

# SANTANOL

PURE ETHICAL SANDALWOOD

OUR SUSTAINABILITY STORY

An aerial photograph of a vast sandalwood plantation. A long, straight, narrow canal or irrigation system runs vertically through the center of the image, flanked by dense, green sandalwood trees. The trees are planted in neat rows, creating a grid-like pattern on either side of the central waterway. The lighting suggests a bright, sunny day, with shadows cast by the trees.

**PURE.  
ETHICAL.  
SANDALWOOD.**





# SANDALWOOD

Sandalwood and its precious oil have an ancient history as one of the oldest and most valuable natural resources in the world. Also known as the 'holy tree', it is indispensable to rituals of many different modern and ancient cultures and religions, with sandalwood incense even known to be used in ceremonies to wash away the sins of those who have passed.

This precious material is known in holistic medicines for its general healing abilities and for promoting an open mind to better balance with the body. It is a key ingredient in the world of fine fragrance through its soft, creamy-wooden scent.

With the demand for sandalwood oil almost driving the species into extinction, Santanol was established on the basis of offering pure and ethical sandalwood. We believe we have found the balance between creating a high-quality raw material, protecting nature and securing a long-term sustainable supply.

Santanol - Pure. Ethical. Sandalwood.

Our East Indian Sandalwood (*Santalum album*) grows on more than 2,400 hectares of plantations between Kununurra in Western Australia and Gold Tyne in Queensland. Growing sandalwood trees is a long-term process, taking a minimum of 15 years to grow. We source a small part of the wood from traceable and ethical plantations, managed domains, or public auctions in Western Australia. These include non-Santanol plantations in Kununurra as well as qualified global sources, all in compliance with applicable laws and regulations and following local and sustainable forestry plans. Our goal is to sustainably use 100% of the wood from our own plantations in the years to come.

All wood sourced by Santanol is processed into wood chips in our Primary Processing Centre in Kununurra and then distilled in Perth. By offering oil distilled exclusively by us, we ensure the traceability throughout the entire supply chain. Taking care of the soil and all of the natural resources mother earth provides us is part of our daily operations. Our plantations are the heart of our company, therefore sustaining them and taking care of their biodiversity for the long term is vital to us. That is why we are ISO 14001:2015 Environmental Management Systems certified and COSMOS Ecocert approved.





A photograph of a wallaby standing in a young sandalwood plantation in Kununurra. The wallaby is light brown and is positioned in the lower left foreground, partially obscured by low-lying green vegetation. Behind it is a young sandalwood tree with a thin trunk and dense green foliage. The background shows more trees and a clear sky, with sunlight filtering through the leaves, creating a warm, golden glow. The text is overlaid in the center of the image in a white, bold, sans-serif font.

EVERYTHING  
NEEDS BALANCE,  
SO WE ARE  
COMMITTED TO  
PROTECTING AND  
SUPPORTING  
THE WILDLIFE AND  
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OF THE REGION.

WALLABY ON A YOUNG SANDALWOOD PLANTATION  
IN KUNUNURRA





## PRESERVING BIODIVERSITY

Everything needs balance, so we are committed to protecting and supporting the wildlife and biodiversity of the region. The areas where our sandalwood grows is surrounded by savanna woodlands, with monsoonal rain during the wet season. We offer habitat, food and protection under otherwise harsh environments to the wildlife.

Although the irrigation system is man-made, it has created an ecosystem that attracts the most famous wildlife of Western Australia, including wallabies and crocodiles.

We have our own nursery in which the *Santalum album* and its host plant seedlings are grown. The sandalwood tree is a semi-parasitic tree and requires several host trees in order to survive. The sandalwood roots penetrate the root system of the host tree and thus receive the proper nutrients. Through this practice we simultaneously avoid a monoculture in the plantation areas.

After each harvest the land rests for a minimum of one year to allow the soil to rehabilitate.



SANTALUM ALBUM SEEDS





## STRIVING TO INNOVATE

During the late 1990's, the Australian government started to consider hosting sandalwood plantations in the region. Over the years, through the support of our Research and Development Centre in Kununurra, we have developed methods to help sandalwood adapt to and thrive under the Australian climate conditions. The R&D Centre is continuously developing new methods to ensure the most efficient usage of our resources to create the highest quality trees.

We started collecting the seeds of our most "elite" trees and have created a seed orchard. With this, we are now able to solely plant with the healthiest and most diverse seeds from the orchard, giving us control over the supply and improves the oil quality and yield of our sandalwood trees for years.



## ENSURING HEALTHY SOILS AND EFFICIENT WATER USAGE

Kununurra is located in a subtropical climate. During the wet season, the plantations are naturally irrigated. To assist in year-round irrigation, the nearby Ord River Dam contains a catchment area that is filled up during the wet season and provides irrigation through water channels for the rest of the year. This means Santanol does not require extra energy nor resources to run elaborate pumping systems. Every 4 to 6 weeks, we tap the channels and irrigate our plantations. Through flood irrigation, the trees take only as much water as they need. The remaining water is collected and irrigates the habitat downstream. The dam is easily capable of supplying the Ord Valley in Kununurra with its water requirements. We have developed different techniques using water soil probes and tree sap flow metres to ensure the water is used efficiently.

Nitrogen is a key nutrient for plant growth that is conventionally added through form of fertilizer. A unique requirement of a sandalwood tree is the need for host trees to sustain it. Host selection has focused on utilizing leguminous species, which have the ability to extract nitrogen from the air and make it available through the root system. This way the plantations can receive nitrogen naturally.

Our plantations provide a continuous nutritional cycle as the trees gain nutrients from the soil and then return those in the form of organic matter, including leaves and branches as well as through the host trees remaining onsite.



We choose to use natural approaches to support the healthy growth of our trees such as pruning, natural soil biology and resilience to diseases through symbiotic relationships with microbes. One of our latest approaches is bringing in a herd of goats that are working successfully as a natural weed control. The added organic fertilizer they provide to the soil is a plus and further improves the land.

We have also introduced trials with certain species of mites and ladybugs in order to naturally control potential bug infestations. Additional trials include applying beneficial microbes to the soil to help prevent fungal diseases and to increase the availability of soil nutrients.











# HEALTH AND SAFETY: OUR FIRST PRIORITY

We continuously focus on identifying and eliminating potential hazards before they turn into a problem. By emulating the "Road to Zero", a health and safety concept established by our parent company Mercer International Inc. to achieve zero workplace incidents, we make Health and Safety our first priority. Santanol is also certified for Occupational Health and Safety Management Systems (OHSAS 18001:2007).









## EMBRACING SOCIAL RESPONSIBILITY

Established as an Australian company, we want to safeguard our country's roots within the surrounding Indigenous community. Including the local Indigenous communities in our operations and having the opportunity to share their cultural knowledge is a privilege.

Directly engaging with nature and the hands-on approach we have with our operations makes Santanol a desirable workplace for the local Indigenous people. We cherish the benefits of cultural diversities within the company and support our employees wherever possible.

Part of that support is providing all necessary training in an inspirational and safe environment as well as integrating the families of our employees. We get together to exchange information and keep building strong relationships to continue working for the common goal:

to safeguard the environment.





# REDUCING OUR FOOTPRINT

We have been taking measures to limit and continuously strive for the lowest possible carbon footprint. Our steam distillation process, for example, only uses natural gas for the boilers. In order to further benefit from the natural resource of the river, a hydroelectric power station was built to generate a reliable source of energy for the local community.





**SANTANOL IS  
COMMITTED TO  
PRODUCE  
PURE AND ETHICAL  
SANDALWOOD.**

**WE AIM TO GROW  
AND CONTINUOUSLY  
IMPROVE OUR  
PRACTICES BASED ON  
THIS COMMITMENT.**



