

Turning the Tide:

Addressing the Plastic Waste Crisis



SC Johnson is in its 27th year of publicly reporting on the company's sustainability progress. This report covers activity since July 2018, unless otherwise stated. The report also primarily covers SC Johnson's longstanding brands and operations, not more recently acquired businesses, except where noted. Future reports will incorporate data and details from these more newly acquired businesses. Questions about this report should be directed to Kelly M. Semrau, Senior Vice President – Global Corporate Affairs, Communication and Sustainability, at 262-260-2440. Or, connect with us online: twitter.com/SCJohnson or facebook.com/SCJohnson.



Fisk Johnson,
Chairman and CEO

It's Time to Turn the Tide on Plastic Pollution

You can't turn on the TV or read the news today without seeing terrible images of plastic in the world's oceans.

Thanks to social media, what was previously an abstract threat has been brought to life in heartbreaking high definition — marine life with stomachs full of plastic, rivers clogged with waste, islands of garbage in the sea.

The reality is just as stark as the pictures suggest. Experts estimate that 8 million metric tons of plastic are entering the ocean every year — the equivalent of one dump truck load every minute. In fact, more than 30 percent of plastic waste is reportedly escaping collection systems and going into the environment.

The developing world lacks the infrastructure for waste disposal and recycling. Even where infrastructure exists, like in North America, plastic recycling rates are disappointingly low at less than 10 percent.

If there is any silver lining to this crisis, it's that the global crisis of plastic pollution has captured the world's attention. And with this attention comes a tipping point — governments are making plans to take action, consumers are vowing to change behaviors, and companies like SC Johnson are stepping up to help.

We've dedicated this Sustainability Report to sharing our progress. I hope it helps show that advances can be made, and encourages more organizations to join us.

Accelerating Progress to Reduce Plastic Waste

After more than a decade working to improve the sustainability of our plastic packaging, in 2018 we took steps to further accelerate our progress.

Already, more than 94 percent of SC Johnson's plastic packaging is designed to be recyclable, reusable or compostable, and we've used post-consumer recycled (PCR) plastic in our bottles for years.

Now, we're expanding concentrated refills, tripling our PCR plastic use, using bottles made from ocean-bound plastic, and aiming to make 100 percent of our plastic packaging recyclable, reusable or compostable by 2025.

Of course, it's not going to be easy. Increasing the PCR in packaging can affect its color, making it look less appealing in stores. But we're viewing that as a "badge of honor" that we're doing the right thing — and we're proceeding anyway.

Likewise, we've been selling concentrated refills for nearly a decade, but found that most consumers simply haven't been ready to make the switch to refilling. We're hopeful that with growing awareness of plastic pollution, people will embrace this plastic-saving option.



Chairman and CEO Fisk Johnson observes up close the devastation of plastic pollution that has leaked into the ocean.

Enabling Progress through Partnerships

This is a complex problem with no single solution. It's going to take industry, government, NGOs and individuals working together.

That's why we also have spent a lot of time over the past year establishing partnerships through which we can help drive progress in many parts of the world.

For example, since many countries don't have the infrastructure to manage recyclable waste, we partnered with Plastic Bank to build recycling centers, starting in Indonesia. These help stop plastic leaking into the ocean and bring economic opportunity to families.

In the United States, we continue to champion the evolution of curbside recycling to include plastic film like grocery bags, food packaging and **Ziploc®** brand bags. SC Johnson teams have met with countless municipal officials, public works agencies and recyclers, and hope to be close to our first pilot.

As a Global Partner of the Ellen MacArthur Foundation, we're helping drive circular economic initiatives at the global level. This starts with being a signatory of the New Plastics Economy Global Commitment, working to address the root causes of plastic pollution.

Plus, with longstanding partner Conservation International, I've been able to visit various government and NGO projects that are making real, measurable progress on cleaning up plastic pollution.

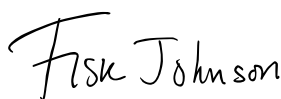
Turning the Tide on Plastic Waste

There's no easy solution to any of these challenges, and action is needed at every level. But there is reason for hope.

Over the past year, I've met with people working in countries from Indonesia to Panama, Liberia to the Philippines. I've seen the commitment and care being given to this issue, and the passion there is to find solutions.

I know I speak for everyone at SC Johnson when I say these are commitments we share. It's time to turn the tide on plastic waste, and SC Johnson is working hard to be part of the solution.

Together, I believe we can make real progress.



H. Fisk Johnson, Chairman & CEO

INSPIRING ACTION

SC Johnson is a global company, so Chairman and CEO Fisk Johnson travels quite a bit. This means a chance to add to the dialogue about ocean plastic with his firsthand views. On his social media, Fisk has shared videos from Indonesia, the Philippines, Liberia, Panama and other locations. Read more on page 16 and follow Fisk on Twitter at [@hfiskjohnson](https://twitter.com/hfiskjohnson).





Kelly M. Semrau,
Senior Vice President
– Global Corporate
Affairs, Communication
and Sustainability

Making and Keeping Promises, for People and the Planet

One of the reasons I'm most proud to be part of SC Johnson is the company's commitment to earning trust — from consumers, partners, communities and the public. Not simply because trust drives business results, but because the people of SC Johnson and our leadership genuinely want to do what's right.

This plays out in so many ways — from the robust science behind our Greenlist™ ingredient selection program, to our commitment on issues like plastic and deforestation, to the philanthropic support we provide on efforts like mosquito-borne disease prevention.

We go above and beyond because we believe so strongly that it matters.

A Year of Milestones

Over the past year, we've reached several milestones that highlight this commitment. In January, we fulfilled the promise made nearly 10 years ago to provide transparency for our product ingredients around the world.

We've been the leader on ingredient transparency, and I've been proud of each pioneering step along the way.

But to deliver global transparency, with leadership on fragrance disclosure, leadership on allergen disclosure, leadership on geographic breadth ... it's a great success that reflects the work of hundreds of dedicated people at the company, and that benefits consumers everywhere.

Here's another example. As you'll read about on page 10, we set out to build eight Plastic Bank recycling centers in Bali, Indonesia, to increase plastic recycling while creating economic opportunities for families.

We wanted to do more, and we also wanted to seize the opportunity to engage more people around the world on this important cause. So, as part of our participation at GreenBiz 2019, we challenged social media users to share their support for reducing ocean plastic, in exchange for a ninth recycling center.

The response was amazing. We engaged more than 150 million people in just a few days, and we were thrilled to then keep our promise and build another center.

A Promise for the Future

We aren't perfect at SC Johnson, and we certainly don't have all the answers. But from our CEO's leadership on ocean plastic to the steps we take to make safe, quality products, we're working every day to do what's right.

We want to understand the facts. Act where it's needed. Keep our promises. Live our values. And by doing all this, we hope that we are helping make the world better. Because that's the greatest promise we could keep.



Chairman and CEO Fisk Johnson adds his signature to the company's booth at GreenBiz 2019, supporting the social media challenge to raise awareness on ocean plastic.

Working for Solutions To a Global Crisis

SC Johnson has a legacy of making bold decisions to protect people and the planet. In 2018, we announced a series of commitments to address the growing crisis of plastic pollution...



Make 100 percent of SC Johnson plastic packaging recyclable, reusable or compostable by 2025. Currently, 94 percent of our plastic packaging is designed to be recyclable, reusable or compostable.

Triple the amount of post-consumer recycled (PCR) plastic content in SC Johnson packaging by 2025. As part of this, we'll increase PCR plastic in our North American and European bottles to 40 percent.

Expand the number of concentrated refill options for SC Johnson products by 2025. Our trigger bottles are designed to deliver 10,000 sprays, so they can be refilled and reused dozens of times.



[WATCH THE VIDEO ►](#)

Work with industry and other organizations to support circular plastic economy models. We're partnering with groups like the Ellen MacArthur Foundation, Plastic Bank and Conservation International.

Continue to remove excess plastics from products. We've been relentlessly focused on designing out unnecessary packaging. In 2018/19, we removed more than 1.7 million kg of plastic from our primary packaging.

Champion curbside recycling of plastic film. We are continuing our efforts to make curbside recycling of flexible plastic film such as **Ziploc®** brand bags a reality in the United States, with a pilot coming soon.

[Read on to see the actions we're taking >](#)



A Groundbreaking Global Partnership with the Ellen MacArthur Foundation

SC Johnson is working with the Ellen MacArthur Foundation to help keep plastic out of our oceans and encourage new circular economy innovations.

Experts estimate that by 2050, there will be more plastic than fish in the ocean. As a longtime champion for the

LEADING THE WAY

SC Johnson was a founding signatory to the New Plastics Economy Global Commitment in 2018 and became a Global Partner with the Ellen MacArthur Foundation in 2019.

environment, at SC Johnson we believe it's imperative that business, government, NGOs and individuals work together to tackle this problem before it's too late.

That's why at the 2018 Our Ocean Conference in Indonesia, Chairman and CEO Fisk Johnson joined Dame Ellen MacArthur, founder of the Ellen MacArthur Foundation, and Erik Solheim, United Nations Environment Executive Director, to sign the New Plastics Economy Global Commitment.

Signed by over 400 organizations, the Commitment aims to address the root causes of plastic pollution,

such as eliminating excess packaging and making more packaging reusable, recyclable or compostable. SC Johnson also made public our commitment to reduce plastic waste related to our products.

A Multi-Year Partnership to Accelerate Solutions

In 2019, SC Johnson became the 10th Global Partner of the Ellen MacArthur Foundation, working to drive market-leading circular economy initiatives at scale. Other partners include Google, Philips and Unilever.

As Fisk shared at the time, “Plastic pollution is an enormous problem, and it is going to take businesses, governments, consumers and civil society working together to solve it.”

The multi-year partnership builds on SC Johnson’s decade-long journey to improve the sustainability of our products. As part of this effort, we have spent years working with industry experts to understand barriers to circularity and to find solutions to overcome them.

**NEW PLASTICS ECONOMY
GLOBAL COMMITMENTS**

Take action to eliminate problematic or unnecessary plastic packaging by 2025.

Take action to move from single-use toward reuse models where relevant by 2025.

Make 100% of plastic packaging reusable, recyclable or compostable by 2025.

Significantly increase recycled content in plastic packaging by 2025.

“Built upon their strong history as a family company and pioneering work on transparency and product circularity, SC Johnson is taking a leadership role to help redesign global systems according to circular economy principles, and to address major challenges such as plastic pollution. We are delighted to welcome SC Johnson as a Global Partner and look forward to the progress we can drive together, towards an economy that works in the long term.”

– Dame Ellen MacArthur, Founder and Chair of Trustees of the Ellen MacArthur Foundation



Chairman and CEO Fisk Johnson on stage with Roberto Ampuero Espinoza, Minister of Foreign Affairs, Chile (center) and Dame Ellen MacArthur (right) after signing the New Plastics Economy Global Commitment at the 2018 Our Ocean Conference in Bali, Indonesia.

[Graham Crouch/AP Photography for SC Johnson]



Progress takes partnership. Ending plastic pollution starts with industry, government, NGOs and individuals working together.

Making the Case for Reuse: A Big Reduction in Plastic Waste

Concentrated refill bottles are a small choice that can make a big impact in reducing plastic waste that ends up in landfills.

It's reported that a million plastic bottles are bought around the world every minute of every day. If those bottles are single-use — and worse yet if they aren't recycled — that can lead to a tremendous amount of plastic waste.

That's why SC Johnson has long championed concentrated refills, starting nearly a decade ago with a **Windex**® concentrate pouch sold from our website. Since then, we've changed to easily recyclable mini bottles and expanded the brands available to include **Scrubbing Bubbles**®, **Mr Muscle**® and others.

In 2019, we took the next step, launching our concentrates on Amazon.com and other online

retailers to make them accessible to more people. They're now rolling out internationally to Canada, Mexico, the United Kingdom, China and Japan.

LEADING THE WAY

In keeping with our commitment to increase packaging reuse, SC Johnson has expanded concentrated refill options in multiple countries in 2019.



DESIGNING FOR REUSE MAKES REFILLING SUCCESSFUL

SC Johnson trigger bottles can deliver 10,000 sprays.

Because they're designed to last, our bottles can be reused dozens of times.

Refilling with a concentrate reduces waste by nearly 80 percent.

This keeps millions of pounds of plastic from entering the waste stream.

The Benefits of Concentrates

SC Johnson's concentrated refills come in small, easy-to-pour bottles made of HDPE — the same commonly recycled packaging as a milk jug. Consumers simply refill their trigger bottle with tap water and one bottle of concentrate. A provided label helps identify what's in the bottle for future use.

Our trigger bottles are designed to deliver more than 10,000 sprays, meaning they can be refilled and reused dozens of times. Importantly, refilling a full-size bottle instead of buying a new trigger bottle cuts plastic waste by nearly 80 percent.

Over time, by reusing bottles with such a long lifespan, millions of pounds of plastic waste can be stopped from ending up in the waste stream.

As part of SC Johnson's plastic reduction commitment, we are working to expand the number of concentrated refill options for our products by 2025. We intend to keep broadening the variety of refill options to enable consumers to reuse packaging and reduce waste.

WATCH THE VIDEO ►



Concentrated refills like the one held here by Chairman and CEO Fisk Johnson are an easy choice for reducing waste. The reusable bottle extends the lifespan of the plastic further than a one-time use product, keeping additional plastic out of the waste stream.

"Plastic waste is becoming a bigger and bigger environmental problem. We hope more people can give concentrates a try as every single time you use a concentrate bottle you use nearly 80 percent less plastic waste."

— Fisk Johnson, Chairman and CEO of SC Johnson



By designing plastic products to withstand multiple uses, companies can enable a more circular economy and reduce waste.



An Innovative Partnership Reduces Plastic Pollution, Addresses Poverty

SC Johnson and Plastic Bank are creating new economic opportunities in impoverished communities and preventing plastic from ending up in waterways.

One of the key reasons plastic ends up in the ocean and other waterways is that in many communities around the

world, there isn't formal infrastructure in place for waste collection, much less recycling.

People have no way to get rid of their trash, so it collects on roads, in alleys and in other areas, and gets washed away by rain. In some cases, it's even the norm for people to throw trash into the river, to take it away from their home.

At SC Johnson, we recognized this as an area where we could help make a difference. Of course, no one single business can substitute for municipal infrastructure, but through a partnership with Plastic Bank, we've begun to make an impact.

LEADING THE WAY

SC Johnson has opened nine Plastic Bank recycling centers in Indonesia with plans to expand. Collectors earn a fair wage for recovering plastic before it gets into waterways.

Creating Opportunities for Collection

In October 2018, we launched a partnership with Plastic Bank, one of the leading organizations working to reduce the global crisis of ocean plastic. Together, we opened nine recycling centers in Indonesian communities with high levels of plastic pollution and poverty.

Individuals gather plastic — diverting it before it makes its way into waterways — and bring it to a collection center in exchange for digital tokens they can use to buy needed goods and services.

The Opportunity of Blockchain

Collectors in the Plastic Bank program use an app built on Blockchain technology that provides a safe, trusted way to get paid for the plastic they collect. It's essentially a digital bank account — for some collectors, the first bank account they've ever had.

Because they are paid in digital tokens, collectors are able to earn and spend without the risk of loss or theft. Nearly 28 million Indonesians live below the poverty line and could greatly benefit from a program of this scale.

WHY START IN INDONESIA?

World's highest levels of marine biodiversity.

High plastic pollution that puts marine biodiversity at risk.

Government commitment to 70% reduction in marine waste by 2025.

Home to SC Johnson operations for decades.



Nyoman Darti collects plastic waste in a recycling center opened by SC Johnson and Plastic Bank in Bali. Indonesia has pledged up to \$1 billion per year to reduce the amount of plastic and other pollution in its waters.

"The goal is to create recycling infrastructures to help minimize plastic waste and address the challenges of poverty at the same time. This is a massive environmental issue, and it is going to take businesses, governments, NGOs and civil society working together to solve it."

— Fisk Johnson, Chairman and CEO of SC Johnson



By creating ongoing recycling infrastructure and incentivizing waste collectors, we broaden the fight against ocean plastic.



"SC Johnson is the first CPG company to scale a program of this kind in Indonesia that will benefit a wide range of socio-economic demographics including local residents living below the poverty level."

– David Katz, Founder and CEO of Plastic Bank

Each center can handle at least 100 metric tons of plastic a year, with opportunities to exceed that in the future. As a result, they are each expected to provide economic opportunities for hundreds of local waste collectors.

Using Social Plastic® in SC Johnson Products

As part of this program, SC Johnson will begin using **Social Plastic®** sourced by Plastic Bank recycling centers with the launch of a 100% **Social Plastic® Windex®** bottle in 2020.

This plastic, which is unlike anything else on the market, includes recycled ocean-bound plastic sourced from Plastic Bank in Haiti, the Philippines and Indonesia. This not only helps the environment, but also benefits people living below the poverty level. Each bottle represents economic opportunity for the program's participants.

Over time, SC Johnson hopes to expand both our use of **Social Plastic®** and our partnership with Plastic Bank. China, Indonesia, the Philippines, Vietnam and Thailand account for more than 55 percent of the plastic waste that leaks into the ocean. They also have millions of families who could benefit from the economic opportunities provided by a program like this.

HOW THE PLASTIC BANK PARTNERSHIP WORKS

Our Plastic Bank partnership helps enable a circular economy for plastic:

- 1 Recycling centers provide infrastructure in communities that don't have it.
- 2 Residents gather plastic that might otherwise leak into local waterways.
- 3 They bring the plastic to a Plastic Bank center or to the mobile unit when it visits their neighborhood.
- 4 The plastic is evaluated and the collector receives market rate for it based on type and weight.
- 5 Collectors are paid in digital tokens that can be exchanged for goods and services like cooking fuel and electrical charging.
- 6 The collected plastic is recycled into **Social Plastic®** and sold to companies like SC Johnson, Marks & Spencer and Henkel to make new products.



Fisk Johnson, Chairman and CEO of SC Johnson (left) drives a mobile collection center with David Katz, CEO of Plastic Bank. While the first recycling center opened by SC Johnson was being installed, many local people stopped by and said they wished they had the program in their neighborhood. The mobile collection center was developed to meet that need. Similar to a food truck, it visits different neighborhoods on different days to bring earning opportunities to more people and keep more plastic from leaking into the ocean.

Inspiring Others to Act

In February 2019, SC Johnson Chairman and CEO Fisk Johnson was joined by Plastic Bank CEO David Katz for a presentation at GreenBiz 2019. Together, they highlighted our partnership in Indonesia, and the need for other organizations to take action, too.

As Fisk noted, "I want to continue the momentum that's building out there around awareness of this issue, because that's going to help us solve it. With the attention this issue has gotten around the world, we're at a tipping point. Business has an opportunity to embrace this change and continue to drive attention to this issue."



MEET WAYAN

Wayan is a plastic collector in Bali, Indonesia.

He's been collecting plastic for 19 years, but for most of that time, he didn't have a way to know how much he was collecting or what the different types of plastic were worth.

Selling the plastic he collected also wasn't reliable. He would bring it to middlemen in the local garbage industry, and while sometimes he would be paid for his work, other times they would take the plastic he had collected but not give him a fair wage.

Now that he's working with Plastic Bank, the transactions are digitalized. He knows exactly how much he is earning and why. He doesn't have to keep doing other jobs to make ends meet. And for the first time he has a digital bank account where he saves his income.

Driving a Circular Economy with Post-Consumer Recycled Materials

We're working to triple the amount of post-consumer recycled plastic content in our packaging to help support a circular economy and reduce waste.

When it comes to keeping plastic out of landfills and waterways, key steps include using less plastic in the first place, and making sure that what's used

LEADING THE WAY

With the 2019 launch of our 100% ocean plastic bottle, and 100% **Social Plastic®** bottle that's coming soon, SC Johnson is reducing our use of new plastic.

contains post-consumer recycled plastic (PCR) to avoid new plastic use.

SC Johnson has been applying this strategy for years, designing out excess packaging and increasing the use of recycled materials. In 2018/19, we removed more than 1.7 million kilograms of plastic from our primary packaging. See page 31 for more on our materials use.

Progress like this takes continual focus. For example, a 2007 project light-weighted **Windex®** bottles to reduce consumer waste by nearly half a million kilograms annually. In 2015, we transitioned to 100 percent PCR plastic for these bottles, reducing plastic waste by more than 2 million kilograms annually.



USING RECYCLED MATERIALS FOR SC JOHNSON PACKAGING

100% PCR bottles for Windex® since 2015.

First-ever 100% recycled ocean plastic bottle in 2019.

Aiming to triple PCR plastic in packaging by 2025.

Aiming for 40% PCR in North America and European bottles.

By the end of fiscal year 2018/19, we had an average of 11 percent PCR across all our plastic bottles globally.

Our plastic commitment calls for us to triple the amount of PCR content in our packaging by 2025.



Using recycled plastic is the right thing to do, but it can come at a cost. Right now, recycled materials can be more expensive, and the resulting packaging can be less attractive. Visit our YouTube page to see Chairman and CEO Fisk Johnson and Dr. Peter S. Ross, Vice President of Research at Ocean Wise, discussing the opportunities and challenges of recycled plastics.

"With over 5 trillion pieces of plastic debris in the ocean, conditions are continuing to get worse and worse. The recycled ocean plastic Windex® bottle is just one of the many ways we are not only providing solutions to combat ocean pollution but taking action to make these solutions a reality."

– Fisk Johnson, Chairman and CEO of SC Johnson

This will increase the percentage of PCR plastic in North American and European bottles, in total, to 40 percent.


Innovating to Put PCR Plastics to Use

In 2019, we launched our first bottle made using plastic waste collected within 30 miles of an ocean or waterway in countries that lack effective, formal waste collection — plastic that was at risk of ending up in the ocean.

Windex® Vinegar Ocean Plastic bottles became an everyday product offering, available at North American retailers such as Target and Walmart. Not only was the newly packaged product a success, it helped us drive an important conversation about the value of recycled plastic.

Next year, SC Johnson will launch our first 100 percent **Social Plastic®** bottle — one that includes 100 percent recycled ocean-bound plastic sourced from Plastic Bank. Read more about it on page 12.



 SC Johnson's Windex® Vinegar Ocean Plastic bottles were the industry's first 100% recycled ocean plastic packaging in a major home cleaning brand.



Shining a Spotlight on the Global Plastic Crisis

SC Johnson is creating a call to action for business, government, NGOs and individuals to come together on practical solutions to the problem of plastic pollution.

As Chairman and CEO Fisk Johnson has said many times, no one organization created the problem of ocean plastic, and no one can solve it alone. Rather, it will

take significant effort and innovation from business, government, NGOs and individuals.

Over the last year, Fisk has been helping to raise awareness of this growing crisis and potential solutions through social media and speaking engagements. He has engaged with international scientists, marine biologists, environmental organizations and people in communities affected by plastic pollution.

A lifelong diver, he has seen ocean plastic firsthand and believes everyone needs to know about its devastating impact on marine life and ocean ecosystems.

LEADING THE WAY

SC Johnson Chairman and CEO Fisk Johnson is bringing global attention to the issue of ocean plastic and the need for collaboration on solutions.



SC Johnson's brands are driving awareness too, for example with our **Windex®** Vinegar Ocean Plastic bottle (see page 15). The product was featured at Bloomingdale's flagship store in New York City. Seen by millions of people, this window and another depicting sea life made of recycled plastic helped bring home the importance of innovative solutions to clean up our oceans.

He has traveled to see where plastic waste collects on beaches and how it flows from waterways into the ocean, and shared work being done to address this. In a visit to Liberia, he was inspired by the passion of young people who want to solve the problem. In the Philippines and Panama, he visited innovative programs tackling waste.

Spotlighting Known and Emerging Issues

Ocean plastic starts long before our oceans. And while the evidence of ocean plastic can be seen in waterways in countries around the globe, sometimes it's the smallest things that lead to the biggest environmental problems.

That's why this year Fisk also met with the global conservation organization Ocean Wise. He talked with Dr. Peter S. Ross, an ecotoxicologist and leading marine pollution expert, to understand the pervasiveness of microplastics and their impact on the health of ocean ecosystems.

According to Dr. Ross, wastewater treatment systems can remove approximately 95 to 97 percent of solid waste, but the waste that remains in the treated water



Among the many areas of plastic pollution our Chairman and CEO Fisk Johnson has visited, this stood out. While it appears that he is simply standing in front of a dumping ground for plastic waste — which would in itself be devastating — in fact he's in front of a flowing river. The video he shot has been viewed more than 3 million times.

"I want to continue the momentum that's building out there around awareness of this issue, because that's going to help us solve it. With the attention this issue has gotten around the world, we're at a tipping point. Business has an opportunity to embrace this change and continue to drive attention to this issue."

— Fisk Johnson, Chairman and CEO of SC Johnson



Plastic leaks into our oceans for many reasons, including lack of waste collection and limited success with water filtration.

OCEAN PLASTIC AND ITS IMPACT

8 million metric tons of plastic enter the ocean every year.¹

There are 5.25 trillion pieces of debris spread across the oceans.²

5 countries account for over 55% of plastic waste leaking into the ocean.³

The majority of microplastics that slip through treated wastewater are clothing fibers.⁴

can slip into the oceans. Much of the plastic waste making it through wastewater treatment systems is plastic fibers that come from clothing and home laundry. These microplastics, which are often invisible, are a large contributor to the pollution that disrupts natural ecosystems.

Working to Evolve our Industry

One of SC Johnson's plastic commitments is being a champion for curbside recycling of plastic film. It's one of the most commonly used packaging and storage materials, from food packaging to **Ziploc®** brand bags. Yet recycling rates in the United States remain persistently low, largely because plastic film isn't accepted in most people's curbside recycling bins.

Film currently can be recycled at 18,000-plus commercial stores in the U.S., but it's not typically processed by municipal recycling facilities. While most are able to process plastic film, they don't due to myths about plastic film recycling. SC Johnson is working to provide the facts.

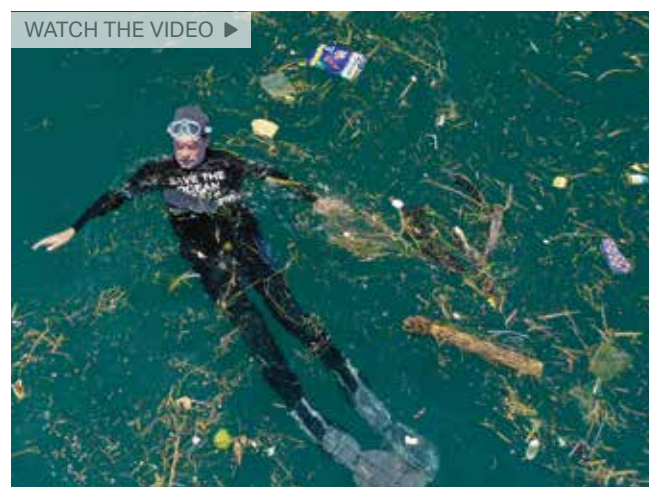
But these misperceptions could also change with the adoption of curbside film recycling by more communities. For several years now, we've been actively engaging with municipal officials, public works agencies and material recovery facilities to promote the benefits of expanding recycling options for plastic film, and the value of the recycled material.

We've received interest from a number of communities and are close to finalizing our first pilot program in 2019. We're hopeful we can help this type of recycling expand, enabling the U.S. to catch up to other countries in Europe that have a more circular economy for plastic film.

Engaging on Social Media

Plastic pollution affects everyone, and Fisk has been able to use his social media channels to reach millions of people about this topic. From tours of Plastic Bank collection centers to Q&As about microplastics, Fisk is leading a dialogue that is reaching and engaging people around the globe.

He also uses social media to talk about other social and environmental efforts that SC Johnson is working to support, including forest protection and mosquito-borne disease prevention.



Chairman and CEO Fisk Johnson has shared striking images of his ocean dives on social media, calling attention to the plastic that is polluting our environment.

¹ <https://www.ellenmacarthurfoundation.org/publications/the-new-plastics-economy-rethinking-the-future-of-plastics>

² <https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0111913>

³ <https://oceanconservancy.org/wp-content/uploads/2017/04/full-report-stemming-the.pdf>

⁴ Based on research from Ocean Wise

Continuing to Lead for People and Planet

While our plastic commitments have been a priority in the past year, all of us at SC Johnson keep working to deliver other environmental and social advances, too. Read on for examples...



[WATCH THE VIDEO ►](#)

Helping the World's Most Vulnerable Families

We're working to help the world's poorest 4 billion people protect themselves from mosquito-borne diseases like malaria and dengue.

Mosquito-borne diseases can have a devastating effect on individuals and communities. They're also preventable.

As the world's leading marketer of household pest control products, we work to help families protect themselves, and to educate about how to avoid mosquito bites. We focus especially on families who are most at risk — those making less than a few dollars per day and living in areas where diseases like malaria and dengue are endemic.

According to the World Health Organization, nearly half the world's population is at risk for dengue. Every two minutes a child under five dies from malaria.





Spending time with families helps the BOP team understand the need for solutions that are affordable and fit into their day-to-day lives. In this village in Peru, families live at risk of dengue fever, but told researchers they often choose not to use mosquito nets because it's so hot during the humid rainy season.

Helping Prevent Mosquito Bites

The mission of SC Johnson's Base of the Pyramid (BOP) program is to enable mosquito-borne disease prevention by delivering affordable products tailored to the world's poorest people. The program uses commercial and philanthropic strategies to encourage education about mosquito-borne disease and create solutions.

To do this, the BOP team spends time with families in areas where mosquito-borne disease is prevalent, such as Indonesia, Myanmar and Peru. They learn about how families live as they work to find ways to overcome the barriers to people taking preventive action — whether it's access, cost or awareness.

To date, the program has reached more than 1.7 million people across seven countries with local programs designed to teach mosquito bite prevention strategies. We have engaged with more than 1,000 individuals as well as more than 150 health ministry officials and NGOs working on disease prevention around the world.

"The effects these diseases have on families are devastating. But as long as the threat is there, I'm grateful that we can put our decades of mosquito research and expertise to work and try to help."

— Fisk Johnson, Chairman and CEO of SC Johnson

OUR STRATEGIC PRINCIPLES

Scale for Greatest Impact – Pilot and implement initiatives that have a clear path to scale in multiple countries and regions.

Provide Access – Deliver life-saving, user-desirable and affordable interventions to people in poor, vulnerable and difficult-to-reach communities by leveraging new-to-SC Johnson supply chains and strengthening existing ones.

Leverage Core Competencies – Use our expertise as the leading manufacturer of household pest control products to deliver solutions that enable mosquito-borne disease prevention.

Seek Strategic Partnerships – Capitalize on the power of partnerships with government, industry and non-profit entities to create impact that goes beyond what SC Johnson can implement independently.

Build Social Enterprise Models – Create social impact through initiatives that aim to achieve financial viability at scale.



MEASURING OUR IMPACT

1.7 million people reached with health education.

250+ community health workers employed and trained in mosquito protection.

535 new points of access for mosquito protection interventions.

200,000 people served by 50 community health posts opened since 2018.



A new spatial repellent product developed by SC Johnson is designed to be easy to use and require minimal handling. It can be hung in semi-enclosed or enclosed spaces and uses natural airflow to emanate the active ingredient transfluthrin and protect against mosquitoes for up to a month.

Providing Solutions that Work

One example of our efforts comes from Sumba, Indonesia. We've been working in partnership there with the University of Notre Dame and The Eijkman Institute for Molecular Biology with funding from the Bill & Melinda Gates Foundation to investigate the potential impact of spatial repellents in reducing mosquito-borne diseases.

Researchers tested the efficacy of an innovative spatial repellent developed exclusively by SC Johnson, to reduce the transmission of malaria. Analysis of the data found an approximate 28 percent reduction in first-time infection, while a subset with the highest number of mosquitoes saw an approximate 66 percent reduction in overall malaria infection.

The World Health Organization (WHO) published data outcomes from this research in August 2019, in a report showing the effectiveness in fighting malaria. This provides a path forward for spatial repellents in the global fight against mosquito-borne diseases.

"For years, we've been working to prevent malaria. It's heartening that the WHO report shows spatial repellents could be an effective tool against the disease. Ultimately, we want this to get into the public health channels and save lives," said Fisk Johnson, Chairman and CEO of SC Johnson.

WATCH THE VIDEO ►



Chairman and CEO Fisk Johnson in Sumba, Indonesia.

Increasing Access to Health Care

Another example comes from Rwanda, where it's not uncommon for people to have to walk as long as three hours to reach health care services. For many, the risk of malaria infection is an everyday concern.

To help address this risk, SC Johnson formed a partnership in 2018 with the Rwanda Ministry of Health and the Society for Family Health Rwanda to co-develop a national strategy to increase access to health care through the construction of health posts across the country. This included establishing 10 health posts in rural Rwanda.

In 2019, we expanded the partnership with plans to develop an additional 40 health posts throughout Rwanda that increase access to health care and malaria education for more than 200,000 people. The program's continuing goal is to help address public health issues including malaria, HIV/AIDS and family planning.



Chairman and CEO Fisk Johnson visits one of the SC Johnson-sponsored health posts in Rwanda.

"We are thankful for SC Johnson's investment in the health of our communities, and for the continuing partnership in establishing best practices on issues such as malaria. With the additional health posts, Rwanda can further support health care needs for the 50 percent of our communities that are in rural, hard-to-reach areas, and significantly reduce the distance families need to travel for care."

– Dr. Diane Gashumba, Rwanda Minister of Health



MEET SONIA

Sonia is a subsistence farmer in Nyanza Province, Rwanda.

Every member of her family has been affected by malaria. Through a local health clinic, Sonia learned about protections from mosquito-borne diseases — sleeping under mosquito nets, clearing brush around the home, discarding stagnant water and mosquito repellents.

But even though she recognizes the importance of these activities, she has to make choices as her wages fluctuate. At times, little is left after she buys food and pays for her children's school fees.

Plus, some malaria interventions are a challenge given the demands of work and family. When government workers visited her village to offer indoor residual repellent spraying, she declined because she hadn't had time to cover her furniture and remove items that shouldn't be sprayed.

Reducing Our Footprint

We work hard to make sure we're operating with environmental responsibility.

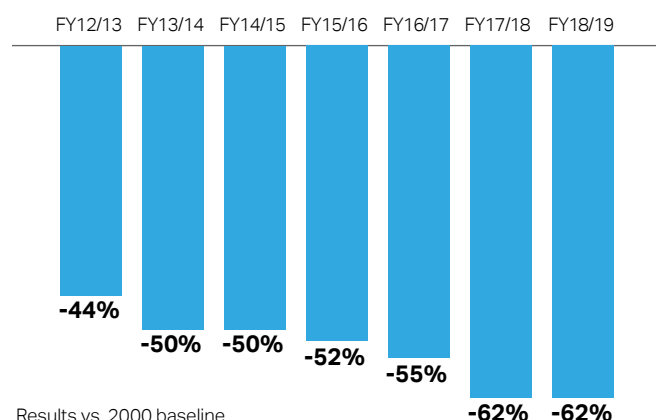
Through fiscal year 2018/19, SC Johnson continued to use renewable energy sources at our facilities around the world. During this fiscal year, 34 percent of our energy use came from renewable sources. This includes the use of wind energy at our manufacturing plants in Bay City, Michigan; Mount Pleasant, Wisconsin; Gorzow, Poland; and Mijdrecht, The Netherlands.

In addition, our greenhouse gas (GHG) emissions were reduced by 62 percent compared to our 2000 baseline.

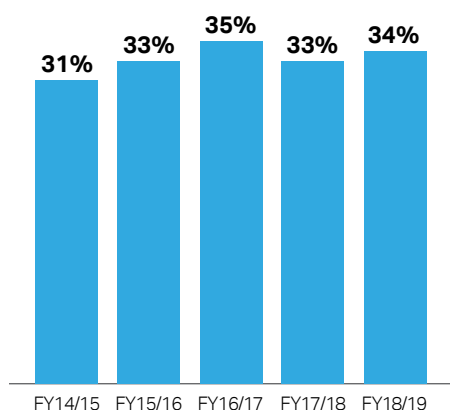
We continue looking at ways to increase our use of renewable electricity, too. In April 2019, we announced plans to use geothermal energy to power our Racine, Wisconsin, headquarters. This will greatly reduce our environmental footprint.

Combined with other sustainable projects underway, we anticipate a facility-wide reduction of 57 to 62 percent of the current energy load.

GLOBAL GREENHOUSE GAS REDUCTION



GLOBAL RENEWABLE ENERGY



SC Johnson Indonesia was awarded top honors from the capital province of Jakarta for meeting high environmental standards in 2018. The Environmental Care Community Award was presented to SC Johnson in recognition of the many steps taken to reduce our environmental footprint, as well as ongoing partnerships and programs. For example, our manufacturing plant in Pulogadung composts organic waste. The team also planted a garden on-site.



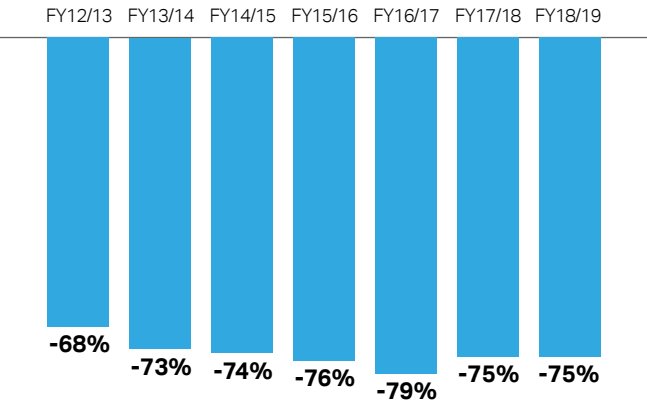
Accepting the Environmental Care Community Award.

Our continuing commitment to reducing our footprint was recognized in 2018 with the Climate Leadership Award for Excellence in Greenhouse Gas Management Goal Setting. This was our fourth Climate Leadership Award for GHG management.

Targeting Zero Waste

Another way we’re reducing our footprint is limiting the amount of waste our facilities send to landfill. We’re tackling this in many ways globally, including through the responsible use of materials and resources, as well as diverting solid and liquid waste away from landfills. At the close of 2018/19, 100 percent of SC Johnson factories sent zero manufacturing waste to landfill.

GLOBAL WASTE REDUCTION



Percent reduction in global manufacturing combined air emissions, water effluents and solid waste. Progress vs. 2000 baseline as a ratio to production.



Protecting the World’s Forests

Stopping deforestation is vital for people and the planet. We’re taking action and raising awareness.

Forest protection has been a focus for SC Johnson for generations. Together with Conservation International (CI), we have partnered on environmentally focused projects for nearly 17 years.

Most recently, we teamed up with CI to help protect 10,000 acres of rainforest in the Amazon through an acre-for-acre match campaign. The funds raised are now being used for the world’s largest tropical reforestation project in the Brazilian Amazon.

Spotlighting Deforestation

This year, our Chairman and CEO Fisk Johnson has been shining a spotlight on illegal deforestation. SC Johnson is committed to sourcing 100 percent of natural raw materials from sustainably managed forests by 2020. We also use 100 percent Roundtable on Sustainable Palm Oil (RSPO)-certified sustainable palm oil, palm kernel expeller and palm oil derivatives. By 2025, all of our palm oil-based raw materials will be 100 percent RSPO-certified and sourced from identity preserved, segregated or mass balanced physical supply chains.

“Human well-being depends on healthy forests for clean water, food security, carbon capture and other benefits. It’s critical that governments, NGOs, companies and citizens keep fighting to protect them,” Fisk noted.



Chairman and CEO Fisk Johnson visits an area of illegal deforestation.

SC Johnson was honored to receive Conservation International's most prestigious award: the Global Conservation Hero award. This award recognizes individuals and organizations whose environmental commitment and actions have had a transformative impact for the good of the planet and its people. Conservation International paid tribute to SC Johnson's decades of collaboration and sustainable action in the Amazon in partnership with local communities.



Chairman and CEO Fisk Johnson was recognized with actor Harrison Ford and Rock in Rio CEO Luis Justo.

"SC Johnson's bold commitment to help protect the Amazon rainforest — particularly the recent action to save 10,000 acres of Amazonia in partnership with Conservation International earlier this year — demonstrates exemplary leadership and a deep connection to ensuring the health and prosperity of Amazonia, its indigenous communities and the rest of the world."

— M. Sanjayan, CEO of Conservation International

Making Life Better

SC Johnson has a long-standing commitment to make our communities better because we're there.

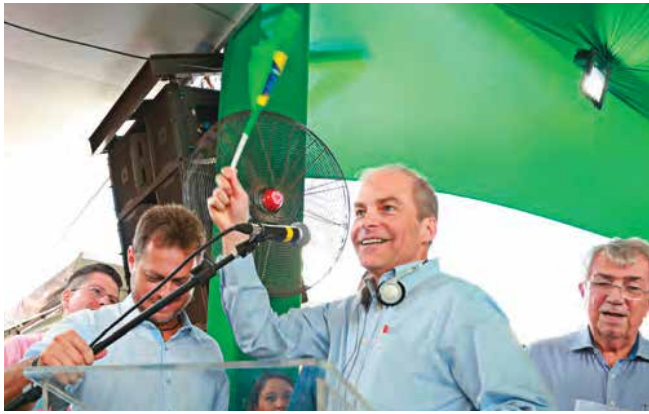
We help our communities with advocacy, support for education, product donations and grants. SC Johnson Giving targets these categories: community and economic development; social services; health and well-being; education; sustainability and environmental programs; and U.S. product contributions.

For more than 80 years, SC Johnson has given 5 percent of all pretax profits to charities. Over the past year, we continued our support through projects ranging from STEM education to community health.

Supporting STEM Education

One example is the new Escola Johnson in Fortaleza, Brazil, where SC Johnson in 2018 supported the installation of solar panels to cover 100 percent of the electrical design of the facility — making it a first-of-its kind sustainable school in the area.

Escola Johnson is a state-of-the-art public high school run by the State of Ceará with support from SC Johnson and FIEC. About 47 percent of graduates attend college — more than double the national average in Brazil.



The school includes a full-service, on-site dental office, which has been fully funded by SC Johnson since 2010.

We also supported construction of an on-site greenhouse and educational program that unites environmental sciences with business education. Using a rainwater harvesting system, students cultivate, grow and sell carnaúba palm seedlings to the community, in partnership with Junior Achievement.

In 2018, in honor of SC Johnson's efforts to help protect consumers against mosquito-borne diseases, we received an award from EcoHealth Alliance, a nonprofit organization that focuses on pandemic prevention and conservation. They specifically noted our commitment to using education as a tool to help families protect against mosquito-borne diseases, as well as for delivering on our promise to donate \$15 million in products and financial support to help at-risk families combat mosquitoes that may carry the Zika virus.

Finally, an additional \$200,000 commitment by SC Johnson to STEM Brasil is supporting science, technology, engineering and math education and teacher training at Escola Johnson and other area schools.

Enriching Our Neighborhoods

Also in 2018, the SC Johnson Community Aquatic Center opened in Racine, Wisconsin, our headquarters hometown. Fully funded by a donation from the company, it's the first aquatic center to be developed in Racine County.

The Aquatic Center offers families affordable access to a wide variety of swim lessons and water safety education programs. The center has two separate swimming pools, a lap pool with eight lanes and an activity pool, and has nearly 14,000 total square feet of water surface.



"To me, swimming is not just about fun. It's about family. It's about building social relationships. It's about the freedom of the outdoors. And I think that sense of freedom and confidence that swimming brings is so important to young kids. And it's something that can carry over into other aspects of their lives."

– Fisk Johnson, Chairman and CEO of SC Johnson



Leading on Transparency

Trust builds from transparency. We've been leading our industry for a decade.

We believe people should have access to the information they need to make informed product choices for their families — that's why our transparency program is global, encompassing products sold in nearly every country of the world.

Though many countries have inconsistent regulations about ingredient disclosure — or none at all — in the absence of industry standards, we've focused on doing the right thing by offering unparalleled access to ingredient information for our products sold around the world.

Disrupting Our Industry

Going global in 2019 was just the latest step in our disclosure journey. In 2009, we disrupted our industry by launching our first ingredient website in the United States and Canada.

Since then, we've delivered transparency firsts like product-specific fragrance lists and a skin allergen disclosure program that goes far beyond what most

"While some companies have been slow to incorporate ingredient transparency with their products, SC Johnson has always led from the front. I applaud Fisk Johnson for his steadfast commitment to consumers as a global leader in ingredient transparency."

— Ken Cook, President of Environmental Working Group

companies share. We also were the first major CPG company to globally disclose fragrance ingredients down to .01 percent of our product formulas.

Sharing Our Science

SC Johnson also went beyond the norm in 2018 when we shared the scientific criteria behind Greenlist™, our peer-reviewed ingredient selection program.

Every ingredient we use goes through this rigorous program. At its heart is a four-step evaluation that looks at both hazard and risk using best-in-class data and a commitment to continuous improvement.

Building Trust

Part of being transparent is inviting outside perspectives in. To examine the present and future role of transparency in building trust with consumers, in 2018 we worked with the research firm GlobeScan to gather insights from thought leaders representing business, NGOs, media and government.

We published these insights in a white paper entitled *Building Trust: Why Transparency Must Be Part of the Equation*. The white paper is available at [SCJohnson.com](https://www.scjohnson.com), and we hope it continues to shape the way our industry views ingredient transparency.

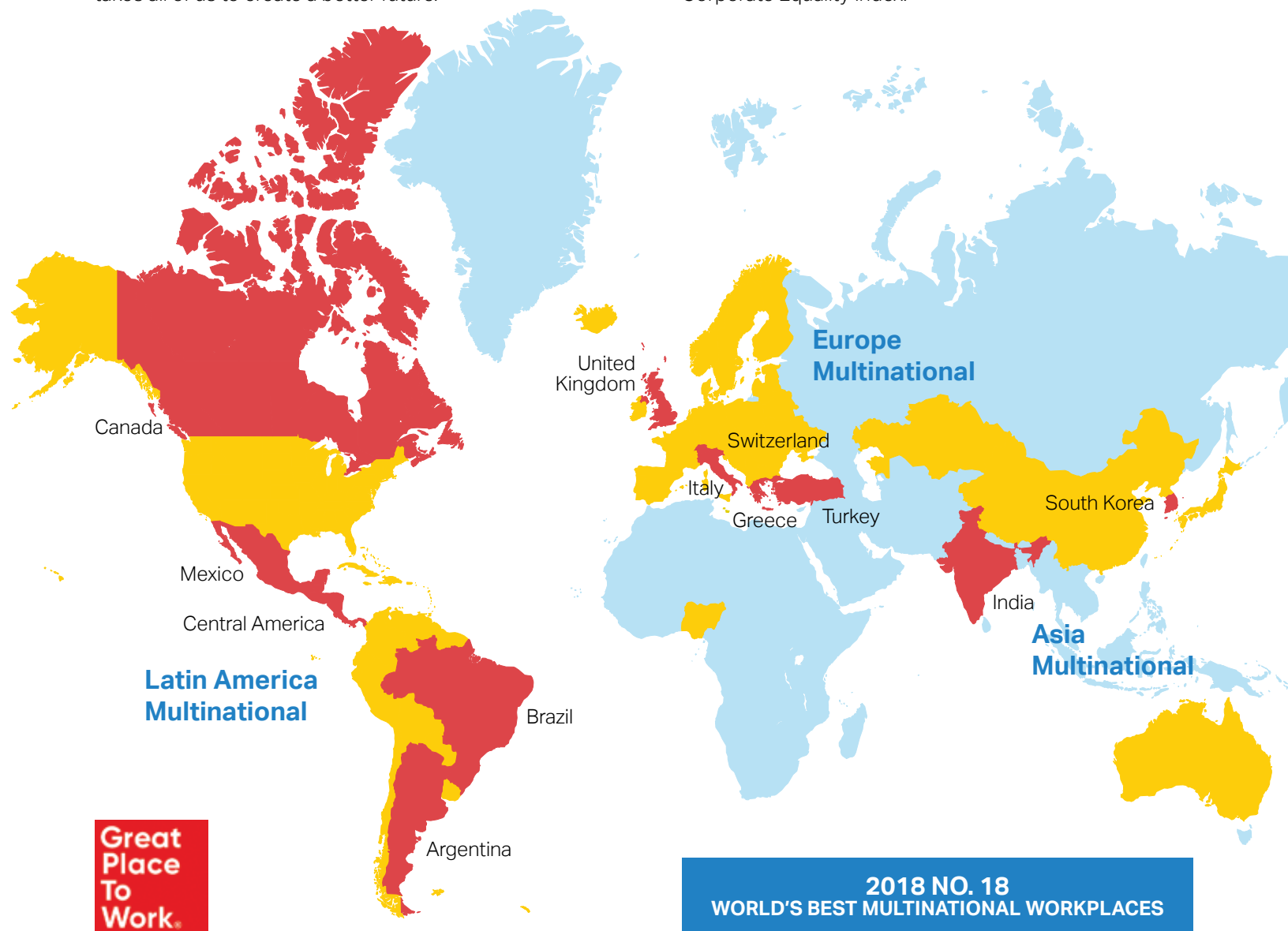


Best Workplaces

SC Johnson works hard to create workplaces around the world where people can be inspired and thrive.

As a company that's been leading with purpose for more than 130 years, at SC Johnson we believe the culture we create is as important as the products we produce. Success in one goes hand-in-hand with the other, and it takes all of us to create a better future.

We've received more than 80 recognitions from Great Place to Work® since 2010. In fiscal year 2018/19, we earned 16 Best Workplace awards and were recognized by *Working Mother* magazine and the Corporate Equality Index.



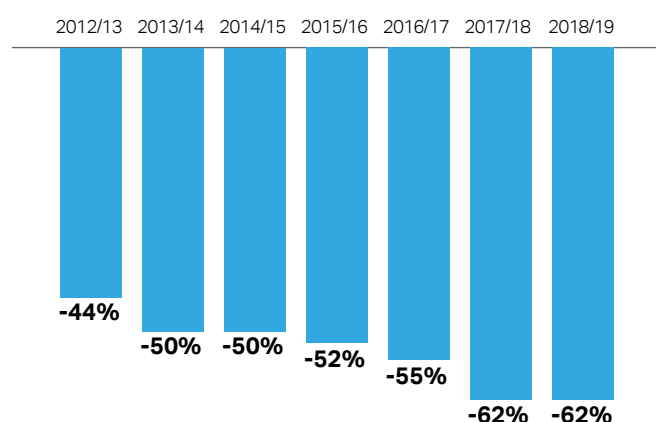
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■ FY 18/19 Recognitions ■ FY 10/11 to FY 17/18

Measuring Our Progress

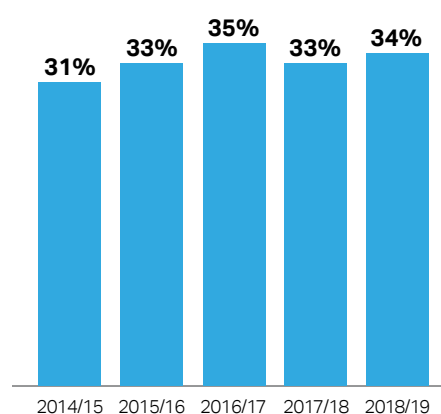
SC Johnson has long been committed to reducing our environmental footprint. Below are key measures of our sustainability progress for the 2018/19 fiscal year ending June 30, 2019. This report primarily includes SC Johnson's longstanding brands and operations and does not include our more newly acquired businesses (**SC Johnson Professional**®, **Method**®, **Ecover**® and **Babyganics**®), unless where noted. We will continue to incorporate data from these businesses in future reports.

GLOBAL GREENHOUSE GAS REDUCTION



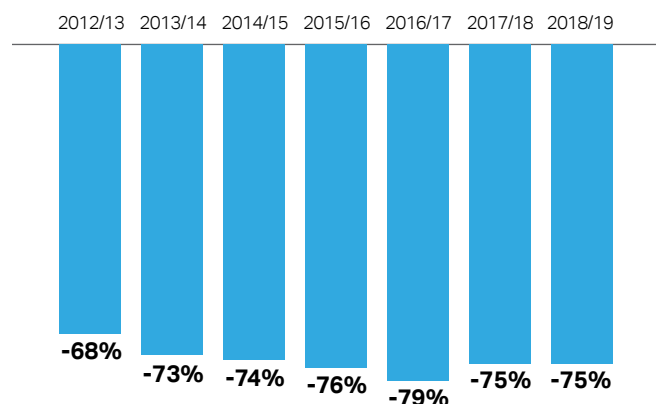
Greenhouse gas emissions from manufacturing vs. 2000 baseline, indexed to production.

GLOBAL RENEWABLE ENERGY



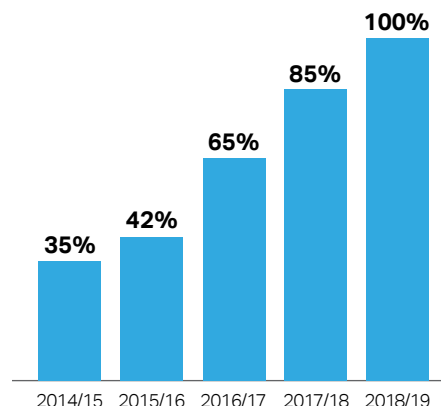
Percent of global energy use from renewable sources for all operations, including plants, offices and warehouses.

GLOBAL WASTE REDUCTION



Percent reduction in global manufacturing combined air emissions, water effluents and solid waste. Progress vs. 2000 baseline as a ratio to production.

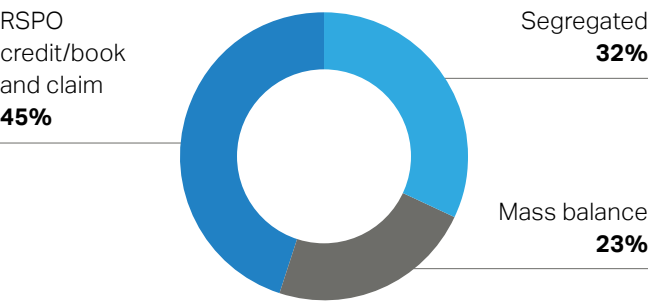
ZERO MANUFACTURING WASTE TO LANDFILL



Percent of plants that send zero manufacturing waste to landfill.



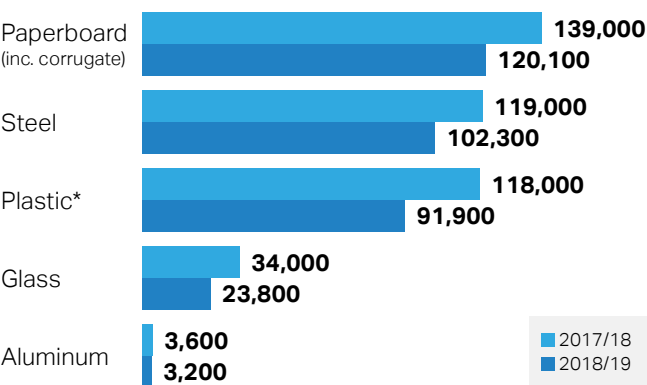
RSPO-CERTIFIED SUSTAINABLE PALM OIL USE



100% RSPO-Certified Palm Oil used in 2018/19: 8,700 total metric tons

Roundtable on Sustainable Palm Oil (RSPO) certification levels for our palm oil-based raw material used in 2018/19.

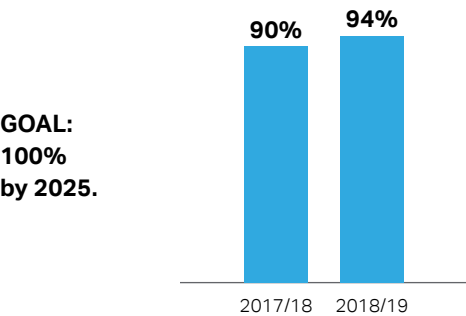
PRIMARY PACKAGING MATERIALS



Shipped metric tons of primary packaging material.

*Primary plastic packaging data reflects all SC Johnson products including **SC Johnson Professional**®, **Method**®, **Ecover**® and **Babyganics**®.

PRIMARY PLASTIC PACKAGING: RECYCLABLE, REUSABLE OR COMPOSTABLE*

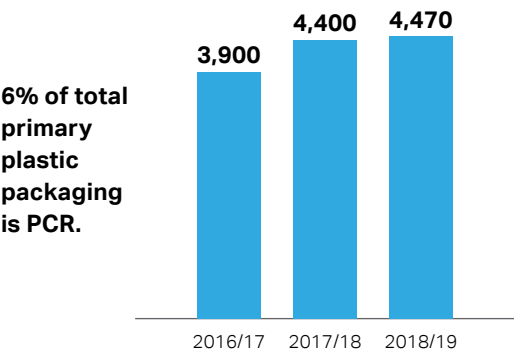


GOAL: 100% by 2025.

Percent of primary plastic packaging designed to be recyclable, reusable or compostable.

*Percentages reflect all SC Johnson products including **SC Johnson Professional**®, **Method**®, **Ecover**® and **Babyganics**®.

PRIMARY PLASTIC PACKAGING: PCR USE*



6% of total primary plastic packaging is PCR.

Total company Post-Consumer Recycled (PCR) plastic use by weight and percent of total primary packaging.

*Percentages reflect all SC Johnson products including **SC Johnson Professional**®, **Method**®, **Ecover**® and **Babyganics**®.

At A Glance

We're SC Johnson. A family company at work for a better world.™

Led by Chairman and CEO Fisk Johnson, we are dedicated to innovative, high-quality products, excellence in the workplace and a long-term commitment to the environment and the communities in which we operate.

Based in the United States, we're one of the world's leading manufacturers of household and professional products for cleaning, storage, air care, pest control and shoe care. See some of our well-known brands below.

WE'RE A FAMILY COMPANY FOUNDED IN 1886.

5 generations of
family leadership.

Headquarters
in Racine,
Wisconsin, U.S.

Products sold
in virtually every
country around
the world.

13,000 employees
around the globe.

QUALITY, TRUSTED BRANDS



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Printed on Mohawk paper containing 50% post-consumer recycled materials. According to Mohawk, by choosing recycled rather than virgin fiber content, this means that for the size of this report and the quantity printed, 26,790 pounds of net greenhouse gases were prevented, 42.8 million BTUs of energy were not consumed and 2,384 pounds of solid waste were not created.

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