

UEBT Biodiversity Barometer

2009-2014



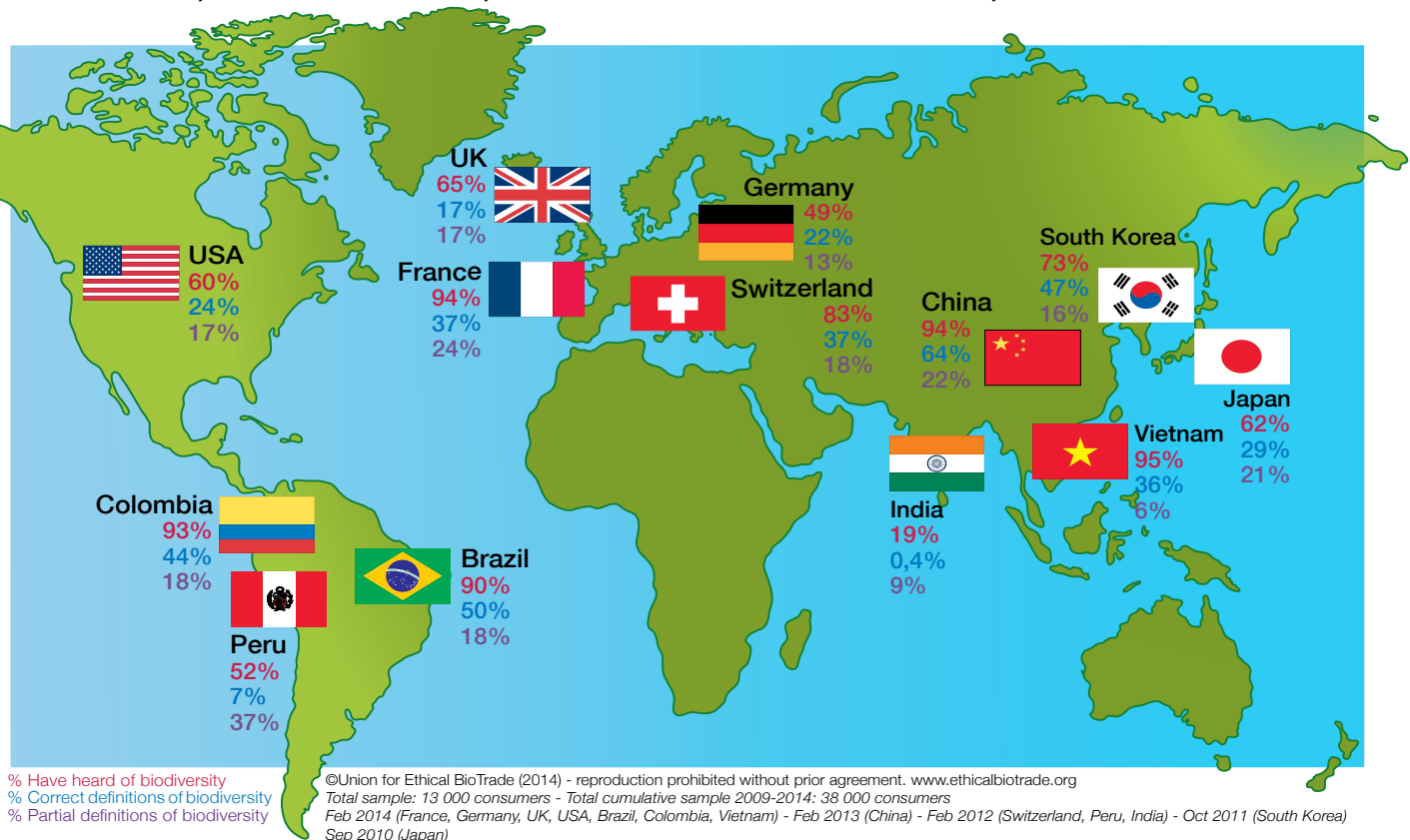
Biodiversity awareness around the world

By 2020, the world's citizens should be aware of biodiversity, according to the United Nations' 2020 targets. The UEBT Biodiversity Barometer helps measure progress. This is important for the UN and governments, which are rolling out policies to meet these targets. It is also valuable for companies needing to understand how growing biodiversity awareness affects purchasing decisions and reporting requirements.

Between 2009 and 2014, 38,000 consumers in 13 countries have been surveyed on biodiversity awareness, expectations towards ethical sourcing and how this affects purchasing decisions.

Biodiversity awareness grew from **55%** in 2009 to **67%** in 2014 in France, Germany, UK and USA.

UEBT Biodiversity Barometer - Biodiversity awareness around the world - IPSOS survey



UEBT Biodiversity Barometer 2009-2014 methodology

2014 Fieldwork: February 2014.

Online interviews of 1000 consumers in each country (Omnibus in France, Germany, the UK and the USA, ad-hoc for Brazil, Vietnam, Colombia). National representative samples are used. Age target: 16-64 (18-64 in the USA and Brazil, 18-50 in Vietnam).

This document also includes historical results of IPSOS surveys commissioned by UEBT:

France, Germany, UK, USA (February 2009-2013), Japan and South Korea (September 2010- 2011), Brazil (February 2010-2013), India, Peru, Switzerland (February 2012), China (February 2013).

Sample size: 1000 persons per country. All surveys conducted through internet, except for Peru (telephone) and India (face to face).

Top 100 beauty companies:

UEBT analysis of annual reports, CSR reporting and web-sites of the top 100 beauty companies (source WWD 2013).

How do consumers define biodiversity?

Each year, UEBT asks consumers to define biodiversity. In 2014, an average 33% of all surveyed consumers defined biodiversity correctly. Most correct definitions were given by consumers in Brazil (50%), Colombia (44%), France (37%) and Vietnam (36%), reinforcing the findings of previous years that consumers in emerging economies are often better informed about biodiversity.

How do people define biodiversity?



Consumers' growing appetite for natural

The natural personal care market has experienced double-digit growth since 2008*. In 2014, 87% of consumers surveyed for UEBT say they buy cosmetic products that use natural ingredients. In Brazil this number is 96%, in the UK 72%. Consumers are increasingly looking for transparency: 77% say they pay attention to where ingredients in cosmetics products come from. In Brazil, Colombia and Vietnam almost 90% of consumers say they pay attention to the origin.

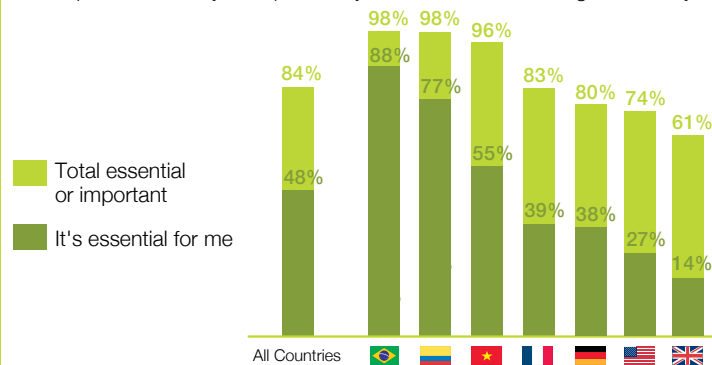


77%

of respondents say they want to know where ingredients come from.

Consumer engagement

How important is it for you to personally contribute to conserving biodiversity?



Contributing to biodiversity conservation

Consumers are increasingly aware about biodiversity, but is it important to them to personally contribute to biodiversity conservation? For the first time UEBT asks this question, and finds that a large majority of respondents agrees:

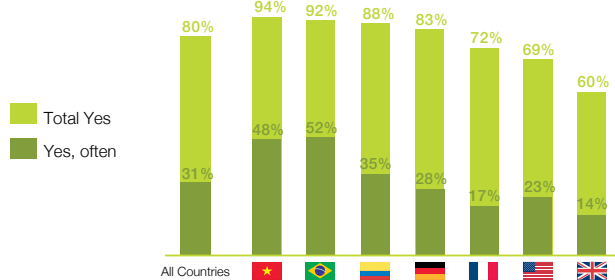
48% of respondents say it is essential to personally contribute to biodiversity;

84% say it is either essential or important.

* Kline & Company's Natural Personal Market figures - 11,3% compound annual growth rate since 2008. The market is projected to post an increase of 9,2% by 2018.

Importance of respecting local populations

Do you personally buy cosmetics and personal care product brands that you know respect the local populations who produce their natural ingredients?



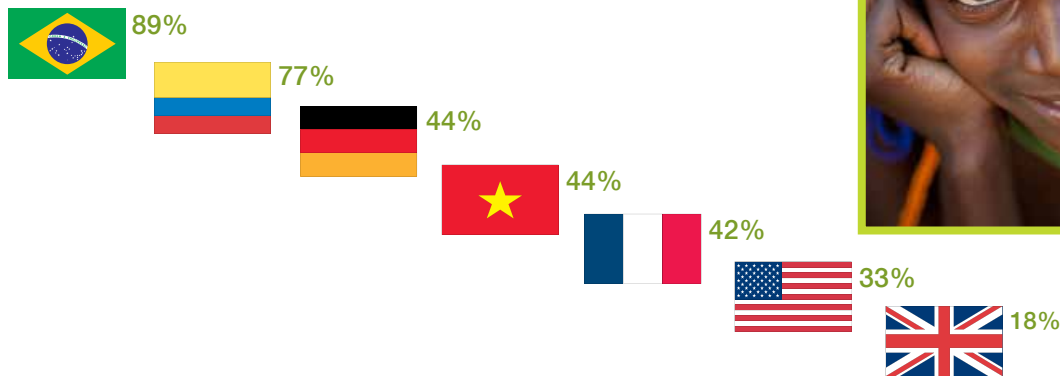
Basis: Total respondents - Feb. 2014 - France, Germany, UK, USA, Brazil, Colombia, Vietnam

Rising interest in ethical sourcing

From 2009 to 2013, consumer awareness on 'ethical sourcing of biodiversity' increased from 28% to 45%. Awareness on 'equitable sharing of benefits' rose from 38% to 50% between 2009 and 2013*. In 2014, UEBT explored such interest more in depth and asked consumers if they buy beauty products from brands that they know to respect local populations that produce natural ingredients (i.e. respect working conditions, pay fair prices and wages). Between 60% and 94% of surveyed consumers responded they buy from such brands, and between 17% and 48% say they often do. An average 78% say they pay close attention to environmental and ethics labels when buying cosmetics products.

Companies expected to source with respect

A large majority (87%) of the surveyed consumers expect companies to have sourcing policies in place that respect biodiversity. In Colombia and Brazil the large majority even think this is essential, in comparison to an average 34% in France, Germany and the UK.



How would consumers like to be informed?

88% of consumers expect companies to inform consumers through their websites, advertisements, etc.

87% would like to find such information directly on pack.

88% says they value sustainability labels on pack.

These findings strongly contrast UEBT's assessment of the top 100 beauty companies, which finds that only 31 companies report on ethical sourcing of biodiversity, even though often not in a very meaningful way.

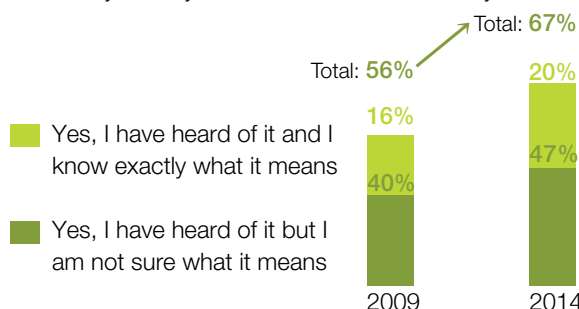
* 2009-2013 historical results on 4 countries (France, Germany, UK, USA). 2014 results based on 7 countries (France, Germany, UK, USA, Brazil, Colombia, Vietnam).

Growing awareness since 2009

Between 2009 and 2014, 38,000 consumers were surveyed on biodiversity awareness. In Germany, France, UK, and the USA, average awareness has steadily increased, from 55% in 2009 to 67% in 2014. Growth mostly comes from consumers in the USA and Germany. In Germany awareness rose from 19% in 2009 to 49% in 2014. In the USA awareness rose from 48% to 60%.

Awareness of Biodiversity

Personally, have you ever heard of "biodiversity"?



Basis: Among those who have heard of biodiversity - 4 countries tracked since 2009 France, Germany, UK, USA.

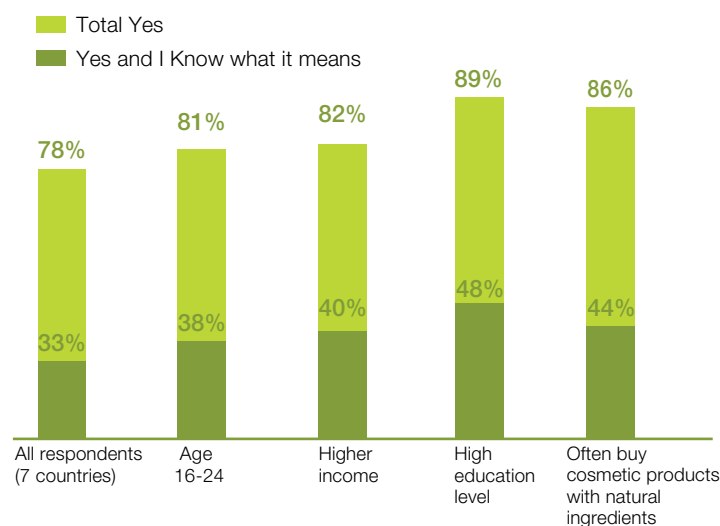


Highest awareness on biodiversity can be found among the youth, respondents with higher income and higher education.

Emerging markets: high awareness, high expectations

Consumers in emerging markets such as Brazil, China, Colombia, or Vietnam show a good understanding of biodiversity and a high interest in ethical sourcing. With market growth increasingly realised in these countries, these findings are of strategic importance for companies investing in emerging markets.

Biodiversity - Who are the best informed population groups?



Basis: Total Sample - Feb 2014 - France, Germany, UK, USA, Brazil, Colombia, Vietnam

Biodiversity aware: buyers of cosmetic products with natural ingredients

Consumers that buy cosmetic products with natural ingredients are more aware about biodiversity than the average respondents. Moreover, 69% say it is essential to contribute personally to conserving biodiversity (against 48% on average). 69% consider it essential that companies have sourcing policies in place that respect biodiversity (against 50% on average). This group of consumers also pays far more than average attention to labels, the origin of the ingredients, and the respect of local populations.

Insights from around the globe: Colombia and Vietnam

To gain global insight, new countries are included in the Biodiversity Barometer each year. In 2014, the barometer found high awareness rates in Vietnam (95%) and Colombia (93%), two countries with rich biodiversity and rapidly growing markets. The survey samples are nationally representative, in terms of income, education and age, but focused on persons with internet access, which are mostly urban residents.

Colombia - high awareness and expectations

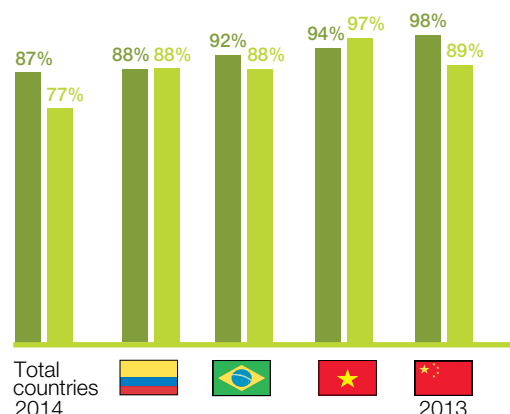
44% of all surveyed people gave correct definitions of biodiversity in Colombia, which is higher than in most other countries. The main sources of awareness are: TV programs (62%), education (43%) and articles in newspapers (32%).

98% of Colombians say it is either essential or important to personally contribute to biodiversity conservation. 88% claims to pay close attention to where ingredients come from, and 97% would like to be informed by companies about the concrete actions they take to respect biodiversity in their sourcing policies. Only 33% is confident that companies pay serious attention to ethical sourcing of biodiversity. Clearly, opportunities exist in Colombia for companies involved in ethical sourcing of biodiversity.

Importance of natural ingredients for consumers

% Buy cosmetics & personal care product that use natural ingredients

% Pay close attention to where the ingredients come from



Basis: All respondents - Feb 2014 - France, Germany, UK, USA, Brazil, Colombia, Vietnam - Feb 2013 - China





Vietnam - high awareness, average understanding

Although 95% of surveyed Vietnamese said they had heard about biodiversity (the highest number so far), 36% were able to define biodiversity correctly. A big gap therefore exists between awareness and understanding. The main sources of awareness are: TV programs (52%), education (47%) and articles in newspapers (39%).

Almost all respondents (92%) expect companies to respect biodiversity through their sourcing policies. Only 61% is confident that companies pay serious attention to ethical sourcing of biodiversity. 40% say they are confident that cosmetics and food companies respect biodiversity, while 70% believe that pharmaceutical companies respect biodiversity.

Have you heard of the following notions?

	 2014	 2013	Total countries 2013
Deforestation	99%	98%	92%
Preservation of Natural Ecosystems	99%	98%	88%
Endangered Species	99%	97%	95%
Sustainable Development	98%	97%	88%
Conservation of Biodiversity	96%	96%	69%

Basis: Total Yes - Top 5 out of 11 notions - Total sample - Feb 2014 - Colombia - Feb 2013 - France, Germany, UK, USA, Brazil, China

Brands and biodiversity: opportunities for market distinction

For the 2nd year, UEBT asked consumers to list brands that, in their opinion, make most efforts to respect biodiversity. The following brands received significant recognition: Yves Rocher in France (30% in 2014, 22% in 2013), The Body Shop in the UK (42% in 2014, 23% in 2013), Natura in Brazil (57% in 2014, 49% in 2013), and Natura in Colombia (18%). Various brands newly entered the top 3 in 2013, showing that opportunities exist for market distinction based on biodiversity, and that brand communication can quickly alter a brand's image on this issue.

What are the three brands you consider as making the most efforts to respect biodiversity?

	1 Yves Rocher 2 Danone 3 Nivea*		1 Nivea* 2 Weleda* 3 Yves Rocher
	1 The Body Shop 2 Coop 3 Lush*		1 Burt's Bees* 2 Johnson & Johnson 3 P&G
	1 Natura 2 O Boticario 3 Avon		1 Natura 2 Alpina 3 Nestlé
			1 Vinamilk 2 Coca Cola 3 Amway

*New in the 2014 top 3 vs 2013

Basis: Brands / companies quoted most often (does not include other quotations such as labels)
Feb 2014: France, Germany, UK, USA, Brazil, Colombia, Vietnam

Many consumers associate ethical sourcing of biodiversity with beauty brands.

Top 100 beauty companies: growing disparities in reporting on biodiversity

Since 2009, beauty companies pay increasing attention to biodiversity in their corporate reports and websites. Yet, company reporting on biodiversity varies in focus and depth. A few companies have developed meaningful reporting on biodiversity and ethical sourcing of natural ingredients, demonstrating a good understanding and providing insight in measures taken. Some only refer to biodiversity impacts of palm oil or paper production, leaving aside the biodiversity impacts of hundreds of natural ingredient supply chains. Many only address biodiversity superficially.

What do companies say about biodiversity?	Beauty companies			
	Top 100			Top 20 2014
	2009	2014	Variation	
Companies reporting on sustainable development	44	60	+ 16	19
Companies reporting on biodiversity	13	31	+ 18	16
Companies reporting on biodiversity sourcing practices in supply chains.	9	27	+ 18	16
Companies mentioning biodiversity related issues like traditional knowledge or intellectual property rights.	2	6	+ 4	5

Basis: UEBT analysis based on WWD top 100 beauty companies (August 2013).



The 2014 UEBT Biodiversity Barometer was undertaken with the support of:



Contact UEBT

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