



LESS is MORE
Let's GO GREEN!

A.S. Watson Group

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A.S. Watson Group puts environmental protection at the heart of its social responsibility agenda, and has been driving a wide range of environmental measures across all its business units in order to minimise negative impacts on the environment.

Waste is a growing problem and in 2016 global cities generated over two billion tonnes of solid waste*, amounting to a footprint of 0.74kg per person every single day. If current levels continue, annual waste generation is expected to increase to 3.4 billion tonnes by 2050.

*Source from "What a Waste 2.0: A Global Snapshot of Solid Waste Management to 2050" published by The World Bank



Save the Ocean!

Microplastics are small plastic pieces less than five millimetres long and have been shown to harm marine life. They are commonly added as exfoliants to beauty and personal care products. These tiny particles easily pass through water filtration systems and end up in the ocean.

To help tackle this serious issue of microplastic pollution, since 2014, A.S. Watson Group has banned the use of microplastics in its rinse-off own brand cosmetics or personal care scrub products. By the end of 2019, this ban will extend to all brands too, meaning no microplastics will be found in any rinse-off cosmetics or personal care products sold in the stores.



“ We know our customers want to shop at businesses that take environmental issues seriously, so A.S. Watson Group and its business units across the globe are striving to create a greener environment, and offer our customers the easy way to make a greener choice when they shop. ”

Dominic Lai

Group Managing Director
A.S. Watson Group

Wrap-Free, Hassle-Free

A.S. Watson Group is now proactively taking plastic-reduction measures to reduce unnecessary plastic packaging. In Hong Kong, currently over 90% of fruit and vegetables are imported, and of those over half is prepacked. PARKnSHOP Hong Kong is working with its suppliers to reduce this plastic packaging. And, for those highly vulnerable products that need extra protection, PARKnSHOP is working with suppliers to use more recyclable packaging.

Earlier this year, research with over 900 customers in 30 different stores found over half said they preferred pre-packaged vegetables due to hygiene. Currently, a selection of fresh produce is available unpackaged, and PARKnSHOP is taking steps to extend this.

The research also found that young people are more conscious about environment. Therefore, PARKnSHOP is implementing plastic-reduction measures at three stores at local universities, including The University of Hong Kong, The Chinese University of Hong Kong, and The Hong Kong University of Science and Technology, fresh produce such as apples and oranges will be sold loose. Selling fresh produce in loose needs fine-tune of current operations, and more education to customers is in need to help reduce shrinkage. PARKnSHOP will keep its trial in green packaging and extend the best practices to more stores.





Less Plastic Bags is MORE

In recent years, single use of plastic shopping bags has created plastic problem and approximately 500 billion plastic bags are used worldwide annually*. Governments have taxed and even banned them, but carrier bags are part of the retail experience and some customers need a bag to carry home their purchases. By offering customers paper carrier bags, The Perfume Shop stopped 7 million plastic carrier bags being introduced to the UK.

To help customers make a lifestyle change, Savers introduced a bag for life which almost a million customers bought. It also upgraded its standard carrier bag to a more robust reusable plastic bag and this will remove the use of 14 million single use plastic bags each year.

In Asia, Watsons Thailand is working to reduce plastic bag usage and running the No Bag Day Campaign. This means on the 4th of every month, all members who don't take a plastic bag receive bonus points, to reward them for joining our green movement.

*Source from the website of Plastic Oceans International



Recycle for Future



To further reduce the impact that plastic is having on the environment, there is a rising use of recycled materials at A.S. Watson Group. Watsons Water pioneered in introducing 100% rPET (recycled polyethylene terephthalate) recyclable bottles in Hong Kong, and now this recyclable material will also be used for bottle labels. The move will help reduce waste and simplify the plastic bottle recycling process; it is estimated that all product lines will use this label by the end of this year.

In the UK, besides reducing the use of single use carrier bags, Savers and Superdrug have introduced new designs which mean all its plastic bags now include a minimum of 20% recycled plastic which further reduces the environmental impact of its carrier bags.



Customer Participation

A.S. Watson Group understands that our customers also play an important role in plastic reduction so we encourage our customers to join hands with us to make great things happen. ICI PARIS XL customers earned a discount on purchases in the Bring Your Bottle Back campaign. Over 42,000 bottles were collected in 2017 and 59,000 in 2018. This year, over 19,000 bottles were returned in April alone.

Plastic Container Recycling launched in Watsons Hong Kong in 2015. A year later, the recycling programme was extended with Watsons working jointly with World Green Organisation, Watsons Water and Baguio Green Group to collect personal care plastic containers or water bottles from any brands at all stores to help customers make proactive steps to protect our environment.

Watsons Water also launched Go Green initiatives with 400 innovative Green Point Smart Water Bottle Reverse Vending Machines and 100 Green Point Smart Water Refilling Machines being placed in busy Hong Kong locations in 5 years. These machines will help everyone recycle their water bottles, and refill their own bottles.



The Future is Now

Plastic waste is a pressing issue which many countries started taking steps to tackle with, however there is no easy solution to the challenge we are facing.

And at A.S. Watson Group, we believe that our business units and our customers, all have a part to play in creating a more beautiful world. Some small steps will make a big difference if we can get our customers to adopt them, and some of the changes our business units are taking will make a huge impact now and in the future.

With our long-lasting commitment towards sustainability, A.S. Watson Group will continue to look for new ways to reduce the plastic waste and transform them into the most valuable resources and engage customers to do more to create a sustainable world with us.



Convenient Points Conversion

In Hong Kong, **A.S. Watson Group** announced a first-ever partnership with HSBC that enables instant bilateral conversions between MoneyBack Points and HSBC RewardCash. The interoperable rewards conversion programme allows customers to exchange MoneyBack Points for HSBC RewardCash, or vice versa, further enhancing shopping experience and bringing more benefits to the customers of A.S. Watson Group and HSBC.

Dominic Lai, Group Managing Director of A.S. Watson Group was excited about the partnership with HSBC, “With over 3.8 million members, MoneyBack is the largest retail membership programme in Hong Kong and it has

become part of the daily life of every Hong Kong people. We believe that the partnership of two biggest reward programmes will further enhance customer connectivity as well as create more business opportunities.”



Kruidvat Netherlands was in the summer holiday mood with a campaign focused on best Summer deals, while giving loyal customers the chance to win a holiday. **Trekpleister** meanwhile celebrated the launch of its new natural facial care collection. Presented in pharmaceutical style packaging and inspired by nature, it has been launched to customers with an influencer campaign and social media competitions.



NATURALS BY WATSONS has been launched in **Drogas** to satisfy growing customer desire for Korean beauty products. Special gondola ends and store windows were branded to celebrate the range. Also, Drogas joined in summer town festivals and its store teams prepared special outfits to march in parades together, handing out balloons and promoting Global Hand Washing Day.



FRUITFUL Week

The Perfume Shop celebrated National Fragrance Week with media, bloggers and members at its annual fragrance masterclasses. Meanwhile, **Superdrug** hosted the B. Making Over Motherhood event in the Maternal Mental Health Week, highlighting the importance of wellbeing. The campaign reached over two million customers, resulting in the highest sales record of the week.

Superdrug

THE PERFUME SHOP



Beauty DISCOVERY

ICI PARIS XL Belgium hosted its annual press event alongside an exhibition on Audrey Hepburn, which fortuitously harked back to the origins of the ICI PARIS XL brand which aligned with the actress history. Media were able to discover the latest launches including the new lip care range from BE Creative Make Up.

ICI PARIS XL

Big SURPRISE!

Watsons Ukraine surprised its VIP members in a fun and creative way. When a VIP customer was about to pay for their shopping, the store team ran out with an explosion of fun to surprise them, and customers received their goods free of charge. In **Watsons Russia**, VIP members were invited to join a #MeTime event where they were doing yoga together, sharing skincare tips and enjoying a great day out.



For a Better PLANET

To encourage public health awareness and sustainability, **Watsons Hong Kong** launched a recycling campaign allowing customers to return empty glass containers of an exclusive health supplement, TRU Niagen™. This allows the customers to feel good about protecting the planet and receive MoneyBack points for each container returned. Since its launch, over 9,000 glass containers have been recycled.



Hit the **TREND**

Watsons China has introduced Nivea's new product range Q10 to its customers in a launch event held in Shanghai. Meanwhile, trending hair styling brand Bed Head by TIGI has been introduced to Watsons China customers with a series of themed campaigns with celebrities and professional hair stylists to celebrate cool British hair styles.



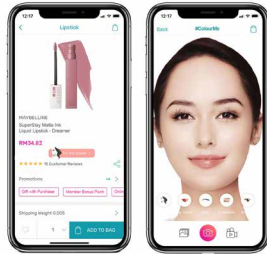
Sweet **TREATS**

In appreciation of its Elite members, **Watsons Taiwan** held an invitation-only luncheon for members to have a sneak peek of the Watsons' exclusive health and beauty experience. Bloggers were also invited to join the luncheon, which created a buzz on social media. Also, over 2,000 customers participated the annual Get Active Zumba party with the theme of world travel to show their passion for a healthy life.



Driving INNOVATION

Beauty lovers will be able to try on the latest makeup looks virtually and capture their photos and videos using the power of technology on **Watsons Malaysia, Taiwan, Thailand** and **Singapore's** mobile app with #ColourMe. The virtual makeup try-on is powered by L'Oréal's AI and AR company ModiFace and products associated with each look can be delivered to customer's home or collected from a local Watsons store as quickly as four hours.



WOW the customers

Watsons Thailand's members were invited to join the Members' Day to enjoy exclusive gifts and fun activities, including a mini concert and lucky keychain workshop. Meanwhile, **Watsons Philippines** wanted to Share the Sun with store activation and promotions around suncare and holiday products, including a member-only competition to win a trip. The campaign was well-received by customers and reached over 9 million people on social media.





China

Annual Gold Ant Award of
China Logistics Industry 2018 - 2019
(by China International Logistics Equipment &
Technology Exhibition Committee (Guangzhou))



Asia

Asia's No. 1 Pharmacy/Drugstore brand*
Ranked 37th amongst Asia's Top 1,000 Brands
(by Campaign Asia-Pacific)

*Campaign Asia-Pacific "Asia's Top 1,000 Brands"
survey 2019 of over 8,000 respondents

Thailand

Superbrands Thailand
(by Thailand Superbrands Council)



Philippines

Best Companies to Work For in Asia 2019
(by HR Asia)

Excellence in Brand Positioning (Bronze) -
Your SM Beauty Playground

Excellence in Brand CSR (Bronze) - Give a Smile

People's Choice Excellence in Brand CSR (Silver) -
Give a Smile

People's Choice Excellence in Customer Empowerment (Silver) -
Love Yourself
(by Philippines Association of National Advertisers)

Ukraine

Reputational ACTIVists Awards
(Retail Perfume and Cosmetics Store Category)
(by Ukrainian PR League)

Top 200 Taxpayers in Ukraine

Top 20 Taxpayers in the Retail Market
(by Top 100 Ratings of Services)



Netherlands

Best Advertising Brochure Award 2019 -
Personal Care Category
(by DDMA Business Group)

Ranked No.4 in Top 5 Best Employers for Student Jobs
(by Intelligence Group)

Most Future-proof Retailer
(by Q&A Research & Consultancy)

June to July



Watsons Hong Kong –
2 new stores at Hong Kong International Airport



Watsons China – 93 new stores



Watsons Malaysia – 4 new stores



Watsons Thailand – 7 new stores



Watsons Philippines – 10 new stores



Watsons Singapore –
New concept store at Takashimaya S.C.

June to July



Watsons Indonesia – 6 new stores



Kruidvat – 2 new stores



Trekpleister – 2 new stores



Superdrug – 9 new stores



ICI PARIS XL Netherlands – IJmuiden store



“ I just love my job at The Perfume Shop! Every day is different and working with my amazing team has really developed my people skills. We pride ourselves on the service we offer and knowing customers return for my expertise and advice is the best feeling in the world. My team brightens my day, and they ooze talent, passion and spark. ”

Nicola Waddell
Store Manager
The Perfume Shop



“ I really like to help people and at Drogas there are lots of opportunities for those who want to give great customer service. I'm more than happy to join the volunteer activities as I believe this experience is important for our work and personal growth. I visited local kindergartens as part of a hand washing project and enjoyed the lovely day with the kids. ”

Justina Baguseviciute
Senior Customer Service Assistant
Drogas Lithuania



“ I’ve been working at Watsons since it launched in the Philippines. During this time, I’ve developing my leadership and functional skills to become a better and more productive Category Manager. I really enjoy being able to connect with different types of people, from customers and suppliers to my colleagues. Helping people look good and feel great makes me happy everyday! ”

Prisilla G. Hentoloro
Category Manager
Watsons Philippines



“ During my five years with Watsons, my job has helped develop and enhance my interpersonal skills, as well as my customer-centric mindset. I’m grateful to be trusted and offered development opportunities to further expand my job portfolio to Own Brand products. Besides driving market share and sales, we’ve increased authority in healthcare significantly over the years which is incredibly satisfying. ”

Jessica Germaine Tok
Senior Trading Manager
Watsons Singapore



“ Recently, one of my corporate clients shared the good news that his family was expecting a new baby. I introduced him to a multi-functional hot and ambient water dispenser that can instantly supply warm water at 70°C for preparing infant formula. He was very satisfied with the water dispenser which perfectly matches his needs and he even recommended it to his friends. ”

Angus Fung

Assistant Unit Manager, Carboy Sales
Watsons Water

“ Our Vera Van was sited at a race course. A mum and her son visited us as they had won money on a race. The mum wanted to try out new fragrance but she also wanted to buy something for her son as he was going on a date that night. I explored their normal fragrance choices and helped them discover something new. I'm glad that both of them were satisfied with my suggestion! ”

Emily Hewitt

Events Specialist
The Perfume Shop





In June, volunteers from A.S. Watson Group and Watsons China participated in Give a Smile medical mission sponsored by the Group in Yunnan, China. It's was such a life-changing mission that helped the cleft children regain smiles and confidence. In all, 72 patients received free surgery carried out by global experts. The mission not only changed the future of the children but also their family.



▶ Watch the video!

Siu Ying's Story:

Siu Ying was born with a cleft lip; she was bullied by schoolmates because she looked different. One year after the corrective free surgery provided by Operation Smile, she is fully recovered and back to school with a beautiful smile!





"I hope that people around the world can care for the cleft children, giving them a brighter smile."

Karen Liang
Watsons China



"I feel deeply touched to see the smiles of the patients and their families."

Mel Chan
PARKnSHOP Hong Kong



"Thanks to the medical professionals who are dedicated in restoring smiles of the patients."

Rosanna Leung
Watsons Hong Kong



"The surgery gives the cleft patients a second life!"

Annie Zhou
Watsons China

Summer FUN

Almost 20 students joined the student mentorship programme run by **FORTRESS**, which offers students a five-day work placement in their summer break, to help them understand the daily operations in retail industry. Since 2013, **PARKnSHOP Hong Kong** and Hong Kong Young Women's Christian Association have offered food coupons to the elderly. Volunteers accompanied elderly to shop using their coupons and enjoy a fun afternoon together.



Colour for our FUTURE

Drogas Latvia hosted their fifth annual Small Shadow Day. Office colleagues were invited to bring their children to work and meet Drogas superhero "We Smile" Smiley. In **Watsons Thailand**, members were invited to a charity event at SOS Children's Village which helps orphans with new families. Members planted a vegetable garden there to provide future food for the children.



SUPER QUIZ

1. Which product range was showcased during the annual press day of ICI PARIS XL Belgium?
2. Which company does A.S. Watson Group partner with to launch the rewards conversion programme?

Super Prize (1)

Blood Pressure Monitor



Sponsored by



A.S. Watson Group

Gold Prize (1)

Humidifier



Sponsored by



A.S. Watson Group

Answers to Issue 108

- 1) Urban Damage Care
- 2) Reaching New Heights
- 3) Kay Tse

Super Prize (Hairdryer)

Name

Jacqueline Leung

Company & Department

A.S. Watson Group -
Group Finance

Gold Prize (Eye Massager)

Name

Daisy Sabaria

Company & Department

Watsons Philippines -
Human Resources Department

Deadline: 1 October, 2019

You now have the chance to win Superquiz by sending both your answers and contact information to WatsOn@aswatson.com

About A.S. Watson Group

With a history dating back to 1841, the A.S. Watson Group (ASW) has evolved into the world's largest international retail and manufacturing business with operations in 25 markets worldwide.

Today, the Group operates over 15,200 retail stores running the gamut from health & beauty, luxury perfumeries & cosmetics to food, electrical & electronics and fine wine. Also an established player in the beverage industry, ASW provides a full range of beverages from bottled water, fruit juices, soft drinks and tea products to the world's finest wine labels via its international wine wholesaler and distributor.

ASW employs over 140,000 staff and is a member of the renowned multinational conglomerate CK Hutchison Holdings Limited, which has five core businesses - ports and related services, retail, infrastructure, energy and telecommunications in over 50 countries.

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