Biodiversity
Trends and opportunities for natural ingredients

2018 Biodiversity Economy Indaba
East London, South Africa
Union for Ethical BioTrade (UEBT)

- Non-profit association of companies working with natural ingredients in the food, cosmetic and natural pharmaceutical sectors.
- Created in 2007, with support of United Nations, to promote business engagement in ethical sourcing.
- Mission: To support and validate best practices of companies committed to ethical sourcing and innovation of natural ingredients for the benefit of people and biodiversity.
Areas of work and expertise

• Promote business awareness on Ethical BioTrade
• Provide advisory services to businesses and governments
• Verify ethical sourcing approaches of companies
• Certify supply chains
Some members and partners

Advisory/partners: L'Oréal, L'OCCITANE, THE BODY SHOP, ESTÉE LAUDER
Ethical sourcing of biodiversity: A business opportunity?

- Key sustainability issue
- Driver of brand value
- Source of innovation
Biodiversity as part of global agenda

Companies integrating and communicating on biodiversity:

- Unilever: By 2020, 100% agricultural raw materials sourced sustainably
- Nestlé: Supporting 700’000 farmers in social and biodiversity practices
- Symrise: A biodiversity agenda and management system
- L’Oréal: More renewable raw materials from sustainable supply chains
Securing supply and ecosystem resilience

Some examples:
- Chili in India
- Vetiver in Haiti
- Guaraná in Brazil
Growing consumer awareness

[Map showing the percentage of consumers aware of biodiversity in different countries, such as the USA, Brazil, and China, with varying awareness levels indicated by color coding.]
## Company reporting on biodiversity

<table>
<thead>
<tr>
<th>What are companies saying about biodiversity?</th>
<th>Beauty</th>
<th>Food and beverages</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Top 100</td>
<td>change since 2009</td>
</tr>
<tr>
<td>Companies reporting on sustainable development</td>
<td>65</td>
<td>+21</td>
</tr>
<tr>
<td>Companies reporting on biodiversity</td>
<td>38</td>
<td>+25</td>
</tr>
<tr>
<td>Companies reporting on biodiversity in the supply chain</td>
<td>33</td>
<td>+24</td>
</tr>
<tr>
<td>Companies reporting on Access and Benefit Sharing</td>
<td>12</td>
<td>+11</td>
</tr>
</tbody>
</table>

Basis: Research conducted by UEBT in April 2016 based on the Beauty’s Top 100 of Women's Wear Daily, and the 2015 Food and Beverage Top 100 of the Food Engineering Magazine.
Examples of company communication

### L’ORÉAL

**Guaranteeing sustainable sourcing for our renewable raw materials**

L’Oréal committed to respecting biodiversity

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**Table: Investments made in the communities (R$ thousand)**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Supplies</strong></td>
<td>3,040</td>
<td>2,837</td>
<td>5,771</td>
</tr>
<tr>
<td><strong>Sharing of the benefits derived from access to genetic heritage or related traditional knowledge</strong></td>
<td>3,982</td>
<td>2,411</td>
<td>3,070</td>
</tr>
<tr>
<td><strong>Support and infrastructure</strong></td>
<td>300</td>
<td>443</td>
<td>669</td>
</tr>
<tr>
<td><strong>Use of image</strong></td>
<td>21</td>
<td>14</td>
<td>36,3</td>
</tr>
<tr>
<td><strong>Training</strong></td>
<td>946</td>
<td>245</td>
<td>77</td>
</tr>
<tr>
<td><strong>Technical services</strong></td>
<td>184</td>
<td>139</td>
<td>255</td>
</tr>
<tr>
<td><strong>Studies</strong></td>
<td>414</td>
<td>490</td>
<td>245</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>8,887</td>
<td>6,579</td>
<td>10,123</td>
</tr>
</tbody>
</table>

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Ethical sourcing of biodiversity: A business opportunity?

- Key sustainability issue
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- Source of innovation
Biodiversity as part of brand identity
Consumers care about biodiversity

87%
I think it is important to contribute to biodiversity at a personal level.

UEBT 2015 Barometer – 9 countries

73%
I would like companies to inform me about concrete actions they take to ensure they respect people and biodiversity.

UEBT 2017 Barometer – 5 countries
The “feel good” factor

It am quite pleased, even if I need to pay a little more.
Ethical sourcing of biodiversity: A business opportunity?

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And the award goes to…
Impact of new technologies?
What does this mean for South Africa?
Implications for Suppliers
Creating value from ethical sourcing of biodiversity

What convinces consumers?

- Concrete actions
- Transparency
- External validation
- Commitment
- Storytelling

UEBT 2017 Barometer – 5 countries
Thank you.