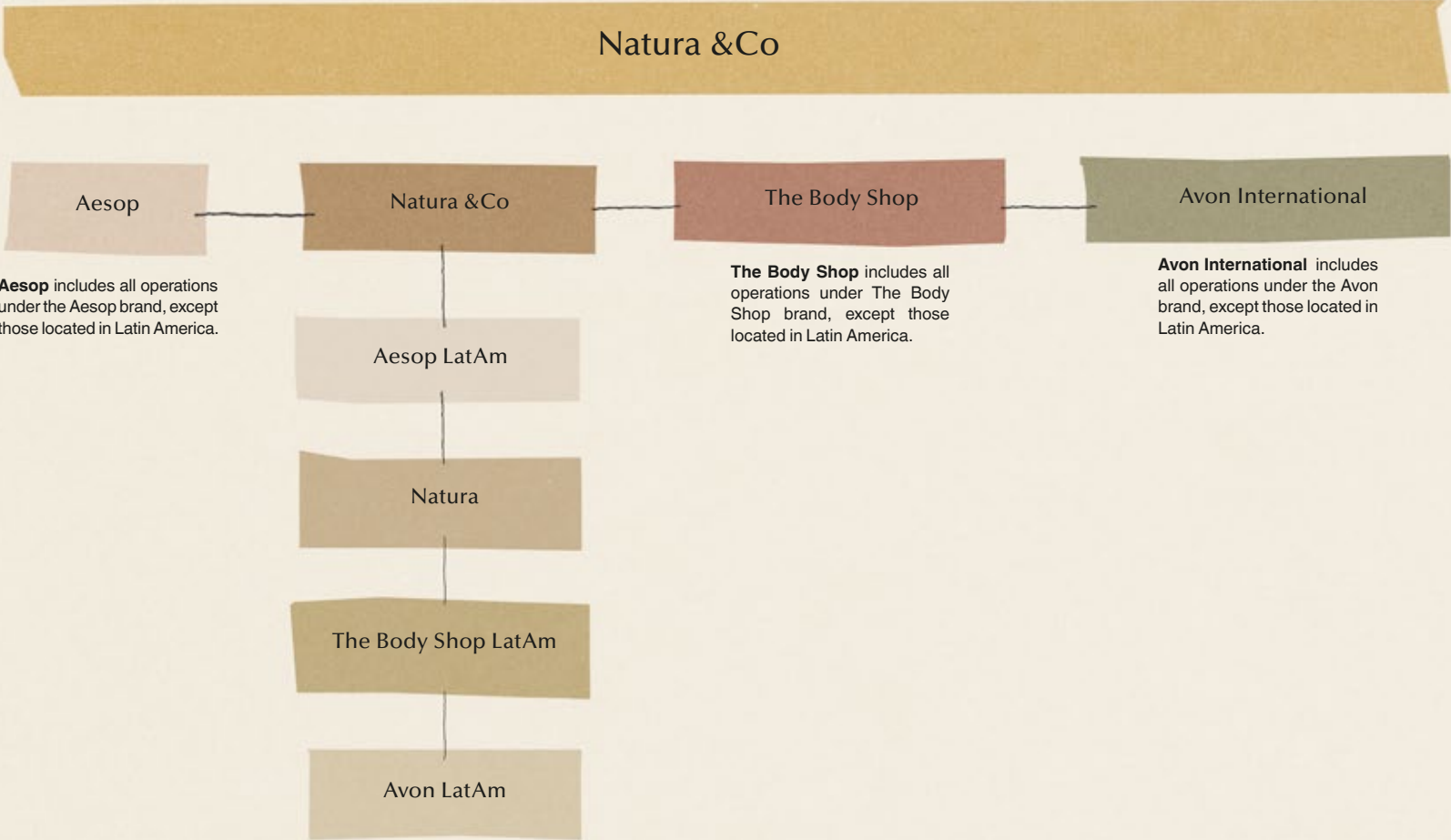


Creative packaging

To explain Aesop Korea’s conscious approach to packaging, Rinse and Return service, and forthcoming Rinse and Refill system, we invited designer Jisun Kim to use waste plastic from the local neighbourhood to create vases and lamps that were given as gifts to guests.

Natura &Co business structure

In 2022, Aesop was aligned to the Natura &Co Commitment to Life sustainability vision and targets. These targets are reported against in the appendix of this report.



Commitment to Life



In 2022, Aesop continued working toward the 2030 goals set out in the Commitment to Life, Natura &Co's Sustainability Vision. This vision outlines a regenerative approach to business, one that seeks to solve socio-environmental problems by going beyond 'do no harm' to create positive impact.

Like The Body Shop, Avon and Natura—the other brands within the Natura &Co group—Commitment to Life helps us prioritise and align our next steps as we journey toward creating a fairer and more sustainable future.

Goal	Metric	Target timeline	2021	2022
To Address the Climate Crisis and Protect the Amazon				
Net Zero GHG emission	Become Net Zero, delivering 1.5°C 20 years ahead of UN Commitment	2030	In 2021, our greenhouse gas emissions were 32,157 tonnes of carbon (tCO2e) across Scope 1, 2 and 3.	In 2022, our location based greenhouse gas emissions were 58,923 tonnes of carbon (tCO2e) across Scope 1, 2 and 3 (excluding consumer use of our products).
	Science Based Targets Initiative (SBTi) for all companies, scopes 1, 2 and 3	2022	We are in the process of submitting our science-based targets to SBTi and we expect to receive their approval in the coming months.	Aesop was part of a submission for a 2030 Science Based Target through the Natura group in 2022. This target was validated in June 2023.
Biodiversity	Help create targets with a network of partnerships (UEBT, SBTN, BfN, WEF)	2025	We are part of the corporate engagement for Science Based Target Network (SBTN). To help the construction of the SBTN methodology, we are piloting the methodology with our Natura Ekos line and fulfilled Step 1 of 5. TBC	



Goal	Metric	Target timeline	2021	2022
To Defend Human Rights and be Human Kind				
Our people	Gender balance: 50% women onboard/senior team by 2023	2023	40% women on senior team at Aesop.	46%
	Equitable pay, closing the gender gap by 2023	2023	The gender pay gap at Aesop has been identified as -1%.	-0.58%
	Work towards 30% inclusion, in management, of under-represented groups	2030	Throughout 2021 we reviewed various solutions to assess D&I data as we faced data privacy and legislative issues in many of the markets in which Natura &Co operates. With the support of an external consultancy, an online survey tool will be used to anonymously gather data from our employees to support the establishment of our baseline.	One of the greatest challenges in our Commitment to Life is the ambition for 30% inclusion of underrepresented groups across all management levels in all the company's business units. Our goal is to reflect the societies in which we operate in our workforce. As a large global organization, this is not an easy task as it involves capturing sensitive personal data in accordance with data protection laws and anonymity requirements in all jurisdictions. However, we are committed to progress and, as such, we partnered with external experts to conduct our first global D&I study so that we can track progress against our goals in this area
	Living wage (or above) for all by 2023	2023	1A - 98% 2A2C - 85%	1A - 98% 2A2C 84%
Our Wider Network	Increase investments in key causes by 20% to U\$ 600 million	2030	A\$ 5.8 million	A\$ 3.1 million
Human Rights	Full traceability and/or certification by 2025 – Palm Oil	2025	22.00%	Traceability (Mills) - 89.7% Certification - 22.9%
	Full traceability and/or certification by 2025 – Mica	2025	N/A	N/A
	Full traceability and/or certification by 2025 – Paper	2025	71.00%	Certification - 69.7%
	Full traceability and/or certification by 2025 – Alcohol	2025	0.00%	Traceability – 90.0% Certification - 0%
	Full traceability and/or certification by 2025 – Soy	2025	15.60%	Traceability - 1.9% Certification - 0%
	Full traceability and/or certification by 2025 – Cotton	2025	1.00%	Traceability – 95.0% Certification - 17.5%
	Adopt robust Human Rights policy in line with UN Guiding Principles by 2023	2023	Natura &Co's new Human Rights statement was unanimously approved by its Board of Directors in 2021	The Natura &Co Board of Directors approved a Human Rights statement in December 2021. The following year, the policy was rolled out across all four Natura &Co brands.

Goal	Metric	Target timeline	2021	2022
Embrace Circularity and Regeneration				
Packaging Circularity	50% of all plastic used to be of recycled content (in weight)	2030	50.8% of all Aesop plastic packaging manufactured in 2020 was made from recycled content	54.70%
	100% of all packaging material: Reusable or Recyclable or Compostable	2030	82.7% of Aesop packaging material is reusable or recyclable.	83.00%
	Offset through "collection and reuse" programs to reach 100% responsible disposal where recycling infrastructure not available	2030	0.60%	Aesop launched its first in-store refill trial launched at South Yarra in late 2021. Aesop have also launched Rinse and Return initiatives across Hong Kong & Macau, Singapore, Taiwan, Malaysia and Korea. Across 2022 these programmes collected 9220kg of used packaging material for local recycling.
Formula Circularity	95%+ renewable or natural ingredients	2030	89.7% of Aesop's ingredients, according to ISO16128 standard, a globally harmonised standard providing guidelines on definitions and criteria for natural-origin ingredients	90.80% of Aesop's ingredients were of natural origin, according to ISO16128 standard
	95%+ biodegradable formulas	2030	89.3% biodegradability of rinse-off formulations.	93.40% biodegradability of rinse-off formulations
	100% of new formulas will have lower environmental footprint, measured by life cycle analysis (LCA)	2030	In 2021, a team with components from all the companies of the Group was defined, a consulting firm was hired (Quantis), and the scope of the tool construction was defined in line with the EcoBeautyScore Consortium.	Natura & Co LCA Ecodesign Tool had its development completed in 2022 allowing the measurement of the ecological footprints of formulations based on state-of-the-art LCA methodology and data. In 2023, a pilot phase of testing and evaluation is planned so that fine adjustments can be made to ensure that the tool is being successful in measuring the real impact of the formulations.



Environmental impact

Packaging materials

At Aesop, we continually review the composition of our packaging portfolio to reduce our environmental impact and track our progress. The following table details the weight and material uses across our packaging in 2022. All packaging data is based on goods shipped to market

Material used	2021	2022
Total weight (metric tonnes)		
Glass	790	525.2
Plastic	468	417.88
Wood/Paper	43	76.23
Metal	87	58.85

Energy consumption

At Aesop, we continually review the composition of our packaging portfolio to reduce our environmental impact and track our progress. The following table details the weight and material uses across our packaging in 2022.

Metric	Energy used	Unit
Energy consumed from nonrenewable fuels (gas, coal, oil, etc.)	223	MWh
Energy consumed from nonrenewable electricity purchased	5030	MWh
Total nonrenewable energy consumption (nonrenewable fuels and nonrenewable electricity)	5253	MWh
Total renewable energy (wind, solar, biomass, hydroelectric, geothermal, etc.) purchased or generated	561	MWh
Percentage of renewable energy (as % of the total energy consumed)	9.6	%

Through our Rinse and Return programmes in Asia we are working to increase the material returned to be recycled.

Material used	Total weight (metric tonnes)	Total weight from recycled sources	Percentage from recycled sources
Glass	525.2	226.82	43.19%
Plastic	417.88	228.78	54.75%
Wood/Paper	76.23	12.73	16.7%
Metal	58.85	0	0%

At Aesop we continue to monitor our progress towards increased recycled material across our packaging in 2022.

Material used	Quantity used	Quantity of material returned for recycling	Percentage
Plastic, Glass, Metal	1,927,133	49,336	2.60%

Emissions

Scope 1, 2 and 3 (including consumer use and location-based emissions for Scope 2) 118,064



Waste

Waste diverted from disposal (used/recycled/sold) (t) ¹		2022
Aesop ¹		8,919
¹ The scope covers all global stores and offices		
GRI 306-4 Waste recovery by recycling (t) ¹		2022 Total ²
Hazardous		
Inside the organization (on site)		-
Outside the organization (off site)		-
Non-hazardous		
Inside the organization (on site)		166.8
Outside the organization (off site)		0
Total		166.8
¹ Recycling: composting; co-processing and recycling		
² No data is available for hazardous waste for Aesop because within the scope (offices and stores) it is assumed that no volumes of hazardous waste are removed		
GRI 306-5 Waste directed to disposal (t)		2022 Total ¹
Hazardous		-
Non-hazardous		59.3
Total hazardous & non-hazardous		59.3
¹ Total volume of waste directed to disposal is estimated for Aesop as there is no data available by composition. The scope only covers all global stores and offices		



Social impact

Corporate citizenship and philanthropy

The Aesop Foundation focuses its funding on multi-year partnerships. The Foundation also responds to acute social and environmental issues. All grants are guided by a fundamental belief in human rights and equality. The below table details the total grants approved by the Aesop Foundation in 2022.

Type of activity	2022 total
Philanthropic grants approved by the Aesop Foundation	AUD\$3,116,000

Type of activity	2022 total
Volunteering hours contributed by Aesop employees	26002.5 hours



Employees

GRI 2-7

Employee by type of work contract and gender		2022		
	Temporary	Permanent	Total	
Men	69	497	566	
Women	341	1686	2027	
Not declared	217	497	714	
Total	1,061	24,545	3307	

Employee by type of work contract and gender		2022		
	Full-time	Part-time	Total	
Men	451	115	566	
Women	1582	445	2027	
Not declared	434	280	714	
Total	2467	840	3307	

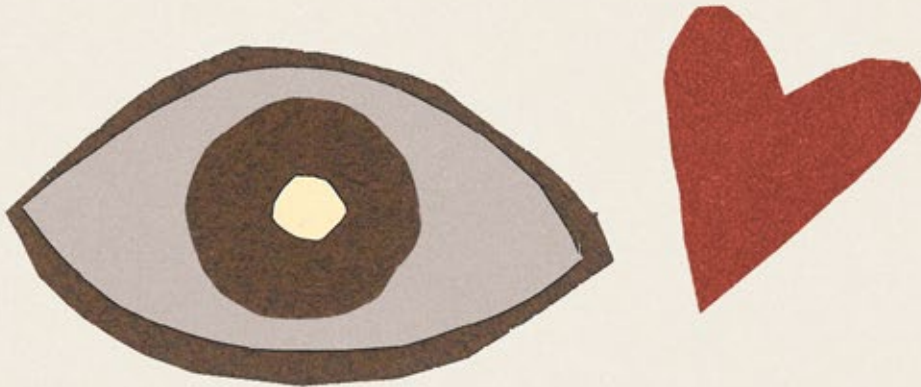


Collective bargaining agreements

GRI 2-30

Employees covered by collective bargaining agreements	Total ¹
Total of employees	800
Employees covered by collective bargaining agreements	190
Total percentage	23.8%

¹ Scope is only considering employees based in Europe. Conditions for employees not covered by collective bargaining agreements are not detrimental and are equal to those covered by a collective bargaining agreement.



New employee hires and employee turnover

GRI 401-1

Turnover rate by gender ¹	Total ¹
Men	
No. hired	210
No. terminated	185
Total turnover rate (%)	27%
Women	
No. hired	668
No. terminated	573
Total turnover rate (%)	24%
Total turnover as % of total employees (%)	30%

¹ In Aesop, there are 1,106 employees who have not declared their gender, which have been considered in the total turnover figure

Diversity of governance bodies & employees

GRI 405-1

No. of employees by functional category and gender ¹	Leadership	Director Level	Management	Coordinator	Administration	Operational	Salesforce	Total
Men	4	11	65	73	-	-	-	153
Women	2	14	121	160	-	-	-	297
Not declared	1	3	33	36	-	-	-	73
Total	7	28	219	269	-	-	-	523

¹ Data only represents management – level employees

No. of STEM- related positions and gender	2022		
	Men	Women	Not declared
IT	77	62	22
Finance	20	57	10
Supply Chain	34	67	14
R&D & Engineering ¹	6	43	5
Total	137	229	51

¹ R&D and Engineering are classified as a single job family



Training and development

GRI 404-1

Average hours of training per year per employee		
Total employees	Total hours of training	Average hours of training per employee
3307	49,012	14.8

Gender equality salary gap

GRI 405-2

Through Natura &Co, Aesop conducted an independent pay equity study in partnership with global consultancy Mercer. Our goal is to not just meet statutory minimums but to go above and beyond to challenge ourselves.

Remuneration (%)	2020	2021	2022
Aesop		-1.0	-0.58

The indicator presented is based on a more sophisticated methodology than the simple ratio of women's salary to men's and between ethnic-racial groups. Although the classification by functional category is not available in this cycle, the metric can be used as a reference to GRI 405-2, due to the similar intention in relation to the data reported

Employee Engagement

Employee engagement indicator (% of actively engaged employees) ^{1,2}	2020	2021	2022
Aesop	70	69	71

¹ Aesop uses Glint to capture employee engagement data and have applied the following methodology to the data, 'Favourable' in Glint = actively engaged.
² Data coverage (% of total employees who responded) is XX% 2020; XX% 2021; XX% 2022

Customer satisfaction

Aesop's Voice of Customer (VoC) program was relaunched in July 2022 with a new partner, InMoment. The relaunch has led to changes in the reporting volumes to better align with customer volumes across markets and is now more accurately reflective of global sentiment.

Metric	2019	2020	2021	2022
Satisfied customers indicator (% of satisfied customers) ^{1,2}	82%	88%	87%	76%

¹ Information based on the 5 main markets: United Kingdom, Poland, Romania, South Africa and Philippines. The data is based on representative satisfaction research (non-final customers).

² Aesop's Voice of Customer (VOAR) Program was re-launched in 2022 with a new partner. The relaunch has led to changes in the reporting volumes to better align with customer volumes in certain markets. In the refreshed process, Asia-based markets now account for 45% of survey responses vs. 15% historically which has led to a significant shift in the results but the results are now accurately reflective of global sentiment as they are weighted against market size.

