



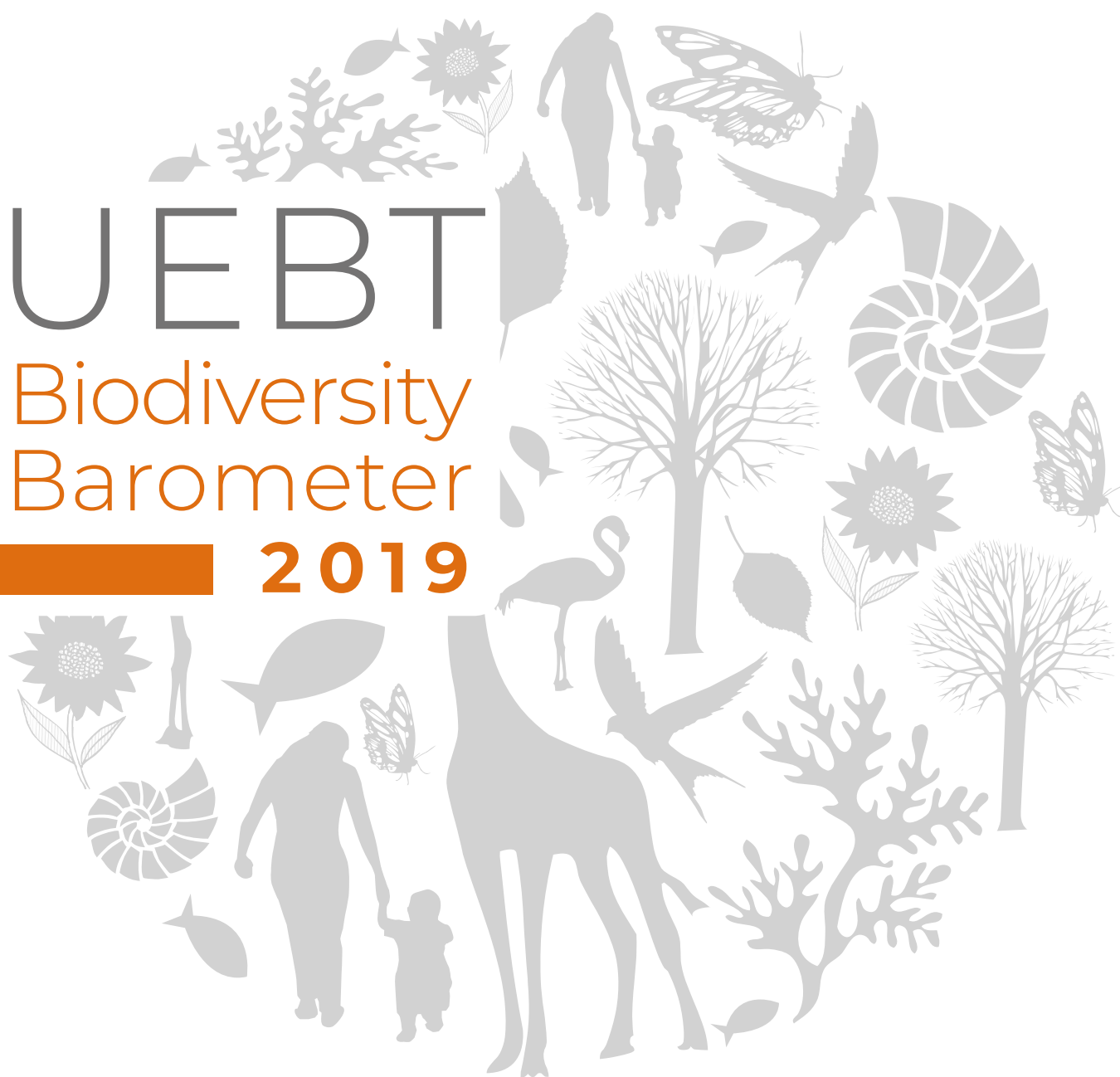
UNION FOR
ETHICAL
BIOTRADE

SOURCING[®]
WITH RESPECT

UEBT

Biodiversity Barometer

2019



SPECIAL EDITION - ASIA

TAKING STOCK OF OVER 10 YEARS UEBT BIODIVERSITY BAROMETER

Since 2009, UEBT annually measures consumer awareness of biodiversity, and how this affects purchasing decisions. Ten years of research, among 68,000 people from 16 countries, and among hundreds of leading companies, provides valuable insights that may guide companies and governments in their approaches towards people and biodiversity.










10 TAKEAWAYS

1. **Awareness and understanding of biodiversity** grow year after year, around the world. Consumers with **lower incomes** show particular growth. **Young consumers** remain the best informed. Biodiversity is becoming a **mainstream concept** for consumers.
2. Consumers find **biodiversity** conservation important **for their personal well-being** and that of generations to come. They want to personally contribute.
3. **Respecting people and biodiversity** in purchases is a **growing concern**. Consumers understand their potential to make a positive contribution to society – this makes them **feel good**.
4. Consumers **expect companies** to **respect** biodiversity, but **don't trust** they do.
5. Consumers call more and more for **transparency** on ingredient and their origin. They want more information – preferably externally validated – on how products respect people and biodiversity.
6. **Authentic** stories, proof of **good practices on the ground**, and **clear communication** are key to convince consumers of companies' respect for people and biodiversity.
7. **Young consumers (Gen Next, Millennials)** have the highest awareness of biodiversity and can identify brands that respect biodiversity and are most demanding on companies. They can identify brands that respect biodiversity and value companies that 'walk the talk' by taking action.
8. **Opportunities** exist for brands that wish to position themselves around sourcing with respect for people and biodiversity. To date, only Natura Cosmetics is clearly recognised in relation to biodiversity – and only in Brazil, where it has over 50% consumer recognition rates.
9. **Corporate communication** on biodiversity by beauty, food, and beverage companies continues to rise year-on-year. It is becoming industry practice, though the information provided is often superficial.
10. Consumers are increasingly interested in **naturals**, and companies are investing in **biodiversity based R&D**. Complying with evolving rules on Nagoya Protocol and **Access and Benefit Sharing (ABS)** legislation is becoming an increasingly important factor in reputation risk management.

WHY CONSUMERS CARE ABOUT SOURCING WITH RESPECT










Consumers participating in the UEBT Biodiversity Barometer say they prefer to buy products from companies that respect people and biodiversity. Why? Because this has a positive impact on society (81%), and it makes them feel good (78%). This is particularly the case with Chinese and Vietnamese respondents, with Japanese proving more reluctant (around 25% responds 'I don't know', which brings down country numbers).

78%
“It makes me **feel good** when I buy a product that respects on biodiversity and people










51%  JP 71%  FR
76%  KR 68%  DE
90%  CN 64%  UK
92%  VN 78%  USA
89%  BR



81%
“I think I can have a **positive impact** on society by buying products from companies that respect biodiversity and people

61%  JP 72%  FR
83%  KR 64%  DE
90%  CN 64%  UK
91%  VN 74%  USA
89%  BR

70%
“I **buy products** from companies that I know respect biodiversity and people

51%  JP 58%  FR
59%  KR 56%  DE
85%  CN 47%  UK
87%  VN 50%  USA
76%  BR

Q6B. To what extent do you agree with each of the following statements about biodiversity and nature?
Total "Agree"
Base: all sample ((2019 for Asia / 2018 for Western Countries)
Top figure - 4 Asian Countries: Japan, South Korea, China, Vietnam.

WHAT THEY SAY IN ASIA



 JP

"Human activities cause problems such as endangered species. So I think humans have to take lead of diversity or protecting the earth."



 KR

"I learned at high school as different kinds of creatures in the ecosystem."



 CN

"When I choose skincare products, I will look at the balance between the quality of the product and biodiversity protection."

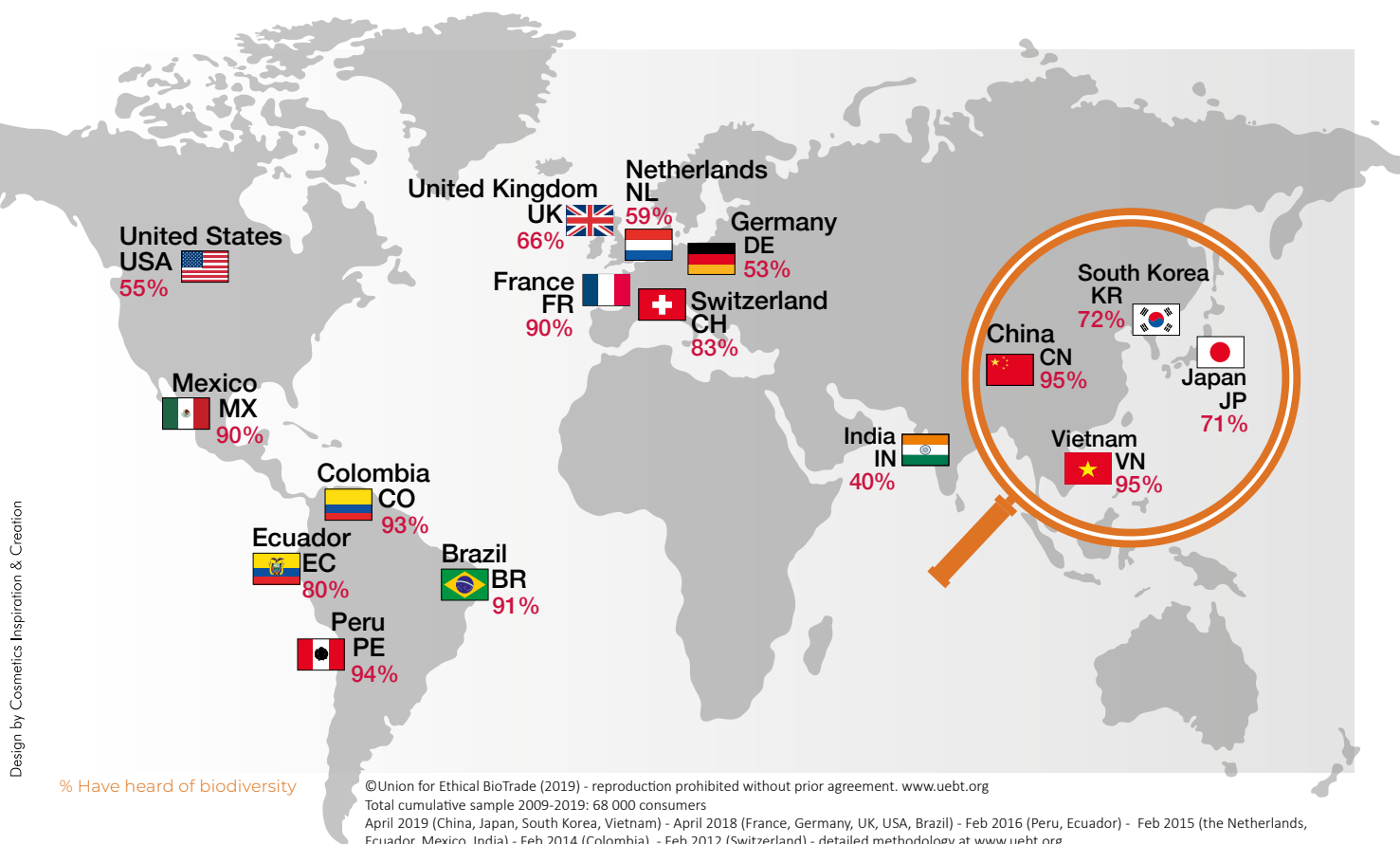


 VN

"When companies are sourcing from the nature, they need to respect it, because it is where plants, animals and people are living. Protection of biodiversity will therefore protect our health, our living environment and save it for our future generations."













2019 - UEBT BIODIVERSITY BAROMETER: FOCUS ON ASIA

Since 2009, UEBT annually measures consumer awareness of biodiversity, and how this affects purchasing decisions. This 2019 UEBT Biodiversity Barometer focuses on Asian consumers, which are rapidly becoming the world's most powerful economic force.



83%
of respondents in the four Asian countries say they heard about biodiversity.
39% say they know exactly what it means.

Asian consumers claim high awareness of biodiversity, higher than those in the UK, USA or Germany. Awareness of biodiversity has risen in Japan since 2010, and also in that country - as in China and Vietnam - more respondents say they exactly know what the term means. Provided with different definitions of biodiversity, most respondents correctly choose 'biodiversity concerns the diversity of plants and animals'. Much fewer think it refers to different sources of energy (coal, wind, solar).

I have heard of it	change	I have heard of it and I know exactly what it means	change	% that chose correct definition
71%  JP	+8	29%  JP	+7	66%  JP
72%  KR	-1	16%  KR	-1	82%  KR
95%  CN	+1	56%  CN	+5	85%  CN
95%  VN	-	54%  VN	+7	93%  VN

Q1 - Personally, have you ever heard of "biodiversity"?

Q2B: Here is a number of possible descriptions of biodiversity. For each of them, could you please indicate whether you completely agree with it, rather agree, rather disagree or completely disagree?

Correct Definition: Biodiversity is the diversity of plants and animal.
 Basis - all sample - 4 countries - Japan, South Korea, China, Vietnam.

Historical data: 2010 scores for Japan and South Korea ; 2013 for China ; 2014 for Vietnam

HIGH EXPECTATIONS TOWARDS COMPANIES. HIGH TRUST IN CHINA AND VIETNAM

In Asia, as in the Western countries previously surveyed, a large majority of respondents believes that companies should have a positive impact on society, people and biodiversity. Consumer confidence that companies are having such impact is high in Vietnam (76%, up 16 points from 2014 on total agree) and China (74%).





With 45% confidence rates, respondents in Japan and South Korea are more skeptical. This is in line with UEBT Biodiversity Barometer findings in Western countries (37% in 2018). Almost a quarter of Japanese respondents (24 %) don't know if companies pay serious attention. However, the high confidence of wealthy and educated consumers in Asia stands out compared to those in surveyed in Europe and the Americas.

Surveyed consumers in all countries have more faith in companies whose sourcing practices are verified independently.

83%
“ I think companies have a **moral obligation** to assure they have a positive impact on people and biodiversity

63%  JP	92%  CN
85%  KR	93%  VN

74%
“ I have more faith in a company whose commitment to ethical sourcing of biodiversity is **verified by independent organizations**

58%  JP	82%  CN
72%  KR	84%  VN



60%
“ I am confident that companies **pay serious attention to ethical sourcing** of biodiversity (vs 37% in Western Countries)

45%  JP	74%  CN
45%  KR	76%  VN

Q6: Here is a number of statements about the involvement of companies in ethical sourcing of biodiversity. For each of them, could you please indicate whether you completely agree with it, rather agree, rather disagree or completely disagree?

Total "Agree" - Basis - all sample - 4 countries -Japan, South Korea, China, Vietnam.

"Contrary to what was observed in Western Countries, the level of trust is higher amongst more educated and more wealthy consumers in the four Asian Countries" IPSOS



66% of higher income
“ I am confident that companies **pay serious attention to ethical sourcing** of biodiversity (versus 30% in Western Countries)

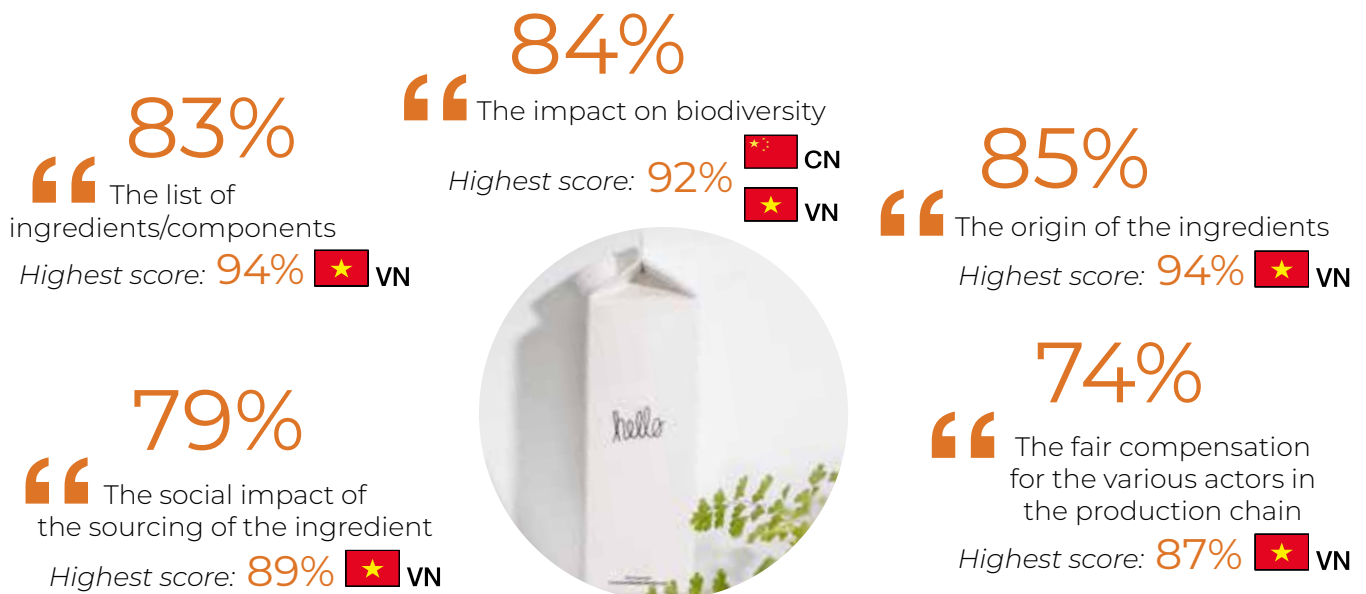
54%  JP	81%  CN
50%  KR	78%  VN

Basis Western Countries - April 2018 - France, Germany, UK, USA, Brazil - all sample with higher income

TRANSPARENCY ON THE ORIGINS OF INGREDIENTS OF HIGHEST CONCERN

Among different kinds of information available on product packaging, respondents in Asia attach most importance to the origin of product ingredients. This scored just higher than the list of ingredients, which was number one in Western countries.

Additionally, Asian respondents say they would like information on the impact on biodiversity (e.g. no deforestation, support for bees, wild flowers, replanting). As in Western countries, this is given more importance than the social impact (working conditions, health and safety of local workers), or the fair compensation of supply chain actors. For example, in Brazil, respondents mentioned the impact on biodiversity as the most important issue.

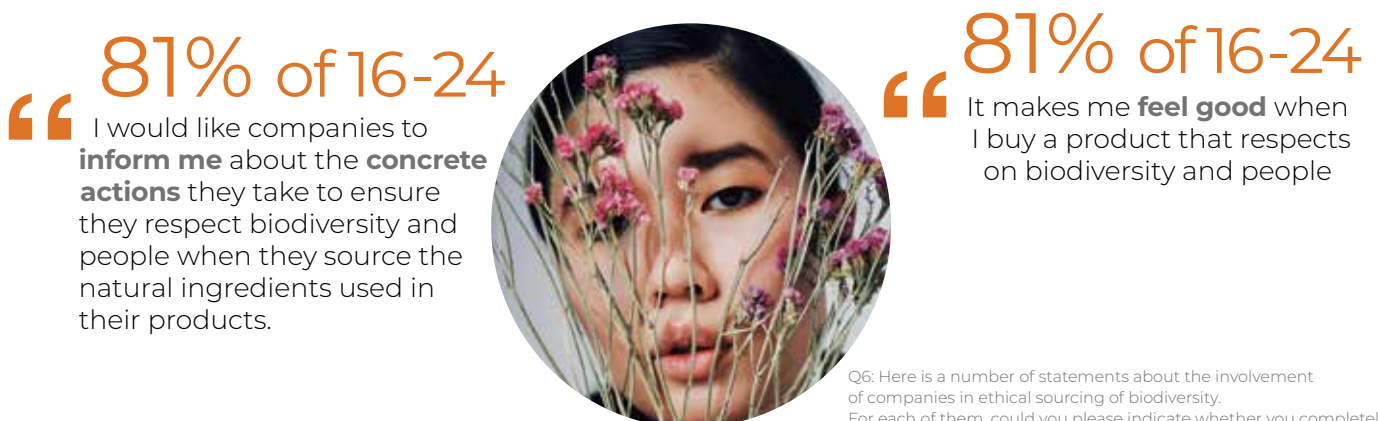


Q7. For each of the following elements, please tell us how much important it is for you to get this information on the packaging?
Total "Important" - Basis - all sample - 4 countries -Japan, South Korea, China, Vietnam.

FOR 'GEN NEXT' SOURCING WITH RESPECT IS A KEY ASPIRATION

Since the first issue of the UEBT Biodiversity Barometer in 2008, youth has been the consumer category with the highest level of awareness of biodiversity. In 2019, this remains true: 86% of young (16-24 year) Asian respondents are aware of biodiversity; 82% selected the correct definition.

81% of young Asian respondents would like to be better informed about companies' concrete actions to ensure respect for people and biodiversity in sourcing natural ingredients. A large majority says buying products that respect people and biodiversity makes them feel good (81% of 16-24 years old, versus 67% among 55+ years old). This is particularly true in China: 94% of young consumers experiences this feel-good factor; 92% thinks they could have a positive impact of society by buying products from companies that source with respect.



Q6: Here is a number of statements about the involvement of companies in ethical sourcing of biodiversity. For each of them, could you please indicate whether you completely agree with it, rather agree, rather disagree or completely disagree?
Total «Agree» - Basis -all sample - 4 countries -Japan, South Korea, China, Vietnam. Young people = aged 16-24 years old

ATTENTION FOR BIODIVERSITY IN CORPORATE REPORTING CONTINUES TO RISE

Each year, UEBT analyses how much attention cosmetic and food companies pay to biodiversity in their corporate reports and websites. In 2019, references to biodiversity increased significantly: in the beauty sector, it was 49% of companies - from 13% in 2009. In food and beverages, it was 76% of companies - from 53% in 2012. Yet, the depth and quality of information reported is still limited. Biodiversity is mostly mentioned in relation to palm oil, deforestation or sustainable packaging.

Following the adoption of the Nagoya Protocol and related EU rules, ABS is an issue receiving increasing attention in corporate reporting, especially in the beauty sector. In 2019, 17% of beauty companies made reference to ABS (up from 2% in 2009). While the number of food companies reporting on biodiversity is higher than their peers in the beauty sector, the number that mentions ABS (5% up from 2% in 2012) is much lower than the beauty sector. This is remarkable, as ABS is unquestionably an issue in research and development in the food sector.

Companies reporting on biodiversity

	Beauty		Food & Beverage	
	2019	2009	2019	2012
■ Companies reporting on sustainable development	69	44	98	91
■ Companies reporting on biodiversity	49	13	76	53
■ Companies reporting on biodiversity in the supply chain	40	9	54	41
■ Companies reporting on Access and Benefit Sharing	17	2	5	2

Basis: Research conducted by UEBT in April 2019 based on the 2018 Beauty's Top 100 of Women's Wear Daily, and the 2018 Food and Beverage Top 100 of the Food Engineering Mag.

FOCUS CHINA

The Chinese government has made significant efforts over the last decade to communicate and raise awareness on biodiversity. High awareness rates of (urban) respondents appear to be a direct result of these efforts. Biodiversity is part of educational materials in schools, which may explain high levels of awareness among youth and forecast even greater consumer demands in the future.

"I would say that the public awareness of biodiversity is increasing in China. Especially over the last 10 years. The government attaches great importance to biodiversity conservation."

Simon Wan, Director, South-North Institute for Sustainable Development



In 2020, China will host the UN Summit on Biodiversity, which will define the global plan on biodiversity for the next 10 years. Chinese leadership during these milestone discussions underlines the role that Asia plays in safeguarding the world's biodiversity.

"We only have one earth, on which we all live and upon which we all depend. Biodiversity is the foundation for human survival and development. Protecting global biodiversity is in the interest of every one of us."

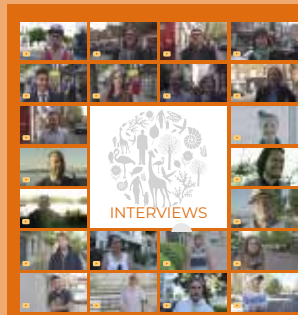
Mr. Li Ganjie, Minister of Ecology and Environment of the People's Republic of China



Consumer survey

UEBT commissions independent market research companies to conduct consumer research for the UEBT Biodiversity Barometer. Interviews are conducted with national representative samples of 1000 persons per country. To correct sampling disparities, a post-stratification weighting of results, based on socio-demographic variables, is applied. For cost reasons, UEBT opts for internet surveys where possible. In some countries face-to-face interviews and phone interviews are used. Different methods may slightly influence research outcomes. The research between 2009 and 2019 has been conducted by IPSOS on behalf of UEBT.

For or more information, please see www.biodiversitybarometer.org



Street Interviews

Camera interviews are conducted with consumers in some of the countries where the consumer research for the Biodiversity Barometer is conducted. UEBT selects footage to illustrate the outcomes of its consumer research. People interviewed in these videos are not the same as those participating in the consumer surveys, and video interviews are not based on national representative samples.



Company Reporting

To assess attention ethical sourcing of biodiversity in company reporting, UEBT reviews communication materials of the top 100 beauty and food & beverage companies in the world. The review includes publically available documents only, such as statements on websites, sustainability reports, and policies. UEBT only assesses if issues related to ethical sourcing of biodiversity are mentioned, the quality of the reporting or the actions undertaken doesn't influence the rankings.

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UEBT is a membership-based, non profit organisation www.ethicalbiotrade.org.

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

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