

# Watson<sup>119</sup>N

**SUSTAINABLE**

**CHOICES**

**Create a Better World with  
Watsons Sustainable Choices**




Quarter 3 • 2021



# **SUSTAINABLE** **CHOICES**

**Create a Better World with  
Watsons Sustainable Choices**



A.S. Watson Group sees sustainability as a top priority – not just because it's the right thing to do, but also because it's the only way to ensure a sustainable future for our business and all our stakeholders.

That's why our flagship health and beauty brand, Watsons, is now strengthening its commitment to fighting climate change. Sustainable Choices products at Watsons make it easy for customers to Do Good with us and we aim to offset over 2,000 tons of Carbon Dioxide (CO<sub>2</sub>) emissions.



“Since 2018, we've invested HKD750 million in sustainability-related initiatives. Now, this initiative takes our commitment to sustainability to a new level through involving our customers to Do Good for the planet.”

**Dominic Lai**  
Group Managing Director  
A.S. Watson Group



## THE CLOCK IS TICKING

The urgency that we need to act on climate change is intense, and growing numbers of our customers see this and are aware of the role brands and consumers play in sustainability.

In addition to taking great care of their skin, hair and body, they increasingly want to make purchase decisions that help take care of the Earth. This is especially the case for younger customers, who take sustainability issues seriously.

Deloitte's Sustainability & Consumer Behaviour Report 2021 reports that 32% of consumers are highly motivated to adopt a more sustainable lifestyle, and 61% say they have already cut back on the plastic they use.

Meanwhile, Accenture research further indicates that the pandemic has given many people a chance to rethink their priorities. In April 2020, 45% of shoppers said they were making more sustainable choices, and that figure soared to 66% just eight months later.





## WHAT ARE SUSTAINABLE CHOICES?

Watsons has launched Sustainable Choices to help make it easier for environmentally aware customers to lead a more sustainable lifestyle and find the products they want.

We hope that by making it much easier for customers to choose wisely, more people will be motivated to do the right thing, for themselves and for everyone else on the planet.

These products will be easy to identify at Watsons stores, and the Sustainable Choices section in the Watsons online store enables customers to quickly find all of the most sustainable products available at Watsons.

We have already seen higher conversion rate in our Sustainable Choices on eStore, which provides good reason to be optimistic about the likely success of the segment within the Group's ecosystem of Offline plus Online (O + O) retail.



The four Sustainable Choices pillars are:



A Clean Beauty brand recognised by Watsons will use ingredients you can trust to protect you, with additional environmental benefits and supporting the local community



Offer refill packs or in-store refill stations to enable customers to keep using the original container



Choosing sustainable options in paper or palm oil from responsibly managed plantations and reduced plastic content in non-formulated products



By reducing plastic, choosing better plastic (i.e. recycled plastic) or choosing a paper that's sustainably sourced

## LET'S FIGHT CLIMATE CHANGE

To further encourage customers to opt for Sustainable Choices products, Watsons has committed to contributing a portion of profits to CO<sub>2</sub>-offset projects. This means that every sale will directly help compensate for greenhouse gas emissions, and contribute to improving the lives and futures of people around the world.

Watsons is working with ClimatePartner, a climate protection organisation, in support of its Forest Protection and Clean Ocean initiatives.

Forests and oceans are vital carbon reservoirs as well as habitats for many species. They also provide a livelihood for countless people, directly and indirectly. Our oceans store around a quarter of CO<sub>2</sub> from the atmosphere and absorb up to 93% of heat caused by the greenhouse effect. Cleaner forests and oceans preserve biodiversity and can help alleviate the impact of climate change.




DO  
TOGETHER  
TO OFFSET  
CO<sub>2</sub>  
EMISSIONS!

## COLLECTIVE MISSION WITH CUSTOMERS

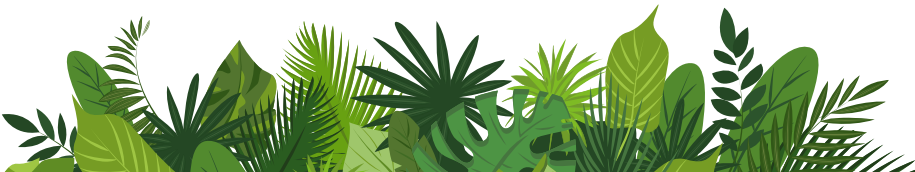
We understand that our responsibilities go beyond the health and beauty products we provide. As one of the leading health & beauty retail brands in Asia, Watsons has earned consumers' trust and love and is committed to using its influence to inspire behavioural change that leads to a more sustainable world.

Sustainability education is also important in driving lifestyle change for customers. Watsons runs the Good Academy on its social channels every Monday. This is a push to raise environmental awareness and inspire people to lead a more sustainable lifestyle. By providing the most up-to-date content about climate change and sustainability, Watsons is delivering its social purpose - Look Good. Do Good. Feel Great.

 Watch the sustainability video!

The spirit of Doing Good has been deeply rooted in our DNA for over 180 years, and lives on today in our commitment to the planet that sustains us all.

**Dominic Lai**  
Group Managing Director  
A.S. Watson Group



## Just for YOU

**Kruidvat** has launched a range of Soul Secrets pampering products to help customers indulge themselves in a little luxury. With fragrances aligned with the themes Love, Energy and Balance, the bath and body products were launched with surprise gifts for journalists. While in **Trekpleister**, there are now regular treats for colleagues, who receive a free Own Brand product each month. The idea is: try it, love it, and recommend it to our customers.



## TRUE colours

**Superdrug** unveiled its Shades of You campaign by making 10 commitments to championing more inclusivity in the beauty industry. Superdrug strives to showcase products for different skin tones and commit to more inclusive ranges. Also, **Savers** is delighted to have teamed up with P&G to launch the new and exclusive Fairy Rose Gold Washing-up Liquid. The launch was supported by digital marketing and social giveaways.





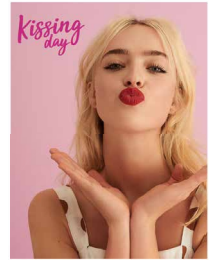
## Generation **GAME**

The work of makeup genius Beth Gallagher was at the heart of a campaign by **The Perfume Shop** for Father's Day celebration. By using makeup to "age" children to look just like their dads, the kids were asked to describe what made their dads special. For the icing on the cake, a spritz of dad's favourite fragrance helped the children both look and feel like their father.

THE PERFUME SHOP



Watch the video!



## World's **FINEST**

**ICI PARIS XL** is bringing beauty customers in Belgium a stream of new and exclusive brands, ensuring they have the best products from around the world to choose from. These include GloWish by HUDA Beauty, Morphe, IT Cosmetics, AM Cosmetics, Armani Beauty and Pat McGrath. ICI PARIS XL Netherlands created Kissing Day, which provided customers a special offer on lip products along with social media tips.

ICI PARIS XL

## Power of TECHNOLOGY

**Watsons China** has been combining the power of social media activity with real-world entertainment to create engaging experiences for customers. As part of the Weibo I DO ACG Carnival in Beijing, young customers were encouraged to experience themed zones and enjoy an on-site livestreaming studio. Also, Watsons has announced Makeup Miracle's new eyebrow pencil ambassador.



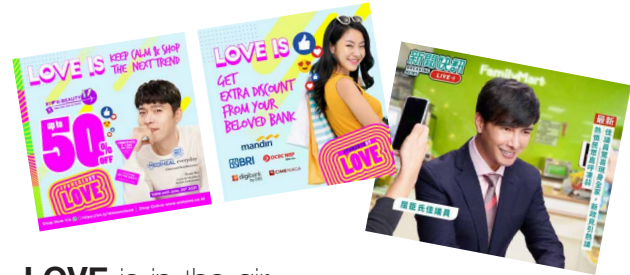
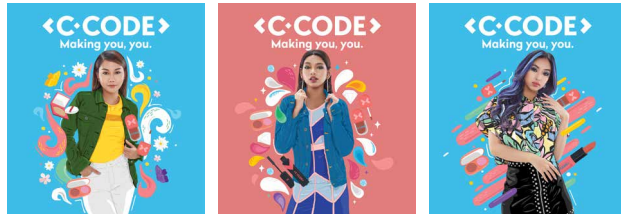
## SPREADING the word

**Watsons Hong Kong** has appointed artist Lawrence Cheng to be TRU NIAGEN's ambassador. His widespread popularity will help build awareness around the brand's promise to keep customers looking youthful. In **Watsons Singapore**, the success of TRU NIAGEN Health has led to the recent launch of TRU NIAGEN Beauty, with influencers explaining the benefits of the products in a down-to-earth way.



## NO LIMITS

**Watsons Malaysia** has teamed up with leading girl group DOLLA, who will now be the face of the exclusive C.Code line of cosmetics. DOLLA member have loveable personalities that chime well with C.Code's mission to show everyone they can enjoy creating the look they want, without limits. It also inspires young customers to see C.Code as step towards "Making You, You".



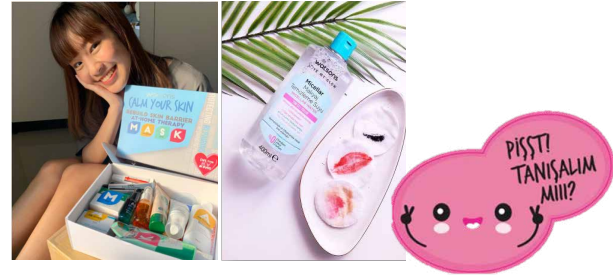
## LOVE is in the air

**Watsons Indonesia** is dialing up the passion for outstanding customer service with the Powered by Love campaign. Love underpins everything the brand does and this campaign brings to life the love Watsons has for customers, communities and the planet. Meanwhile, **Watsons Taiwan** is joining forces with Family Mart to offer members coupons for both chains, with great results achieved in incremental sales.



## MOM'S world

**Watsons Philippines** gave samples of Watsons Baby Diapers to members of the Smart Parenting Mom Village, a group of influential mothers, and then amplified their endorsement of the product by using their comments in digital ads. The community brings together millennial moms, whose comments about Watsons Baby Diapers and why they would #Switchandsave sparked conversations among parents.



## CLEANING up

**Watsons Thailand** is building on the success of last year's M.A.S.K. campaign with phase two of the programme, helping customer find the right products for their skin and create a professional skincare routine that's easy to carry out at home. In **Watsons Turkey**, meanwhile, a multimedia campaign to promote all-new Watsons Micellar Water proved a hit, with more than 26,500 bottles sold in just 2.5 months!



## ON ITS WAY!

**PARKnSHOP Hong Kong** is now partnering with delivery service provider Deliveroo to expand its on-demand grocery services across Hong Kong, delivering around 1,000 items from PARKnSHOP, FUSION, INTERNATIONAL and TASTE. The partnership will see grocery deliveries from 50 locations around the city in as little as 30 minutes. The focus is on fresh food items, for which speed of service is paramount.



## MORE on offer

**FORTRESS** teamed up with hot local star 193@ERROR to offer a range of great deals in its Thanksgiving campaign, including flash sales, O + O eCoupons and the chance for customers to get eShop exclusives by voting for their favourite products. Also, there is now an Apple Authorized Repair Centre at the FORTRESS store in Mongkok. Technical staff are trained by Apple and genuine Apple parts are used.





## The **PERSONAL** touch

Everyone wants to give their dad a truly special present on Father's Day, and for many dads, a bottle of wine is a thoughtful and much-appreciated gift. This year, **Watson's Wine** provided a unique way for that gift to feel even more special. A professional calligrapher was available to personalise bottles of wine bought for Father's Day gifting, and wrote the name of each lucky father on bottles.

### Watson's Wine



## Fizzing with Summer **FUN**

**Watson's Soda** and virtual avatar urged Hong Kong customers to break the boundaries this summer with the new Watson's X-Soda series. The beverages offer refreshing seasonal flavours, such as Pina Colada and Lychee Martini, all with zero sugar, fat and calories, and just 0.5% alcohol. Hong Kong customers also enjoyed a moment of nostalgia with the relaunch of Watson's Sparkling Super Cola and Lemonade drinks, recreated to mark the 180<sup>th</sup> anniversary of A.S. Watson Group.

**Watson's.**

*Congratulations!*



#### A.S. Watson Group

International Business Awards - COVID-19 Response  
(Most Valuable Corporate Response) - Silver Stevie Winner  
(by Stevie Awards)

Jockey Club Age-friendly City  
Age-friendly Collaboration Award - Merit  
(by The Hong Kong Jockey Club Charities Trust)



#### A.S. Watson Group



Jockey Club Age-friendly City - Logo Award  
(by The Hong Kong Jockey Club Charities Trust)



#### Hong Kong

Top 10 Most Influential Brands in Hong Kong  
(by Ipsos)



#### Hong Kong

Top 25 Most Influential Brands in Hong Kong  
(by Ipsos)

#### International

Retail Asia Awards 2021

- Health & Beauty Retailer of the Year - Asia
- CSR Initiative of the Year
- Marketing Initiative of the Year

(by Retail Asia)

## Recent Awards

#### China

JD 618 Anniversary - Top 10 Omni-Channel Partners  
(by JD.com)

12<sup>th</sup> Tiger Roar Award Live Marketing Category - Gold  
(by Tiger Roar Committee)

2021 Shanghai International Advertising Awards  
(eCommerce Live Broadcast Category) - Gold  
(by Shanghai International Advertising Committee)

The 5<sup>th</sup> Aladdin Magic Lamp Awards

- Best eCommerce Mini Programme
- Best Brand Mini Programme
- Best Content Mini Programme

(by Aldzs.com)

#### Singapore

Retail Asia Awards 2021

- Health & Beauty Retailer of the Year - Singapore
- Store Design of the Year (Large) - Singapore

(by Retail Asia)

#### Philippines

Retail Asia Awards 2021

- Health & Beauty Retailer of the Year - Philippines
- Marketing Initiative of the Year - Philippines  
(Stay Strong, Stay Beautiful Campaign)

(by Retail Asia)

#### Turkey

Achievement in Customer Excellence (A.C.E.) Awards -  
Diamond Grand Award (Cosmetics Store Chain Category)  
(by Sikayetvar.com)

## New Stores in June & July



A new **Marionnaud x Watsons** concept store is opened in Wanda Plaza in Shanghai, offering customers a fashionable experience-led space to play around with colour cosmetics and fragrances

## New Store Openings



**Watsons China** opens 61 new stores, offering seamless O + O shopping experience for customers



3 new stores are opened by **Watsons Thailand** in Bangkok and 1 new store in Trang City



**Watsons Indonesia** opens a new Watsons Pharmacy at Citra Garden Street, Jakarta



**Watsons Malaysia** unveils 4 new stores in Johor, Negeri Sembilan and Selangor

## New Stores in June & July



**The Perfume Shop** unveils an environmental-friendly concept store in Edinburgh's St. James Quarter with tree installation made from recycled bottles. Now, customers receive offer for next purchase when they return their empty fragrance bottles for recycling

## New Store Openings



**Superdrug** opens 3 new stores in Scotland, Tamworth and South Yorkshire in UK



**Kruidvat** opens 3 new stores in Ninove, Pelt and Waterloo in Belgium and 1 store in Leek in Netherlands



A new **ICI PARIS XL** store is opened in Groningen, Netherlands



**Savers** unveils a new store in Gosport, UK





“ A man with disabilities visited our store asking for advice on his sore leg, but as he spoke only Vietnamese, we used Google Translate to help him, and I ended up calling the emergency hotline for him and translating so he could get the medical attention he needed. We don't need to have a language in common in order to show how much we care. ”

**Cheris Lai**

Store Manager  
PARKnSHOP Hong Kong

“ It's such a pleasure to really help solve someone's problems. I remember vividly a woman who came to our store with tears in her eyes, struggling with hair loss after pregnancy. I advised her to try thistle extract, which I have used myself.

I happened to meet her later in another store and she was so delighted with the results that she gave me chocolate! ”

**Elvita Martinsone**

Sales Consultant  
Drogas Latvia







“ ”

*One of the best things about working at ASW is that our voice is heard and counted. This drives my motivation and engagement!*

**Summer Tan**  
eCommerce Project Manager  
Watsons Singapore



“ ”

*I love to give customers more than what they expect from a pharmacist, and commit to providing advice so they can live better!*

**Pakkamon Sawasdecha**  
Pharmacist  
Watsons Thailand



“ ”

*I always love the people I work with at ASW. A great team around me is what makes the days exciting and rewarding.*

**James Ashforth**

Head of eCommerce  
eLab Europe



“ ”

*A.S. Watson offers me the opportunity to work and see CRM live across different health & beauty categories and brands which is super exciting and great for my career.*

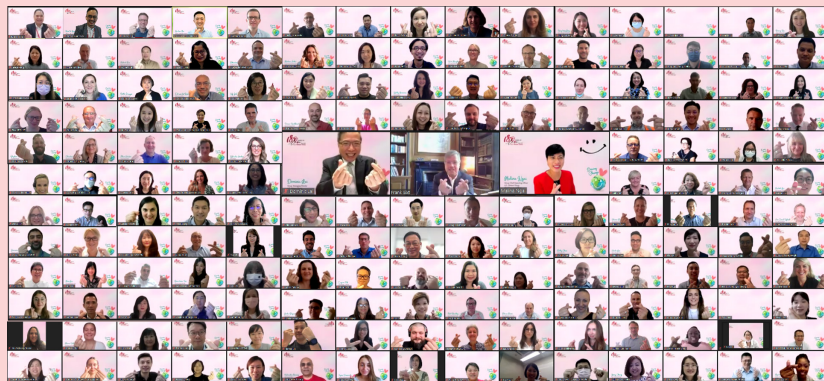
**Sarah Cartmell**

Senior CRM Manager  
DataLab



## Driving Change **With Love**

A 2-day Sustainability Webinar was held by **A.S. Watson Group**'s Global Sustainability Committee on 19-20 July, with Driving Change being the theme. All the participants were motivated to take the lead in driving changes and innovation in every market we operate. With love, every one of us is important in making the world a better place.



## Our Strategic Focus:



OUR COMMUNITY

- Support our communities during pandemic
- Work with Operation Smile to sponsor 10,000 operations by 2030



OUR CUSTOMERS

- Ethical consumption is increasingly crucial to customers
- Offer more sustainable choices and products to meet their needs



OUR PEOPLE

- Mental wellbeing is the priority
- Create a workplace where our staff feel supported



OUR PLANET

- Fight climate change
- Promote circular economy
- Offer more sustainable products

## Where does Sustainability stand in ASW?

**Sustainability is not marketing. It is Strategy.** It's not to put on a show, but to think hard on every angle **how we can make an impact, how your business can make an impact in the market you operate.**

On the one hand, sustainability is a complex subject to explain in the organisation; on the other hand, it's a simple business formula :

**Happy Staff + Happy Customers = Happy Business = Happy Shareholders** 😊

## How do we approach it?

**Sustainability is a space that requires partnerships with many stakeholders in the ecosystem.** We simply **cannot do it alone.** Our suppliers, service providers, recycling companies, green groups, and just as importantly, our People and our Customers. Go and identify your partners. Go and **involve your customers.** We connect to billions of customers every year, it is our responsibility to share more knowledge and provide them the choice to live more sustainable lifestyle and support the community like our Give a Smile campaign to support Operation Smile.

Driving change is about choosing between **'Leading change' vs 'Responding to feedback'**. It's about **evolving from a passive to an active contributor** to sustainability. Take leadership now instead of just responding! Every day, every effort from you locally counts! It is a collective effort and partnership approach that we take in ASW! We are a big company. Together we can make big impact!



**Malina Ngai**  
Chairperson, A.S. Watson Group Global Sustainability Committee  
Group COO, A.S. Watson Group & CEO, A.S. Watson (Asia & Europe)

## Sporting **HEROES**

Young Hong Kong athletes were recognised for their outstanding achievements at the **16<sup>th</sup> A.S. Watson Group Hong Kong Student Sports Awards**. This year, 883 student sports elites from Hong Kong primary, secondary and special schools were honoured, in a ceremony that was livestreamed for the first time so that winners could share their joy with friends and family members. Over 85% of Hong Kong schools now take part in the awards, and promote a “Yes I can!” spirit that has helped keep young athletes motivated during the past year.

Daniel Chan, one of Hong Kong’s top para badminton athletes, who has secured a spot in the Tokyo Paralympic Games, spoke at the awards ceremony about his journey from life-changing traffic accident to becoming Hong Kong’s top wheelchair badminton player. He encouraged students to remain positive in the face of adversity and fight to realise their dreams.



[▶ Watch the event highlights!](#)



Malina Ngai (left), Group Chief Operating Officer of A.S. Watson Group & CEO of A.S. Watson (Asia & Europe) and Amy Chan, BEM, JP (right), Chairperson of Hong Kong Elite Athletes Association officiate at the online awards presentation ceremony



## CHALLENGE yourself

**Watsons Hong Kong** volunteer team hosted its first O + O CSR activity, the #GetActive Burpees Challenge, with charity partner InspiringHK Sports Foundation, inviting school students and colleagues sweated it out over three days! Meanwhile, **FORTRESS** has partnered with Junior Achievement Hong Kong to launch the Green Retail Warrior Programme. The scheme rewards tertiary students for developing innovative, sustainable O + O retail solutions for the future.



▶ Watch the video!



## Do **GOOD**, feel **GREAT**

**Superdrug** recently launched its Doing Good Feels Super initiative, which guides customers on how to be more environmentally friendly by making it easier to recycle packaging. This linked with a virtual event where guest stars talked about making sustainable swaps in their beauty regimen. Meanwhile **Kruidvat** reported impressive results in its latest CSR Annual Report, with achievements including a 50% reduction in CO<sub>2</sub> emissions in 2020 compared to 2015, and having 599 stores equipped with energy-efficient LED lighting.

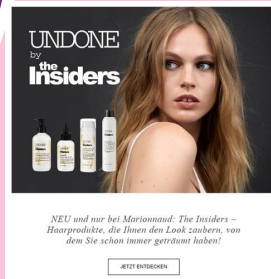
Superdrug ☆

© Kruidvat

Share **BEAUTY** Spread **JOY**

@Marionnaud

Marionnaud has launched its social purpose: Share Beauty, Spread Joy. This involves customers, colleagues and the community. Marionnaud is committed to pouring passion into every tiny, beautiful detail of the customer experience, as well as the bigger picture, for a beautiful, sustainable world.


[Watch the video!](#)
**GOOD** hair days!

@Austria

Bad hair days are now a thing of the past, thanks to the launch at Marionnaud Austria of new haircare brands Elénature and The Insider. Whether customers have curly, straight, dry or oily hair, Marionnaud has the products to help them create the styles and conditioning they desire.



## Members **EXCLUSIVES**

@Switzerland

Special offers and amazing prizes were all part of celebrations to mark the relaunch of the Marionnaud Switzerland's Privilege loyalty programme. The new scheme has tiers for different levels of loyalty, and lots of great new advantages exclusively for members.



## Social **SUCCESS**

@Italy

Marionnaud Italy has recently launched My Clarins, a range of vegan skincare products made largely from flowers, plants and fruits. Popular social media influencers were invited to spread the word about how to make My Clarins part of a daily skincare routine.

# SUPER QUIZ

1. Name the four Sustainable Choices pillars of Watsons.
2. What beverage products did Watson's relaunch to mark the 180<sup>th</sup> anniversary of A.S. Watson Group?
3. How many student athletes are recognised at the A.S. Watson Group Hong Kong Student Sports Awards this year?

## Super Prize (1)

Instant Camera



## Gold Prize (1)

Body Composition Scale



## Silver Prize (4)

Watsons Sustainable Choices Gift Set



## Answers to Issue 118

- 1) Drive To Be Better
- 2) 3 million
- 3) Click & Collect pick-up slot / personal consultation
- 3) In-store, Mobile apps, Website and WhatsApp, WeChat, Social media

## Super Prize (Rechargeable Cordless Blender)

### Name

Winnie Tong

### Company & Department

A.S. Watson Group -  
International Buying

## Gold Prize (Smart Exercise Dumbbell)

### Name

Chansida Lukarang

### Company & Department

Watsons Thailand -  
Store Development

## Silver Prize (Snack Box)

### Name

Chloe Cheung

### Company & Department

PARKnSHOP -  
Trading

Deadline: 30 September, 2021

You now have the chance to win Superquiz by sending both your answers and contact information to [WatsOn@aswatson.com](mailto:WatsOn@aswatson.com)

## About A.S. Watson Group

With a history dating back to 1841, the A.S. Watson Group has evolved into the world's largest international retail and manufacturing business with operations in 27 markets worldwide.

Today, the Group operates over 16,200 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 four core businesses - ports and related services, retail, infrastructure and telecommunications in over 50 countries.

### Editorial committee

**Adviser** : Dominic Lai

**Editor** : Malina Ngai

### Contributors:

- Group PR
- Group People
- Watsons International
- Health & Beauty Europe
- Luxury Perfumeries & Cosmetics Team
- Manufacturing Team
- Global Sustainability Committee & Millennial CSR Committee

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