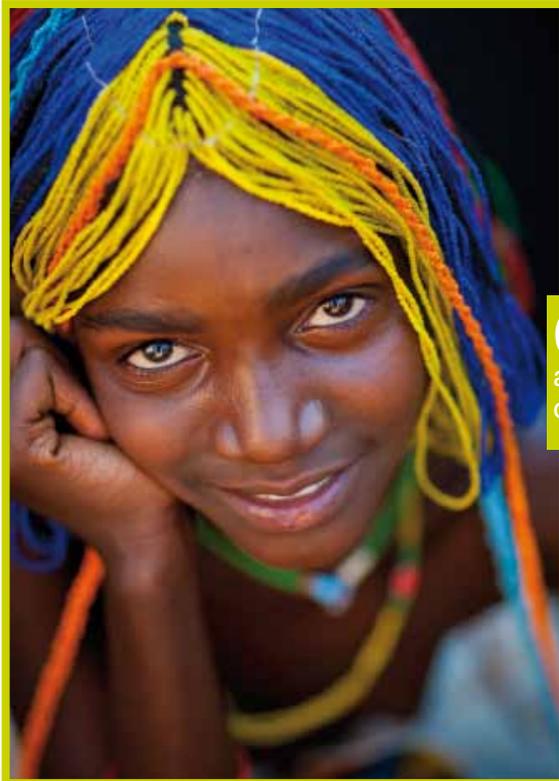


Biodiversity Barometer 2012



Biodiversity, a pillar of sustainability

Every year UEBT releases its biodiversity barometer. For this edition 8 countries were surveyed: Brazil, France, Germany, India, Peru, Switzerland, UK, USA. The barometer provides insights on evolving biodiversity awareness among consumers and how the beauty industry reports on biodiversity.

63% awareness of biodiversity among 8000 people surveyed in 8 countries.

Business and the sustainability challenge

75% of people surveyed in 2012 assign an important role to the private sector in achieving sustainable development. Primary responsibility is seen to rest with the government. The role for consumers is considered less important.

This highlights the need to consider the private sector in the outcomes of Rio+20 and the importance of business to take action towards creating the future we want.

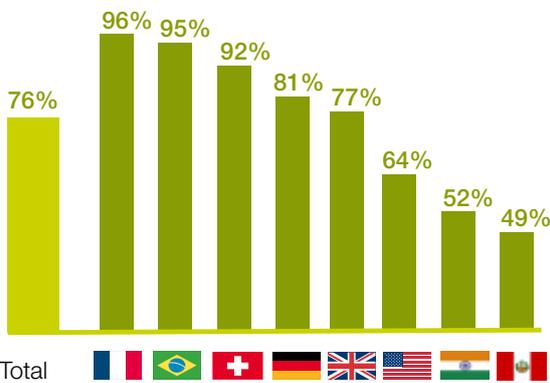


RIO+20
United Nations
Conference on
Sustainable
Development

Biodiversity is an important pillar of sustainable development. Business has an important role to play in protecting biodiversity.

Consumer awareness of biodiversity

Have you heard about sustainable development?



Basis : Total "Yes" - all respondents - 8000 consumers
Feb 2012 - France, Germany, UK, Switzerland, USA, Brazil, Peru, India

Rio+20, sustainability and biodiversity?

76% of people have heard about sustainable development. Twenty years after the United Nations Earth Summit, sustainable development is a well-known notion around the world. Yet awareness rates have leveled off in the last years. Rio+20 is aiming to provide new impetus for sustainable development.



Natural Ingredients matter to consumers

85% of consumers look for natural ingredients in cosmetic products.

...and so does where they come from

69% pay attention to where ingredients in cosmetic products come from. This underlines the importance of traceability in natural ingredient supply chains.

Higher interest in emerging markets

In Brazil, India and Peru the interest in natural ingredients and where they are sourced is even higher. More than 86% buy natural cosmetic products and around 80% pay attention to where products come from.



When looking for cosmetic products, do you personally....

- Buy cosmetic and personal care products that use natural ingredients
- Pay close attention to environmental and ethical labels
- Pay close attention to where the ingredients in cosmetic products come from

Total Countries			
Buy cosmetic and personal care products that use natural ingredients	85%	94%	86%
Pay close attention to environmental and ethical labels	74%	84%	87%
Pay close attention to where the ingredients in cosmetic products come from	69%	87%	79%

Basis : Total "Yes" - all respondents - 8000 consumers
Feb 2012 - France, Germany, UK, Switzerland, USA, Brazil, Peru, India



83% awareness on biodiversity in Switzerland

Consumers value external guarantees

Consumers welcome sustainability efforts of companies. They would like to see more transparency around sourcing practices and have more confidence if these practices have external validation.

74% pay close attention to environmental and ethical labels when buying food and cosmetic products.

78% have more faith in a company whose commitment to ethical sourcing of biodiversity is verified by an independent organisation.

High awareness of ethical sourcing in Switzerland

Newcomers to the UEBT Biodiversity Barometer, the Swiss reveal a very high awareness on sustainability, biodiversity and ethical sourcing issues. Awareness of specific notions, like respect and protection of traditional knowledge of local populations, is particularly high. 82% of the Swiss heard about such notions, compared to an average of 63% in the other surveyed countries.

Have you heard of the following notions?

		Total Countries
Fair Trade	95%	79%
Deforestation and loss of species	94%	85%
Sustainable Development	92%	76%
Payment of fair prices to local populations	89%	67%
Respect and protection of traditional knowledge	82%	63%

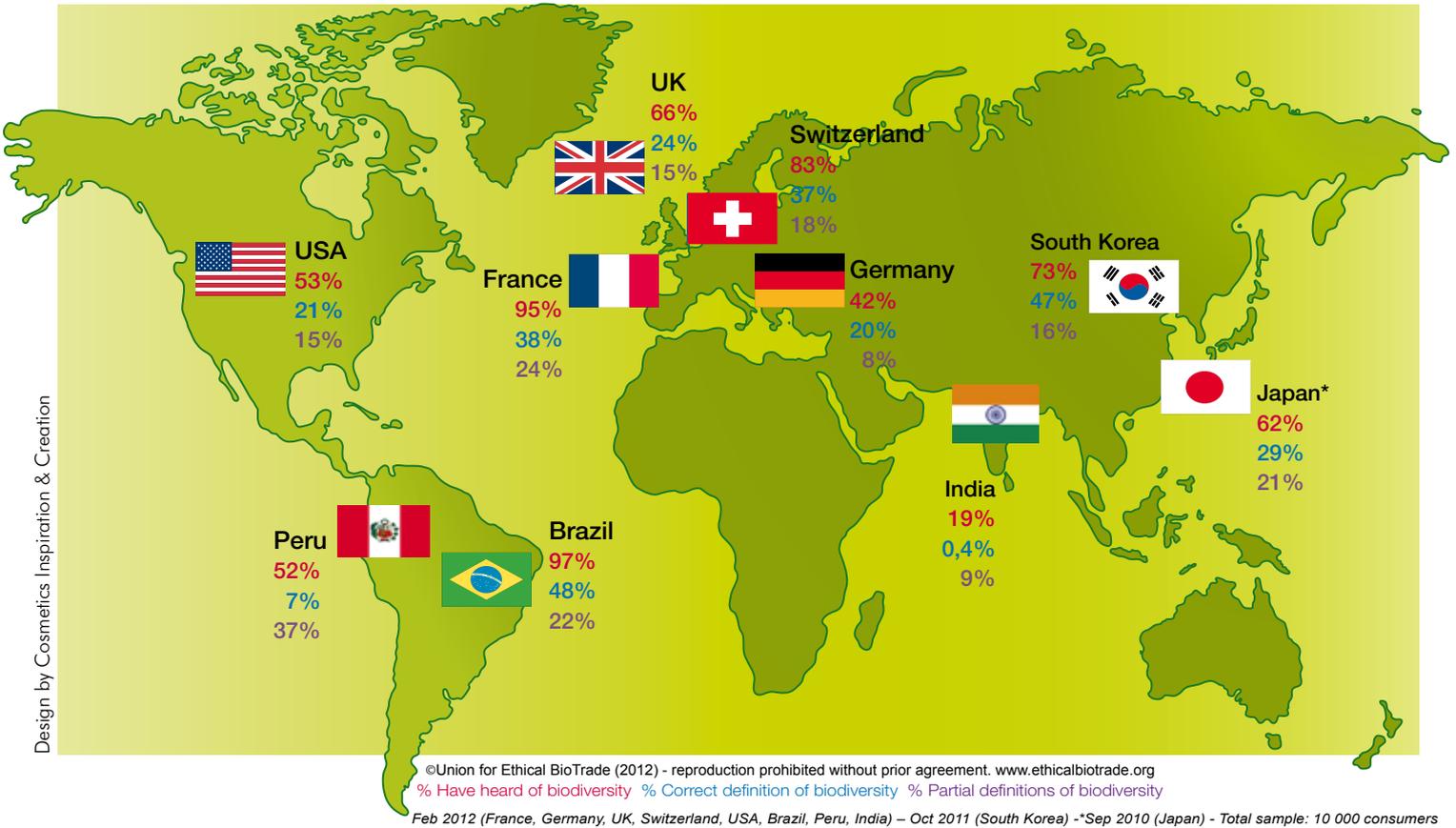
Basis : Total Sample (ranking)
Feb 2012 - Switzerland 1000 consumers / Total 8 countries (France, Germany, UK, Switzerland, USA, Brazil, Peru, India)

High awareness, low understanding

Awareness on biodiversity around the world is generally high, with particularly high awareness rates in countries like Brazil, France, Switzerland and South Korea. Significant differences of awareness exist between countries, even within the same region. The understanding on biodiversity, measured through the number of people that provided correct definitions on biodiversity, is often very limited: Nowhere does it exceed 50%.

Yet a number of the definition are close to being correct. This year, these definitions are also shown in the world map. In countries such as Peru, the number of such definitions implies a significant, if partial, understanding of biodiversity.

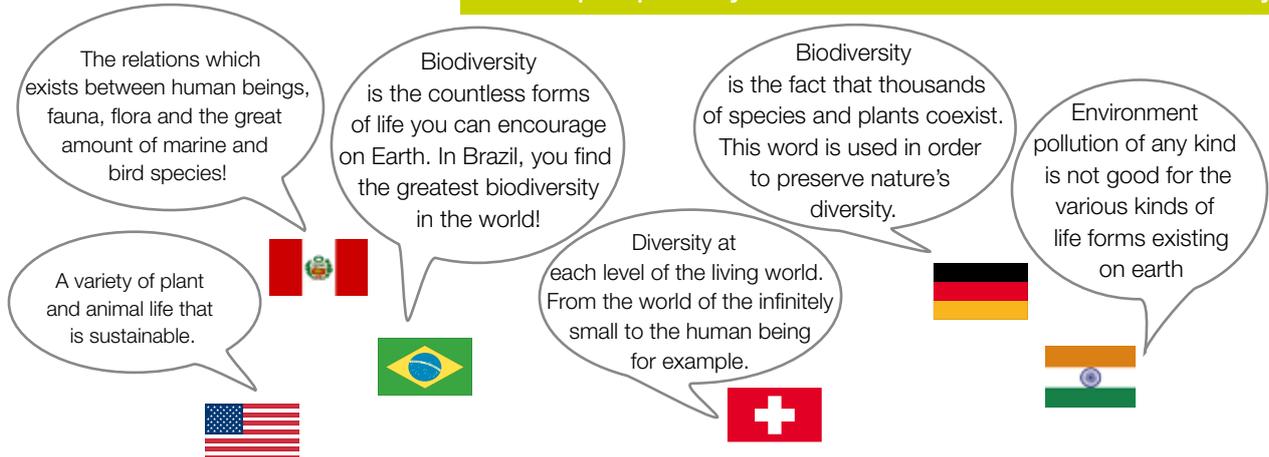
UEBT Biodiversity Barometer - Biodiversity awareness around the world - IPSOS survey



How people define biodiversity

People that had heard of biodiversity were asked to define the term. Here are some of the definitions given.

What people say when asked to define biodiversity:



- USA:** A variety of plant and animal life that is sustainable.
- Peru:** The relations which exists between human beings, fauna, flora and the great amount of marine and bird species!
- Brazil:** Biodiversity is the countless forms of life you can encourage on Earth. In Brazil, you find the greatest biodiversity in the world!
- Switzerland:** Diversity at each level of the living world. From the world of the infinitely small to the human being for example.
- Germany:** Biodiversity is the fact that thousands of species and plants coexist. This word is used in order to preserve nature's diversity.
- India:** Environment pollution of any kind is not good for the various kinds of life forms existing on earth

Higher understanding of biodiversity by 2020?

Governments worldwide are committed to increasing understanding of the values of biodiversity, as part of the 2020 targets of the UN Convention on Biological Diversity.

Awareness of biodiversity reveals the potential for increasing understanding and action on related issues. As a number of the definitions given are close to being correct, people are clearly forming an understanding of biodiversity. Understanding can therefore be expected to grow. Since 2009, the understanding of biodiversity has gone up in France, Germany, UK and USA from 16% to 26%.



How did you learn about biodiversity?		
TV programmes and documentaries	50%	1
Articles in newspapers and magazines	35%	2
School and Universities	22%	3
Advertisement on Television	19%	5
Radio	18%	7
Web sites and blogs	12%	9
Brand communication	8%	10

Basis : Have Heard of Biodiversity (list provided)
Feb 2012 - France, Germany, UK, Switzerland, USA, Brazil, Peru, India

Reaching out on biodiversity

When reaching out to increase understanding, the most important channels are television (50%), magazines, newspapers (35%), and schools (22%).

The role of brands

Only 19% of people have heard about biodiversity through business communications. The potential contribution of private sector towards biodiversity awareness remains largely untapped. In Brazil, where awareness is high, advertising is the second most important source of information on biodiversity. This illustrates that brands can step up their contribution to raising awareness.

What matters when buying a particular brand?

Though performance and price remain most important, the social and environmental values of the brand also influence purchasing decisions.

... especially in emerging economies

Many more consumers in emerging economies say they pay attention to environmental and social issues. When asked about their purchasing behaviour, 41% of consumers in Brazil, India and Peru said to pay attention a brand's social and environmental values.

Have you heard of the following notions?	Total Countries
Deforestation and loss of species	85%
Fair Trade	79%
Sustainable Development	76%
Payment of fair prices to local populations	67%
Respect and protection of traditional knowledge	63%
Conservation of biodiversity	52%

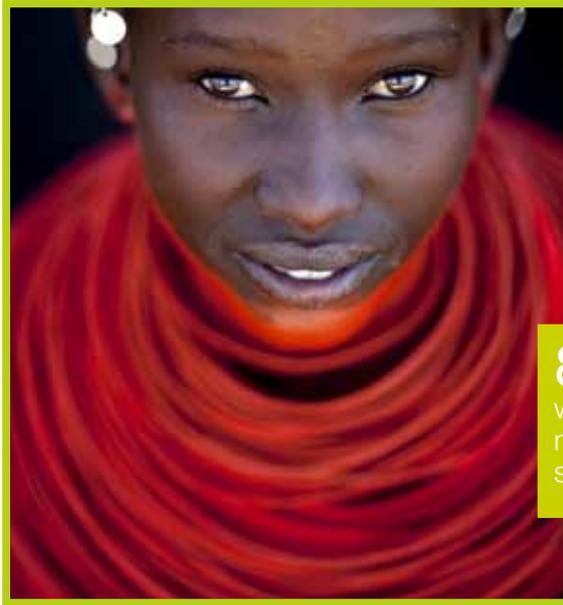
Basis : Total Sample (ranking)
Feb 2012 - 8000 consumers / Total 8 countries (France, Germany, UK, Switzerland, USA, Brazil, Peru, India)

Ethical sourcing: best known notions

Globally, well-known notions linked to ethical sourcing of biodiversity include loss of species and deforestation, fair trade, and sustainable development.

Geographical differences

Fair trade tops the ranking in Western countries, but it comes behind notions such as sustainable development and biodiversity in Peru and Brazil. Both countries have vast pieces of the Amazon, an ecosystem that is frequently given as an example of biodiversity in the Brazilian and Peruvian responses.



Consumer confidence?

Few consumers believe the cosmetics and food industries pay serious attention to ethical sourcing of biodiversity along supply chains. Yet consumer confidence is much higher in emerging markets.

12% in Western countries
59% in emerging economies

80% of consumers claim they would stop buying a brand if it did not have environmental or ethical sourcing practices.

Call for information on sourcing practices

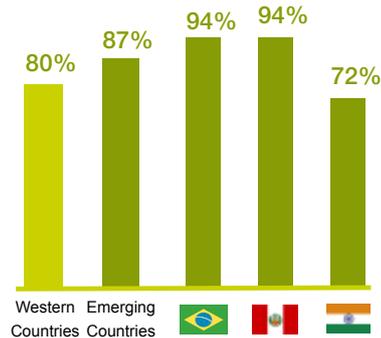
When receiving an explanation of ethical sourcing of biodiversity, consumers show a strong interest in the issue. A large majority of consumers would like to be better informed about companies' sourcing practices.

87% in emerging economies
80% in Western countries

Consumers thus look to companies to step up their communications on sourcing practices.

Information on sourcing

I would like to be better informed about how companies source their natural ingredients :



Basis : Total "Yes" amongst all respondents - 8000 consumers
Western Countries: France, Germany, UK, Switzerland, USA
Emerging countries: Brazil, Peru, India

Companies slow to respond

Though consumers request additional information about sourcing of natural ingredients, only 31 of the top 100 beauty companies mention biodiversity in their websites or CSR reporting. And only 21 mention biodiversity sourcing practices in supply chains. Consistent and comprehensive reporting on these issues is almost absent. Yet, reporting on sustainability and biodiversity has gone up significantly since 2009, by 10% and 18% respectively. There are significant opportunities for companies to step up communication on sourcing practices.

What are companies saying about biodiversity?	2009	2010	2011	2012	Variation 2012 vs 2009
Companies reporting on sustainability development	44%	52%	52%	54%	↑ +10
Companies reporting biodiversity	13%	21%	27%	31%	↑ +18
Companies reporting on biodiversity sourcing practices	9%	12%	19%	21%	↑ +12
Companies mentioning biodiversity related issues like traditional knowledge and intellectual property rights	2%	3%	5%	4%	↑ + 2

Basis : UEFT analysis of top 100 beauty companies (WWD)

India and Peru: strong consumer interest in ethical sourcing

Including Peru and India in the 2012 edition of the Biodiversity Barometer provides insights into these biodiversity-rich emerging economies:

India

From all people surveyed, Indians were the most sensitive (65%) to the social and environmental values of the brands from which they buy food and cosmetics products. Over 80% pay close attention to where natural ingredients come from. Indians also expressed the highest confidence in the sourcing practices of food and cosmetics companies.

India is extremely rich in biodiversity, and has a deeply rooted system of traditional medicine that uses many indigenous plant species. In contrast, there are low levels of awareness of sustainability (52%), bio-diversity (19%), and other related notions.



Peru

88% of people buy cosmetic products that use natural ingredients. 53% are sensitive to the social and environmental values of the food and cosmetics brands they purchase. Over 90% would like to be better informed about how food and cosmetics companies source their natural ingredients. And 61% think consumers have an important role to play in realizing sustainable development.

90% of Peruvians have heard of loss of species and deforestation. 52% heard of biodiversity – a moderate figure considering the country gave the world potatoes, peppers and tomatoes.

UEBT Biodiversity Barometer methodology

Consumer surveys used for the 2012 edition of the UEBT Biodiversity Barometer:

August 2010, IPSOS survey commissioned by UEBT amongst 1000 consumers in Japan

August 2011, IPSOS survey commissioned by UEBT amongst 1000 consumers in South Korea

February 2012, IPSOS survey commissioned by UEBT amongst 8000 consumers in Brazil, France, Germany, India, Peru, Switzerland, UK, USA. All interviews 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 2011).



Contact UEBT

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www.ethicalbiotrade.org.

UEBT is independent, impartial and objective in its dealings with governments, political parties, other organisations and individuals.

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