

A hand holding a small white jar of cream and another hand with a dollop of cream on the index finger. The background is a solid light green color.

Super-Natural: Evolving Sustainability in Naturals

**Martin Gunson
Emer Mackle**

Speakers



Martin Gunson
Lake Personal Care



Emer Mackle
Lake Strategic Insights

**At Lake, we're innovators -
we bring thinkers together
to make incredible things
happen - delivering real
value for suppliers and
customers.**

Agenda

- » The Acceleration of Sustainability
- » Conscious Consumer
- » The Future of Farming
- » Super-Natural Ingredients

The Acceleration of Sustainability



In 1987, the United Nations Brundtland Commission defined sustainability as “meeting the needs of the present without compromising the ability of future generations to meet their own needs”



Sustainable Development Goals



SUSTAINABLE DEVELOPMENT GOALS

17 GOALS TO TRANSFORM OUR WORLD





**Sustainability
Surge**

The COVID-19 outbreak was a major disruption within the cosmetic industry.

The pandemic reinforced the importance of sustainability, particularly for consumers.

Shifting Consumer Mindset

Covid-19 has fast-tracked consumer interest and concerns around sustainability in the broader consumer goods category.

Rise in sustainability concerns would be seen in the short term and long term agendas of beauty consumers.

Consumer concerns include interest around the provenance of ingredients, the content of the final product and its overall environmental impact from start to finish.



Consumers Prioritise Sustainability

51%

of consumers prioritised
environmental sustainability
more in 2022 vs 2021

49%

of consumers in 2022
paid a premium for
sustainable products
in the last 12 months

Good Practice in Personal Care

BYBI'S IMPACT

Here's how declaring a fight against carbon filters into the BYBI products that you know and love.

INGREDIENTS MANUFACTURING PACKAGING



Aēsop.



WELEDA
Since 1921



natura&co



Conscious Consumer





Who is the Conscious Consumer?

A consumer who is more mindful of their impact on the environment and society as a whole.

EY Future Consumer Index

43%

of global consumers want to buy more from companies that make a positive difference to society.

61%

of consumers want more information on the product they purchase, to make more sustainable choices. And, are willing to pay more for products and services that offer such information.

The Transparency Transformation



MARKETING & MERCHANDISING

Ingredient transparency trumps clean beauty

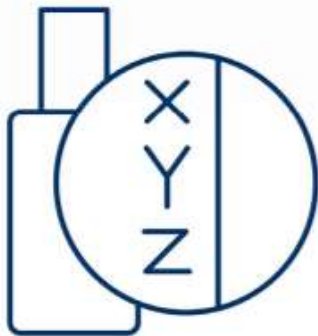
Trend adoption rate



MEDIUM

Enabling macro trends

Transparency, Sustainability



8. GLASS BOX BRANDS

Are you part of the ongoing transparency revolution?

The connected world has ushered in an era of radical transparency, one where an organization's internal processes are an increasingly important part of its external-facing brand. Consumers are keen to engage with brands that reflect their social and environmental values, inside and out. This will not diminish in 2023, to say the least, as 70% of consumers globally report feeling wary about corporate sustainability claims and commitments. As trust in brands continues to dwindle, the time for honesty is now.

The Traceability Journey on Pack



3 for £10
on selected grill lines

We can trace ALL our beef right back to every farm and animal

We can trace ALL our beef right back to every farm and animal

We're the only national retailer who can say that.

WE TRACE IT. SO YOU CAN TRUST IT.

M&S
EST. 1884
Spend it Well

From our tender sirloin steaks and beef burgers, to the beef in all our sandwiches and delicious prepared meals. We're the only national retailer who can say that.

WE TRACE IT. SO YOU CAN TRUST IT.

100% BRITISH BEEF



TRACEABILITY



Providing information on the whole lifespan of a product's development, including the ingredients' provenance.

TRANSPARENCY



Clearly communicate to consumers about the sustainability commitments and actions a company has undertaken.

TRUST



Consumers want companies to be authentic, and have proof of good practices.

Conscious Consumer – Summary



Conscious Consumers – who are they and what does this mean for business?

3 Ts – Traceability, Transparency and Trust – are increasingly relevant and expected by the Conscious Consumer.



The Future of Farming



Modern Agriculture

The late 20th century saw a boom in modern agriculture.

Six practices were established to help to increase efficiency, yields, and profits:

- Intensive Tillage
- Monoculture
- Fertilisers
- Irrigation
- Pesticides
- Genetic Manipulation of Crop Plants





Soil Degradation

- We lose the equivalent of 30 football pitches of soil every minute to degradation
- We are losing soil between 10 and 40 times faster than it's formed

Regenerative Farming

- Many farmers are also moving beyond sustainability, towards 'regenerative' farming.
- The main benefit of regenerative farming is focused on the [health of the soil](#).

allure

GIFT GUIDES AWARDS NEWS SKIN MAKEUP HAIR NAILS WELLNESS ALLURE BEAUTY BOX



THE 2021 ALLURE READERS' CHOICE AWARDS POLL IS NOW LIVE. VOTE FOR YOUR FAVORITE BEAUTY PRODUCTS NOW!

BEAUTY REPORTS

How Regenerative Farming Could Lead to Better Beauty Products

What's good for the planet might also mean more effective skin care for you.

BY ANNIE TOWLIN
November 4, 2021

Nestled in a vast agricultural landscape just outside Parma, Italy, the new European Regenerative Organic Center incorporates practices such as companion planting (growing two crops close together) and composting across its 25-acre research garden (above). A partnership between the Davines Group and the US-based Rodale Institute, its aim is to share regenerative practices with farmers who grow plants like elderberries used in products such as [Comfort Zone's Sacred Nature Hydra Cream](#). "This approach strengthens the local farm economy," Dr. Rowntree says. "Taking soil health principles from a small farm and implementing them on big farms is a win-win."

Novel Farming Technologies



Vertical Farming



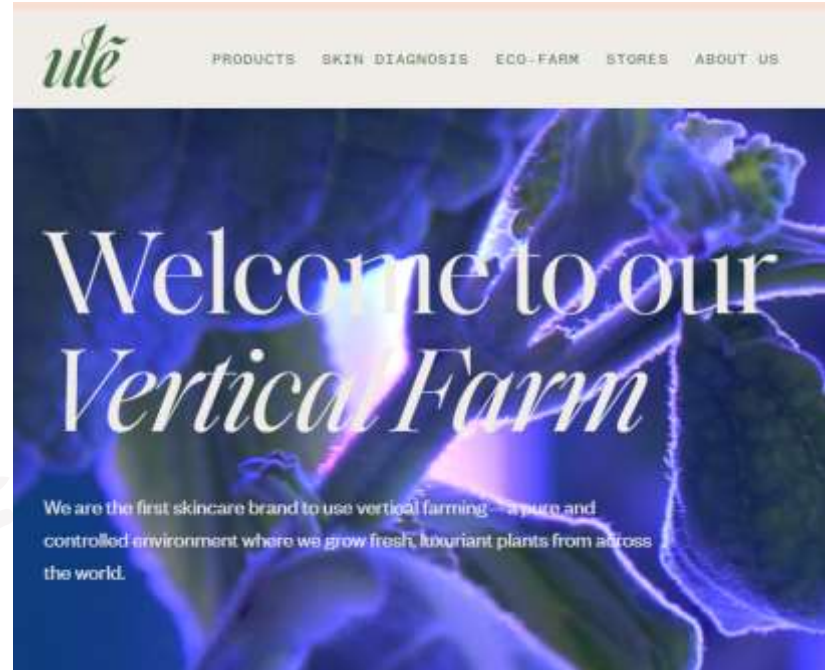
Hydroponics



Aquaponics

Should Personal Care go Vertical?

- In 2019, Ocado bought a 58% stake in Jones Food who operate the largest vertical farm in Europe and grow hundreds of tonnes of plants a year.





Food Waste Ingredients

- United Nations: 1/3 of all food is wasted
- Upcycling is the creation of functional products from materials that would usually be discarded as waste.
- It has been a wake-up call to the beauty industry to invest in and develop products created from food waste ingredients.
- Beauty launches using ingredients derived from food waste are on the increase

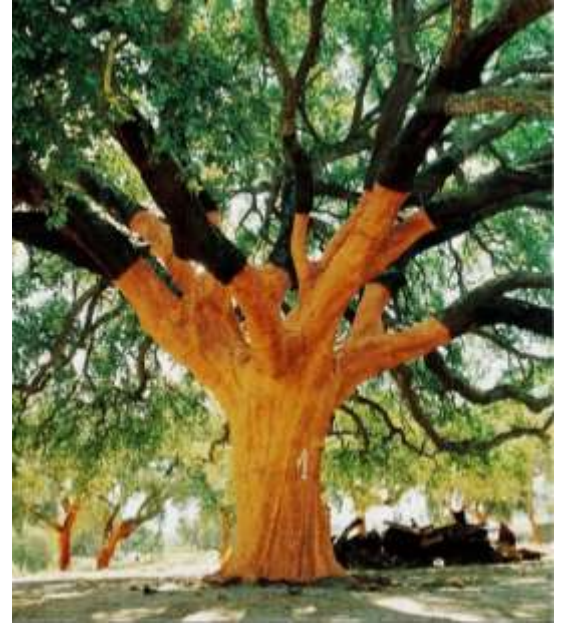
Upcycling Wheatgrass

- Unlike the juice from the first harvest used as a functional food, wheatgrass's second cut has a bitter taste and is discarded. This bitter taste is caused by the high concentration of polyphenols and is an efficient cosmetic bioactive.



Cork Wastage

The French cork oak nugget used to produce the active is a by-product of bottle cork production for wine.



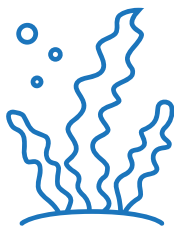
Olive Leaf Upcycling

Harnessing the free radical scavenging power of Olive Leaves

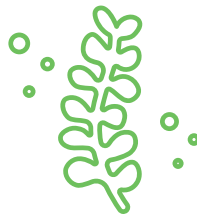
- Olive Leaves are a by-product of olive production, which would otherwise be burnt by the farmer
- Olive Leaves have powerful antioxidant properties that can be applied to the skin



Aquaculture



Seaweed aquaculture is a rapidly growing market, estimated to be valued at [\\$16.7bn in 2020](#) and projected to reach [\\$30.2bn by 2025](#).



It is a popular personal care ingredient and applications we are aware of vary from uses as a [viscosity modifier to an active ingredient](#)



Actives derived from marine algae, such as Rhodophyceae and Phaeophyceae, can be hydrating and [can help increase cell turnover](#) to give healthy and radiant skin and hair.

An underwater photograph showing rows of seaweed farming racks in a clear blue sea. The seaweed blades are long and green, hanging from the racks. The perspective is from below, looking up at the plants.

Advantages of Seaweeds

- Seaweed is a fast-growing algae.
- Do not compete with crops for food production.
- Do not consume water or fertilizers.
- They have huge biomass production capacity.
- They are a source of unique molecules with biological activity.
- It sequesters CO₂.
- There are benefits to local coastal communities, with seaweed farming being an alternative source of income to fishing.

Making Sustainability Measurable

- Quorn provides carbon footprint data for its top products **educating consumers about their environmental impact.**
- Quorn saw significant production growth from 2012 to 2017, and **reduced carbon emissions per ton by 26%.**
- Demonstrating that quantifying sustainability can **drive companies towards a more sustainable future.**





Summary: Future of Farming

- Many farmers are moving towards 'regenerative' farming. This focuses on the health of the soil.
- New farming technologies will be utilised frequently by the personal care industry.
- The beauty industry will continue to invest in and develop upcycled products.
- Conscious Consumers set their own goals to reduce food waste. Upcycled beauty contributes to achieving those goals.
- The move from qualitative to quantitative will transform this category.

**Super-Natural
Ingredients**



Natural Beauty Market Insights



By 2031, the global natural beauty market is expected to hit **\$59Bn USD**.

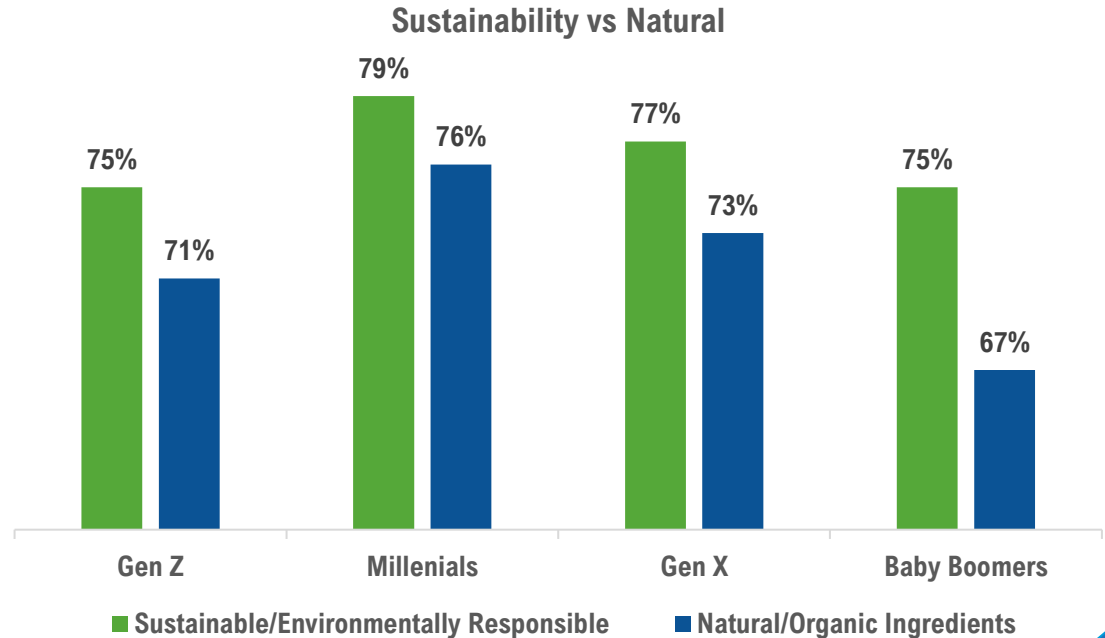
Europe has a **58%** share of all natural beauty products on the market.

Facial skin care is the **leading category**, but product launches have declined.

Product launches of **body care and deodorant** are on the rise.

Sustainability > Natural

IBM research carried out a study of over 18,000 consumers and found that sustainable is a higher priority.





The Influence of the Conscious Consumer

- The consumer quest for natural products has resulted from their heightened focus on sustainability.
- The conscious consumer pushes brands to embrace sustainability, and with the continued growth of the natural market, the way we produce natural ingredients needs to evolve.

Efficacy is
Vital

/ Beauty



Photo Courtesy of Jamie Grill / Getty Image

ARE LAB-GROWN INGREDIENTS THE ANSWER TO BEAUTY'S SUSTAINABILITY PROBLEM?

Because "natural" doesn't always mean
"greener."

by Alyssa Montemurro
Last Updated: May 04, 2021

Super- Naturals

Super-Natural Ingredients
Utilise new technologies to deliver the efficacy, without compromising on demands for sustainability and naturality.



Fermentation Technologies



Fermentation is a method of manufacture which sits under the White Biotechnology umbrella.



Fermentation uses less water, land, and pesticides/herbicides.



The process can be optimised to ensure that only the desired product is manufactured and allows for efficient scale-up in production with controlled waste management.



In beauty, the skin microbiome trend has reignited consumer curiosity for fermented products, repositioned as probiotic materials.

Fermentation is Trending



FLORENA FERMENTED SKINCARE

Discover the unique process of fermentation and the incredible benefits for your skin with Florena Fermented Skincare.



Cold Processing

- Cold processing is a sustainable production method growing in popularity.
- It enables cosmetics products to be emulsified at room temperature.
- Cold emulsification offers many sustainable benefits.

Physical Extraction

A 100% physical co-intensification process



COSMOS
CERTIFIED



Green process

100% sustainable

No chemical product

No organic solvent



A Super-Natural Future

Super-Natural ingredients use less energy. It takes more energy to harvest a crop, dry it, and process it into a cosmetic ingredient.

The more efficient extraction techniques achieve a higher yield and can create a more concentrated product.

Utilising cold processing techniques contributes to reducing the environmental impact.

Super-Natural ingredients are often more biodegradable so do not persist in the environment.

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The Ideal Sustainable Supply Chain



Thank you

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