

Biodiversity is life, you are biodiversity



2010 is the International Year of Biodiversity. The United Nations declared 2010 the International Year of Biodiversity. A public awareness campaign was launched, to put the spotlight on biodiversity and bring it into peoples' homes as well as industry boardrooms.

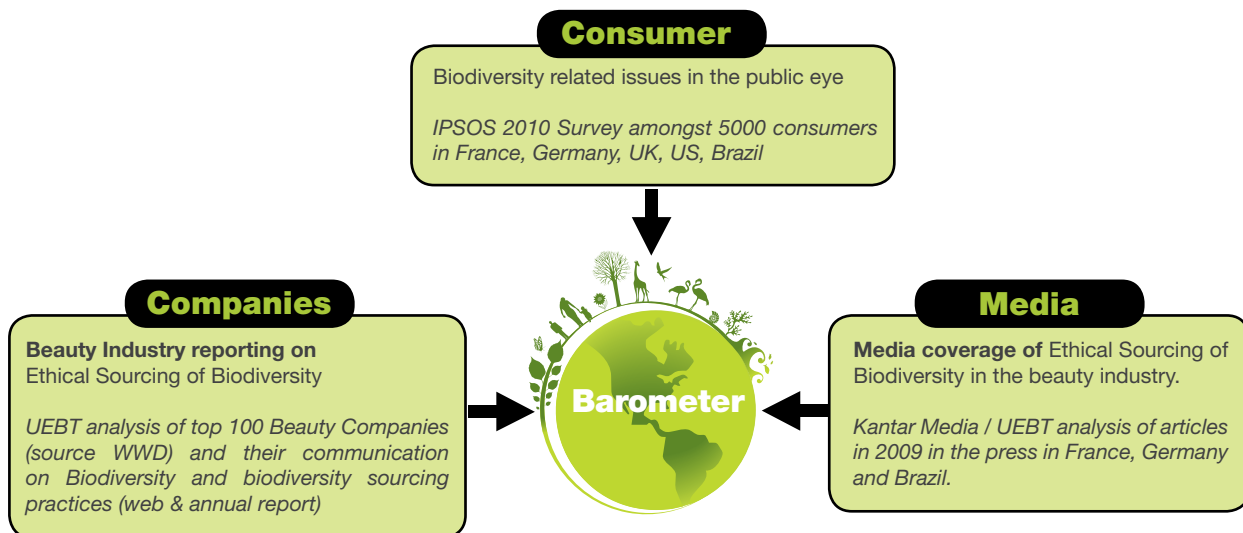
UEBT's biodiversity barometer provides an annual overview of awareness of biodiversity from three different perspectives: the consumer, industry and the media. It provides the answers to important questions.

- How many people have already heard of biodiversity? How do they know what biodiversity really is?
- How do consumers view the importance of ethical sourcing of biodiversity?
- Do consumers trust industry? What do they expect from it?
- How does industry report on biodiversity?
- How does the media cover biodiversity sourcing practices?

We Are Biodiversity!

Biodiversity is the variety of life on Earth and the natural patterns it forms. The cosmetics and personal care, and food industries, are drawing more and more on biodiversity for its rich variety of natural ingredients, and this affects not only the ecosystems where they are found, but the countries and people involved in bringing the resulting products to the market. Nearly everything we use and buy affects biodiversity, but are we aware of it?

New in 2010 In 2010 the consumer survey was extended to Brazil, a country extremely rich in biodiversity and with a booming economy. The questions of the survey were also extended to the food sector, another important user of biodiversity, making the barometer's overview of industry even more comprehensive.

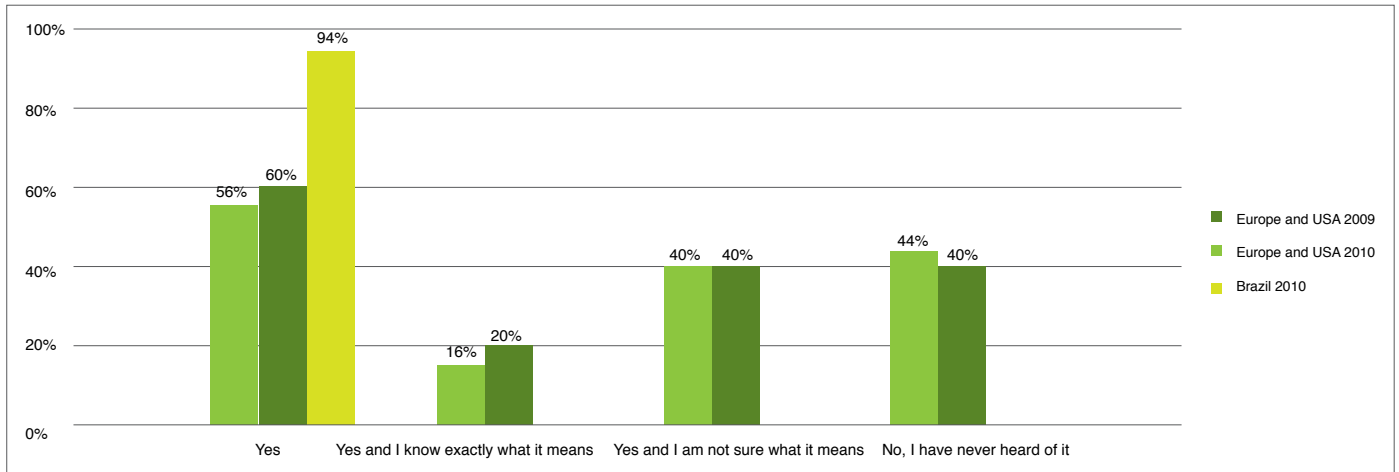


Biodiversity in the public eye

Rising Awareness 60% of consumers in Europe and the United States indicated they had heard of biodiversity, a 4-point increase from 2009. The percentage of people giving correct definitions of biodiversity also went up four points, showing a general increase in consumer understanding of biodiversity.

Brazil Biodiversity Champion With 94% of consumers surveyed having heard of biodiversity, Brazil appears as a biodiversity champion. Out of these, more than 1 out of 2 defined biodiversity correctly, a marked difference with Europe and the USA.

“Have you ever heard of biodiversity?”



Base 5000 / IPSOS Report

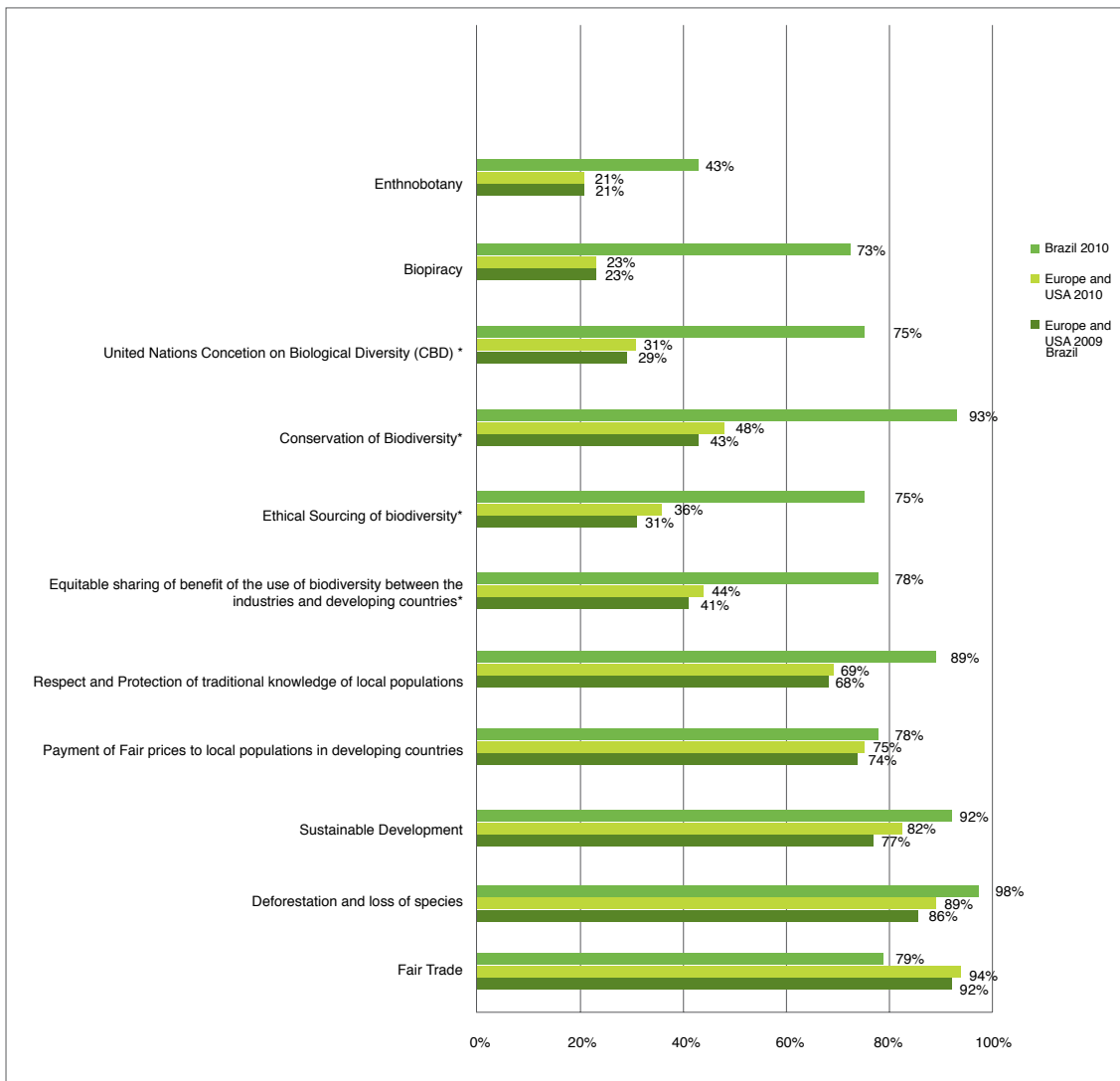
Have you ever heard of the following notions?

Rising Awareness of Biodiversity Related Notions

Notions directly linked to biodiversity and ethical sourcing are still much less well known than notions such as Fair Trade or sustainability. The biggest increase in awareness, however, is in biodiversity related notions, such as ethical sourcing of biodiversity, equitable benefit sharing, or conservation of biodiversity.

Brazilians Know About Biodiversity Conservation

93% of the consumers in Brazil have heard of the conservation of biodiversity, surpassing sustainable development or Fair Trade. Moreover, 73% of consumers have heard of biopiracy, in comparison to a mere 23% in Europe and the United States. All in all, Brazilian consumers score better on all biodiversity and sustainable development related notions, something companies doing business in the emerging Brazilian markets should pay close attention to.



* due to a change of the wording for these questions in Germany, results and an evolutions concern only France, UK and USA

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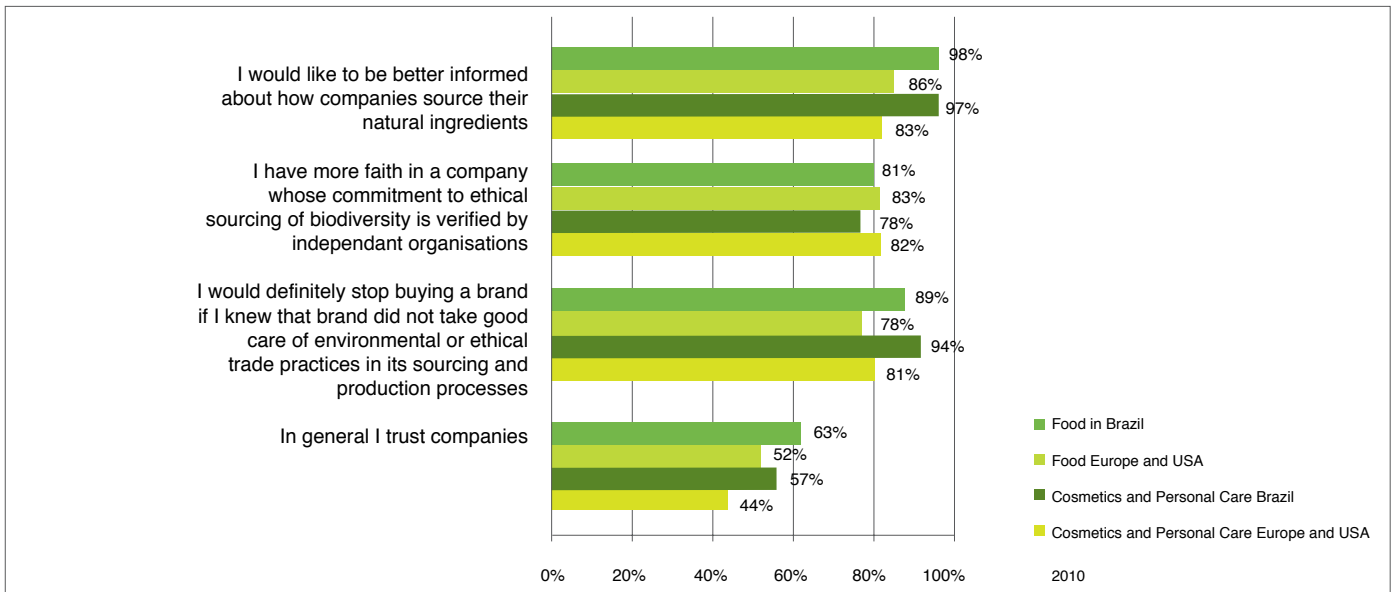
Consumers Want To Know What They Are Buying

Low Trust Consumers continue to have very low levels of trust in the cosmetics, personal care and food sectors. Only 1 out of 3 consumers in Europe and the USA are confident that industry in these sectors pays proper attention to ethical sourcing of biodiversity! Brazilian consumers though, have more confidence.

Stop Buying A high proportion of consumers (81%) is ready to stop buying products from companies who disregard ethical biodiversity sourcing practices.

Hungry for Information 83% of consumers would like to receive more information about companies' sourcing practices.

Call for Independent Verification The combination of low trust and hunger for information explains why 82% of consumers would have more faith in companies that subject themselves to independent verification of sourcing practices.



Base 5000 / IPSOS Report

Biodiversity Reporting – Cosmetics Companies

Limited Reporting on Biodiversity Has the cosmetics and personal care sector made any progress in providing information for the public? Yes, but still a meagre 21% of the top 100 companies report on biodiversity. An even smaller number (12%) reports to pay attention to biodiversity in their sourcing practices, and only three companies report paying attention to issues such as traditional knowledge, access and benefit sharing, or intellectual property rights and biodiversity.

Top 20 Companies Lead the Way The top 20 cosmetics and personal care companies are communicating the most about biodiversity, and give the most relevant information.

And the Natural, Organic Companies? Similarly to last year, businesses committed to using natural and organic ingredients rarely mention ethical sourcing of biodiversity. A practice one would nevertheless assume to be deeply embedded in these companies' philosophies.





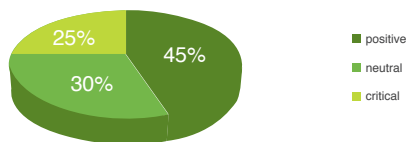
Biodiversity In The Media

Rising Biodiversity Coverage 2009 saw an increase in the number of biodiversity-related press articles. In total, the number of articles mentioning biodiversity increased by 32% in Europe and the USA. The number of articles specifically mentioning biodiversity in relation to the beauty industry remained stable.

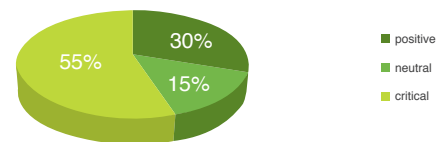
French Media Show Interest in Biodiversity The overall number of articles related to biodiversity related matters such as access and benefit sharing or intellectual property rights decreased. Whilst in 2008 most of such articles appeared in Germany, in 2009 it was France where the highest number of articles addressing these issues could be found.

Critical Tone The overall tone of articles that looked into the sourcing of biodiversity by the cosmetics and personal care industry tended to be critical about companies' practices, which won't help to re-establish the trust. As the consumer becomes more informed, companies can expect closer scrutiny.

Tone of articles related to the sourcing of biodiversity in the Personal Care sector



Tone of articles related to biodiversity or CBD matters in the Personal Care sector



In Conclusion

Biodiversity an Emerging Trend The 2010 biodiversity barometer clearly shows that biodiversity awareness is growing among consumers. Increasingly, consumers also understand what biodiversity means and value its importance. With the International Year of Biodiversity campaign picking up, this trend is expected to accelerate in 2010 and beyond.

Brazil is Biodiversity Living in a biodiversity rich country, Brazilian consumers have a much higher level of understanding of biodiversity than those in Europe and the USA. Companies wishing to expand in the emerging Brazilian market should take this information to heart.

Food and Cosmetics Industry under Scrutiny Companies in both the food and cosmetics sectors should be prepared for increased scrutiny of their biodiversity sourcing practices. In spite of this, only 21% of the top-100 cosmetics companies report on biodiversity. The number also remains low for the natural and organic companies.

IYB 2010: an Incentive for Ethical Sourcing of Biodiversity? The 2010 International Year of Biodiversity should offer a strong incentive for companies in the cosmetics, personal care and food sectors to increase their commitment to biodiversity friendly sourcing practices. Yet, biodiversity cannot just be a single project, but must be reflected through company-wide approaches that systematically integrate ethical biodiversity sourcing practices into their supply chains.

Methodology

- UEBT commissioned IPSOS to conduct a survey of 5000 consumers: France, Germany, UK, USA, and Brazil. As in 2009, the interviews took place over the month of February.
- For the review of the top 100 cosmetics companies, UEBT based itself on the results of Women's Wear Daily top-100 ranking for 2009. Information taken into account: publicly available annual reports, sustainability reports, websites and the information contained therein.
- For the media review, UEBT commissioned KANTAR media to do a back search of media in France, Germany, the UK, the USA, and Brazil. The same databases and search words were used as in 2009. Media sources include professional media, magazines and journals for general public.