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**SECTOR TRANSITIONS
TO NATURE POSITIVE:
DEEP DIVE ON BEAUTY
AND BIODIVERSITY**

in collaboration with
World Economic Forum

This UEBT report takes a deep dive on beauty and biodiversity, looking at key issues and priority actions for companies in skin care, cosmetics, fragrance, and other personal care products in their journey to nature positive. It was prepared in coordination with the World Economic Forum (WEF) guidance document '[Nature Positive: Role of the Household and Personal Care Products Sector](#).' To prepare this report, UEBT built on its years of experience working in the beauty sector and spoke to leading companies, from brands and ingredient suppliers to fragrance houses and local producers, as well as industry experts.

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Disclaimer

This document represents insights drawn from an online survey, in-depth interviews with beauty sector leaders, and UEBT's own experts' learnings over a decade of working with UEBT member companies and partners. Perspectives and recommendations may not represent the views or opinions of individual UEBT members or the supporting sponsors of this publication.

1. INTRODUCTION



In December 2022, governments adopted the Kunming-Montreal Global Biodiversity Framework, setting out a common vision of **a world living in harmony with nature**. This vision involves a world where biodiversity is conserved, restored, and wisely used, delivering benefits for all people. The Global Biodiversity Framework also sets out an ambitious pathway to advance this vision, and calls upon business, along with other sectors, to embark on 'urgent and transformative action' on biodiversity.

The Kunming-Montreal Global Biodiversity Framework adopted in December 2022 calls upon business to embark on 'urgent and transformative action' on biodiversity.

But, where to start? Which actions are most pressing, in terms of risks and negative impacts? Which actions are most meaningful, in terms of transformative practices and positive impact on the ground? A coalition of business organisations, including the World Economic Forum (WEF), the World Business Council for Sustainable Development (WBCSD) and Business for Nature (BfN), recently launched [guidance documents](#) identifying **priority actions** in 12 sectors – from energy and chemicals to agri-food and fashion. The report on the household and personal care products sector was prepared by the WEF, with input from various partners, including UEBT, which co-convoked the consultation workshops with companies, sat on the Advisory Panel for the report, and provided technical input from three of its in-house experts.¹

The '[Nature Positive: Role of the Household and Personal Care Products Sector](#)' Insight Report (September 2023) notes the sector is 'critical in the transition to a nature-positive and net-zero economy.' Looking at its part in driving biodiversity loss, the guidance document highlights the negative impact of the household and personal care product sector on land use change, water use, pollution, and greenhouse gas emissions. There is recognition that companies in the sector are making commitments to protect nature, such as reducing emissions and decreasing waste, but there is still much to do. Priority actions identified include improving water stewardship, expanding circularity, promoting responsible sourcing, and supporting nature conservation and restoration within and beyond supply chains.

¹ A total of nine companies took part in the WEF consultation workshops, including four UEBT member companies.

WEF report

This UEBT report expands upon the WEF report called 'Nature Positive: Role of the Household and Personal Care Products Sector' (September 2023). UEBT provided expert input and consultation with companies for the WEF report, and now goes deeper on beauty and biodiversity.



Building on the findings and recommendations of the household and personal care products sector guidance document, this report now takes a **deep dive on beauty and biodiversity**. A deep dive on the beauty sector, which encompasses skin care, cosmetics, hair care, fragrances, and personal care, is valuable by its unique relationship with biodiversity. This report focuses specifically on the use of natural ingredients in the beauty sector, from active ingredients and fragrances to vegetable oils and excipients.²

Biodiversity is not a new topic for companies working with natural ingredients, particularly in the beauty sector. The beauty sector has long defined its products and brands for their connection with plants and other species, with the landscapes from which ingredients are sourced, and with the rituals and traditional practices of the communities that live in and care for these landscapes. In beauty, it is not just that biodiversity is important for business, but that, as many beauty leaders say: 'biodiversity is our business.'

² *This report focuses on biodiversity risks and opportunities linked to the sourcing of ingredients from biodiversity for use in beauty products. It does not cover non-renewable raw materials. It also does not cover renewable raw material sourced for packaging. These topics are covered in the WEF report.*

³ *68 beauty sector professionals took our online survey. Of the 68 survey respondents, 16 work for beauty brands or final product manufacturers, 25 for beauty ingredient suppliers, 7 for fragrance houses, 7 for trading or processing companies, 5 for producer or farmer organizations, and 8 for NGO partners that connect with the beauty sector. Most of the people who responded to the survey work in senior management, sustainability or sourcing. A few work in research & development, regulatory affairs, and other areas.*

To prepare this report, UEBT interviewed leading companies in the beauty sector, **from brands and ingredient suppliers to fragrance houses and local producers**, as well as industry experts. We talked to companies of all sizes, on continents around the world. UEBT also conducted an online survey of 68 persons working in UEBT's member companies and partner organisations.³ The survey questions focused on biodiversity-specific risks and opportunities, as well as on the priority actions for biodiversity in the beauty sector, given the unique nature of its ingredients and supply chains.

The beauty sector has a wealth of experience on biodiversity learned over years of looking at the topic in supply chains, research & development and operations. The insights from these interviews and the survey show that biodiversity is not only an essential, but also a transformative concept for the beauty sector and its contribution to a nature-positive future. There is also a clear call to action: focus on and integrate biodiversity in broader business, sustainability, and supply chain strategies.

Building on many years of work on biodiversity, the beauty sector is issuing a clear call to action: focus on and integrate biodiversity in broader business, sustainability, and supply chain strategies.

2. A FOCUS ON BIODIVERSITY



Nature is such a powerful concept; it needs no definition. We know it from the myriad ways, large and small, in which we come across it each day: a plant on our balcony, the clouds in the sky, water flowing along a stream. Nature may mean different things to different people, but the term speaks to us all.

We do define nature when approaching it more systematically. For the Intergovernmental Panel on Biodiversity and Ecosystem Services (IPBES), 'nature' is a term that refers loosely to the **natural world**, including not only biodiversity, but also ecosystem structure and functioning, evolution, the biosphere, humankind's shared evolutionary heritage and biocultural diversity. The Science-Based Targets Network (SBTN) definition emphasises biodiversity, but also considers that air pollution, climate regulation, and carbon are part of 'nature.' In the context of the Taskforce for Nature-related Financial Disclosure (TNFD), 'nature' is seen to cover four realms: land, ocean, freshwater and atmosphere.

Biodiversity is an equally compelling, if slightly more technical, term. Its official definition is the variability among living organisms and the ecological complexes of which they are part, including diversity within species, between species and of ecosystems. In other words, biodiversity is the part of nature that is alive, whereas nature includes all natural features, forces, and processes, such as the weather, the tides, the mountains (see Figure 1).

Biodiversity is also often described as the '**web of life**.' This description highlights how, within the natural world, biodiversity focuses on the variability and connection between living organisms. For example, biodiversity doesn't only look at the abundance of trees across an area. It also looks at the different trees and other species, the genetic variability within the tree population that means it is resilient to drought and recurrent forest fires, and the health of the overall forest ecosystem including its contribution to people.

Targets in the Kunming-Montreal Global Biodiversity Framework (KMGBF) address **different aspects of biodiversity**, from limiting drivers of biodiversity loss to calling for action at the level of genetic diversity, sustainable use of species and ecosystem protection. Additionally, the KMGBF includes equity as a cross-cutting element, considered in targets on benefit sharing as well as in provisions on gender equality, reducing inequalities, and respect for human rights.

Biodiversity is undoubtedly where the beauty sector has **unique opportunities** to contribute to the GBF common vision of a world living in harmony with nature. At the same time, the beauty sector must also take a crucial look at how its activities may have negative impacts on species and ecosystems. The sector and individual companies must work to reduce these negative impacts and meet consumer expectations of 'responsible' by taking actions that also increase positive impact on biodiversity.

FIGURE 1



3. RISKY BUSINESS



The WEF report, in looking at nature-related impacts, notes that the household and personal care products sector still contributes to **biodiversity loss**. As with other consumer goods, these are mainly ‘upstream’ impacts, through their suppliers and supply chains. Among these impacts, deforestation and other land use changes are identified together as one of the top drivers of biodiversity loss in the sector.

In beauty, negative impacts on land use change are primarily linked to the sourcing of **agricultural commodities**. Vegetable oils, for example, are used in a range of cosmetic products and often linked to deforestation. An estimated 70% of beauty and personal care products use one or more palm oil derivatives. Similarly, many cosmetic products use coconut and soybean oil, which have been found to contribute to land use change, habitat loss and species extinction. Studies also show there are other, lesser-known biodiversity-related risks linked to vegetable oils and other agricultural commodities used in beauty. For instance, the harvest of olives for oil, also used in cosmetics, kills 2.6 million birds in Spain each year.⁴ Monoculture of sugarcane, used for the denatured alcohol in hair styling products, perfumes and deodorants, may lead to soil degradation and soil-borne diseases.⁵

Given potential negative impacts on biodiversity, one of the priority actions in the WEF report on household and personal care products sector is to source responsibly, including by screening **supply chain risks**. Understanding supply chain risks is indeed important for companies in the beauty sector to avoid negative impacts on biodiversity, including deforestation. Tools such as the Integrated Biodiversity Assessment Tool (IBAT) can be used to assess biodiversity-related risks – in the case of IBAT, with a focus on the proximity of sourcing activities to protected areas and endangered species. The UEBT responsible sourcing risk database is another tool tailored to the risks related to natural ingredients, including on biodiversity conservation and sustainable use, as well as interconnected social and human rights issues.

Sourcing responsibly is listed as one of the high priority actions in the WEF report on the household and personal care products sector. This starts with understanding risks.

Increasingly, companies are called to identify and address supply chain risks, including on biodiversity, through **due diligence** approaches. Since 2011, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct state companies should adopt supply chain due diligence as a tool to minimise adverse impacts associated with business operations, products, and services. The 2023 edition provides updated recommendations on several key areas, including biodiversity. Additionally, the OECD-FAO Guidance for Responsible Agricultural Supply Chains refers to several biodiversity-related issues to be covered in supply chain due diligence, including ensuring the sustainable use of natural resources; conserving biodiversity, genetic resources, and ecosystem services; promoting good agricultural practices; controlling the spread of invasive non-native species; and increasing the resilience of agriculture and food systems.

⁴ Spain Department of the Environment and Territory Management report: [Impact generated by the intensive exploitation of the olive groves on protected species in Andalusia](#). (January 2019) Retrieved from a [Letter in Nature](#) written on the subject and referencing the report in May 2019.

⁵ Fachin Martini et al, [Is soil quality a concern in sugarcane production?](#) (review article, October 2020), Soil and Tillage Research, vol 204.

According to OECD guidance, supply chain due diligence goes well beyond assessing risks. Due diligence is a **comprehensive process** that includes embedding responsible business conduct into policies and management systems; identifying and assessing adverse impacts; avoiding or mitigating such impacts; monitoring implementation and results; and communicating how any impacts are addressed. Due diligence requirements in various laws and regulations also go beyond risk assessment and mitigation.

According to OECD guidance, supply chain due diligence goes beyond assessing risks. It is a comprehensive process, including embedding responsible business conduct into policies and systems, assessing negative impacts, avoiding or mitigating such impacts, monitoring implementation and results, and communicating how impacts are addressed.

Due diligence rules in the EU regulations on the Nagoya Protocol implementation and on deforestation-free products, for example, require not only traceability and information gathering, but also significant efforts to understand the places, ingredients and activities involved; to assess their compliance with laws and best practices; and to take measures to mitigate risks and avoid putting non-compliant products on the market. The proposed EU Corporate Sustainability Due Diligence Directive (CSDDD) would also require companies to look specifically at their operations and supply chains and actively address risks, including on biodiversity.⁶

What due diligence is *not* meant to do is to have companies disengage with supply chain challenges or move away from working with biodiversity or with the communities that depend on biodiversity.

Limiting biodiversity risk by avoiding natural ingredients in beauty products or by avoiding certain species or certain areas should not be an aim, nor should it become a strategy for improving corporate reporting or ESG ratings. Rather, the objective of assessing and addressing risks should work to improve practices on biodiversity. In the beauty sector, there are already strong incentives to **engage with biodiversity**, given its central role as iconic ingredients and inspiring stories behind products and brands. In fact, companies should be considering how to scale up these biodiversity-friendly practices beyond iconic ingredients to a wider range of ingredients used in beauty products.

⁶ The CSDDD proposal was submitted February 2022, its text adopted by EU Parliament in June 2023, and when finalised could apply to a vast number of companies, going a significant step further in scope and treatment than previous due diligence regulations.

4. THE BEAUTY OF BIODIVERSITY



Biodiversity is a source of inspiration, innovation, and **ingredients** for the beauty sector. L'Oréal, the world's largest cosmetic company, uses approximately 1,700 raw materials from biodiversity in its products, involving over 310 botanical species.⁷ Most companies in the beauty sector, even if much smaller, source a similarly wide range of ingredients from biodiversity. Ingredients from biodiversity, including essential oils and plant extracts, were the original ingredients used in cosmetics. Demand for natural ingredients, driven by consumer awareness of biodiversity, among other social, environmental and health topics, continues to increase. According to one report, the market for natural cosmetics is expected to grow at over 5% annually until 2033.⁸

Companies not only already source hundreds of plants for their cosmetic properties, but also continue to seek new plants and **plant-based technologies** for further innovation. In 2023, eight of the ten active ingredients short-listed for the Innovation Award at In-Cosmetics, the leading global event for cosmetic ingredients, came from biodiversity. These ingredients included extracts from wild harvested plants, upcycled by-products from crops, actives from microbial fermentation, and a microalgae complex derived from blue biotechnology (biotechnology using aquatic organisms).

Given the unique relationship of beauty and biodiversity, the sector cannot only look at risk, but is also focusing on opportunities for **positive impact**.⁹

In the beauty sector, biodiversity becomes a strategic consideration. Risks are not only related to potential negative impacts on biodiversity through pollution or climate change, for example. There is also a critical dependency on high-value biodiversity areas around the world, a range of species and their interactions and the genetic variety within certain species. Priorities for the beauty sector are thus not limited to minimizing companies' role in driving biodiversity loss, but also extend to enhancing their contribution to conserving, restoring, and wisely using biodiversity.

Companies use different tools to avoid and reduce negative impacts on biodiversity, ensure responsible sourcing, and safeguard and enhance the species, habitats, and landscapes from which they are sourcing ingredients. That is why the WEF report for the household and personal care products sector also highlights supporting nature conservation and restoration as a priority action

⁷ From L'Oréal's publication: [Protecting and Restoring Biodiversity: update for 2022](#). Part of a series of 'L'Oréal for the Future' One-Pagers.

⁸ [Future Markets Insights](#), (April 2023).

⁹ In other sectors, which may, for instance, develop infrastructure or sites for the extraction of minerals resources, the mitigation hierarchy is more of a linear process: it guides companies and their suppliers or partners towards limiting as far as possible the negative impacts on biodiversity from these projects by avoiding and minimising those negative impacts, and then restoring sites no longer used in active extraction, before finally considering offsetting residual impacts.

Initiatives on biodiversity look, for example, at ways to improve sourcing practices on wild collected as well as cultivated plants. These initiatives also look beyond sourcing practices to other ways to contribute to broader ecosystem dynamics, such as improving soil quality, providing habitats for insects, birds, and other species, and restoring native flora. In 2023, UEBT members have prioritized more than 850 supply chains in 71 countries for initiatives on improving sourcing practices. For instance, Laboratoires Expanscience, which specialises in active ingredients, has a sourcing policy covering all its plant-based ingredients and has prioritised Avocado, Maca, Acacia and other strategic supply chains for on-the-ground initiatives. Another example is Natura Cosmetics, a founding UEBT member, which recently re-launched its Sustainability Vision 2030, with a commitment to protect and regenerate three million hectares in the Amazon Forest. The Natura Cosmetics vision also recognises the role of biodiversity in innovation and positive impact and includes a commitment to increase its portfolio to 55 innovative ingredients from Brazilian biodiversity, through increased investment in research & development, and to double the value of benefits shared with local producers.

Of course, biodiversity is not limited to far-off places or exotic species. In the beauty sector, there are many examples of action on biodiversity in **agricultural supply chains**. In northwestern France, Yves Rocher grows eight of their most iconic plants using agroecological practices on fields covering over 60 hectares. These plants, such as Chamomile and Arnica, are used in 30% of their products. Guerlain has partnerships in Europe and around the world to develop best practices for beekeeping, central to the brand's skincare products, and for protecting plants and landscapes on which bees depend. Native, which produces 35% of the world's supply of organic sugar, as well as organic alcohol used in fragrances and cosmetics, uses regenerative agricultural practices, enhancing soil health and providing habitats for 100s of species of birds and arthropods. Several companies are working to preserve genetic variety in citrus, both *in-situ* in places like southern Italy and *ex-situ*, such as through the Givaudan Citrus Variety Collection in the United States.

For beauty companies, biodiversity is much more than avoiding deforestation or reducing land occupancy. In the sector, supply chain initiatives focused on biodiversity have shown to have profound and positive impacts for species and landscapes. These projects and practices are also essential for the livelihoods, rights and well-being of producers and communities living in the sourcing areas.

In beauty, biodiversity is much more than avoiding deforestation. It is about supply chain initiatives that make a profound and positive impact on species and landscapes, and on the livelihoods and well-being of people.

Supply chains

Biodiversity is strategic in beauty. Risks are not only related to negative impacts on biodiversity due to emissions, pollution or land conversion. Beauty companies also engage with biodiversity in their supply chains, research, formulation and operations. Priority actions are, therefore, not just about minimising biodiversity loss, but also about enhancing contributions to biodiversity conservation and restoration.

5. THE PEOPLE CONNECTION



Conserving and restoring biodiversity is a **matter of people**, as much as of species and ecosystems. Consider Vanilla, a type of orchid, with delicate flowers that last only for a day. It is also the world's favorite scent. In Madagascar, where 80% of global Vanilla production takes place, Vanilla is farmed in small-scale agroforestry. Vanilla is not a native species, but some of these agroforestry systems are host to more than 100 species, many of which are endemic. Ethical sourcing practices can therefore be an important incentive for forest conservation - but only if supply chains involve **shared value for local producers**, many of whom still do not have sufficient training nor receive a living income.

Studies show a growing sense among scientists and practitioners that social factors are often the primary determinants of success or failure of biodiversity initiatives.¹⁰ After all, both the drivers of biodiversity loss and the levers to enhance biodiversity are the result of social, economic, and cultural dynamics and decision-making. Action on biodiversity cannot be separate from efforts to improve livelihoods, respect human rights, and establish local partnerships.

The Convention on Biological Diversity (CBD), the main multilateral treaty on biodiversity, is often described as not an environmental, but as a **sustainable development** treaty. It has three objectives: conservation of biodiversity, sustainable use of its components, and the fair and equitable sharing of benefits resulting from its use. This is a recognition of the inherent link among social, equity and rights issues when it comes to the sustainable use and conservation of biodiversity.

Social factors determine success or failure of initiatives focused on biodiversity. Action on biodiversity by companies cannot be separated from actions that improve livelihoods or respect human rights.

The beauty sector, like other sectors, works with commodities such as palm oil and cocoa and minerals such as mica, linked to high risk of negative impacts on **human rights**, including child labor and detrimental working conditions. Additionally, beauty companies work with many other ingredients from biodiversity, which may involve similar, but lesser-known equity and rights issues. Examples include

Producers and local suppliers have a clear request to beauty clients:

- Understand our local needs and priorities
- Have an open discussion about trade-offs with us
- Make a long-term commitment to good practices

Carnauba wax sourced in Brazil and Rose essential oil sourced in Turkey. The forthcoming EU Corporate Sustainability Due Diligence Directive, as well as the growing number of national rules on due diligence around the world, calls for companies to look specifically at their operations and supply chains and address risks in relation to both human rights and the environment.

Integrating social considerations, equity and human rights in biodiversity tools and initiatives is critical to avoiding **negative, unintended consequences**. For example, wild harvested beauty ingredients may score negatively on biodiversity tools focused on high-level indicators such as land occupancy and on biodiversity indicators such as proximity to protected areas or Indigenous lands. Yet moving away from such ingredients may be riskier in terms of both how the business is affected (i.e., financial materiality) and how company activities impact people and biodiversity (i.e., impact materiality). For example, ingredients such as Baobab, Shea butter or Marula, all sourced from Africa, are primarily collected by women. If due diligence requirements, tools based on life cycle assessment of products, or ESG ratings based on such tools, lead to companies to minimize biodiversity-related risk by working less with local smallholders, such extrication from these biodiverse landscapes and communities would do much more harm to women, communities, and rural landscapes. When the values from biodiversity decrease, and the economic opportunities are lost for land-based people, biodiversity is no longer responsibly managed or protected.

As important as considering people is, it is engaging **with people** that makes action on biodiversity truly transformative. There is no shortage of indicators, tools, targets, and checklists. What really matters less than what tools are used, is how targets are achieved. Each supply chain, each ingredient, each landscape is different. Unlike with carbon emissions, there is no single recipe for action on biodiversity. In our discussions with producers around the world, their main asks of companies in the beauty sector are understanding local needs and priorities, open discussion of trade-offs, and long-term commitment to good practices. In the words of one industry expert: "The starting point cannot be what suppliers should do; it is what we can do together."

¹⁰ See for example recommendation for policymakers D3 and D5 (pages 19-20) about success through inclusiveness in biodiversity efforts in the IPBES: [Summary for Policymakers of the Global Assessment Report on Biodiversity and Ecosystem Services](#) (November 2019)

“ Companies need to break away from thinking of their suppliers as ‘participants,’ and instead work with us as partners. This means moving from transactional relationships towards true engagement.

6. WAY FORWARD



Business is rallying around nature. Levels of business engagement in discussions on climate change, pollution, and biodiversity have never been higher. In the beauty sector, **action focused on biodiversity** is particularly relevant and impactful. Beauty companies rely on biodiversity for many of their most iconic ingredients, as well as for most of the oils, alcohols, and other bases for product formulas. Biodiversity is also at the heart of many cosmetic and perfume brands – there is maybe no other industry where so many companies can affirm: ‘biodiversity is in our DNA.’ Few sectors see biodiversity as a ‘must’ for integrating into so many different areas of their work, including research & development, procurement, marketing, intellectual property, legal compliance, and sustainability.

The **value** of focusing on biodiversity is clear – and the need for such focus is also becoming more and more evident.

The loss of biodiversity affects the beauty sector much more directly than it does other sectors. **Beauty companies are also uniquely placed** to protect the plant species being cultivated or wild harvested, as well as the habitats and landscapes in those sourcing areas (See Figure 2).

Beauty sector efforts to bring nature back to agricultural lands and to restore soil ecology may not involve large tracts of land, as in the food sector, for example. These efforts do, however, contribute to the health, integrity and resilience of ecosystems, improved livelihoods and respect for human rights for local communities with a strong connection to biodiversity.

In fact, when surveyed, beauty sector leaders state that efforts made for biodiversity are most important in the sourcing areas, including contributing to conservation projects in high biodiversity ecosystems, and in measuring and improving biodiversity-related practices on the ground (see Figure 3).

FIGURE 2

WHAT'S IN A PRODUCT?

WHAT OPPORTUNITIES FOR IMPACT?

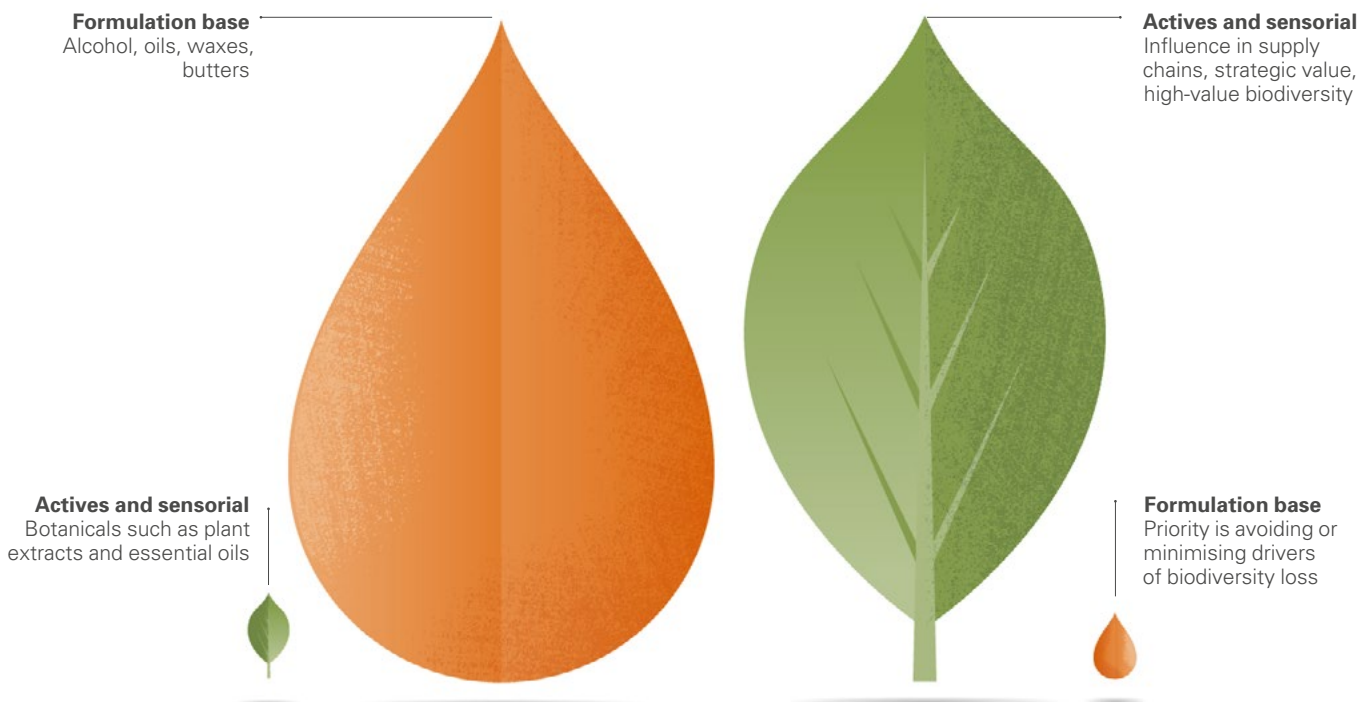
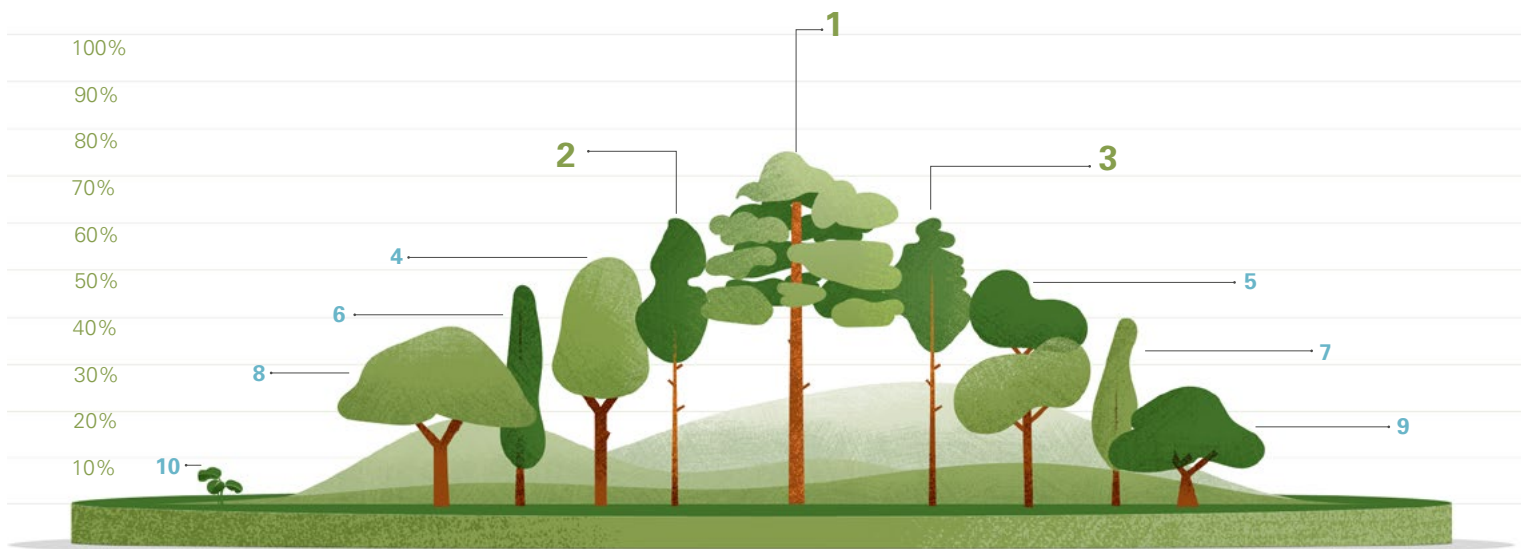


FIGURE 3

FOR BEAUTY SECTOR, ACTIONS IN SOURCING AREAS ARE THE MOST IMPORTANT FOR BIODIVERSITY



- 1** Measure and improve biodiversity-related practices in sourcing areas
- 2** Develop partnerships with local suppliers in sourcing areas
- 3** Contribute to conservation projects for high biodiversity value species and ecosystems
- 4** Set measurable science-based targets for biodiversity
- 5** Measure and reduce pressures on biodiversity, such as pollution
- 6** Address climate change and other drivers of biodiversity loss
- 7** Avoid vulnerable or high biodiversity value species and ecosystems
- 8** Measure and improve biodiversity-related practices in manufacturing sites
- 9** Disclose nature-related impacts and dependencies
- 10** Other

SOURCE: UEBT Survey Q4. **What do you think should be priorities for action on biodiversity for companies in the beauty sector? (CHOOSE UP TO 5)**
 Pre-given list of nine priority actions in randomized order. Basis – all sample – 68 people answered, 0 skipped the question

7. PRIORITIES FOR THE BEAUTY SECTOR ON BIODIVERSITY

On biodiversity, there are **no 'one-size fits all'** approaches. As discussed in this deep dive report, biodiversity priorities cannot be driven only by risks, nor by goals and targets. It is essential for any strategies on biodiversity to build on lessons learned, as well as a continuing dialogue and engagement with suppliers and local producers. This is perhaps the greatest insight from discussion with leading companies in the beauty sector, and it has significant implications for corporate functions and activities. The following five priorities represent the core of the insights collected across this report's interviews, experts' learnings, and beauty sector survey:

PRIORITY ACTION

1.

Set targets to conserve and regenerate biodiversity in sourcing areas.

In setting corporate targets on biodiversity, consider not only indicators linked to drivers of biodiversity loss, but also biodiversity conservation, restoration, and sustainable use. It is essential to consider not only risk but also opportunities. Companies can positively impact the landscapes and species intrinsically linked to their products, supply chains and operations. Now is the time for such action to reverse biodiversity loss at a local level, in specific cultivation or wild collection areas. This can be done through targets on ethical sourcing practices, including sustainable use practices in wild harvesting to ensure regeneration, farming local varieties better adapted to local climate and conditions, natural management of soil biotic and abiotic factors, setting aside lands for natural vegetation, and implementing organic and regenerative practices.

PRIORITY ACTION

2.

Include biodiversity in life cycle assessments and other tools to assess impact.

In beauty, life cycle assessments and other tools focused on risks and negative impacts often don't consider or fully capture the value of biodiversity and possibilities for positive impact along supply chains. This may lead to inaccurate or incomplete data on the role of botanicals and the opportunities of ethical sourcing practices. Ongoing work to ensure that people and biodiversity are included in product environmental footprint approaches, for example, are important steps to address these concerns.



PRIORITY ACTION

3.

Integrate biodiversity in supply chain due diligence.

Biodiversity is not a niche concern, relevant only for supply chains involving endangered species or protected areas. It is a consideration that must be mainstreamed into the beauty sector's procurement and sourcing policies and systems. Due diligence involves not only assessing risks but making significant efforts to understand and improve practices in the places, ingredients and activities involved. This approach is, increasingly, becoming a legal requirement in countries around the world.

PRIORITY ACTION

4.

Bring equity and human rights aspects into all biodiversity measures.

Targets and commitments on biodiversity need to fully consider people and integrate social considerations. This is increasingly a legal requirement, including in the proposed EU Corporate Sustainability Due Diligence Directive (CSDDD), which obliges companies of many sizes and locations to assess actual or possible adverse impacts on both biodiversity, among other environmental topics, and human rights. Considering people is also essential to define biodiversity targets, commitments, and actions that are effective and impactful – relevant to the local context; addressing local needs, priorities, and challenges; and respectful of traditional knowledge.



5.

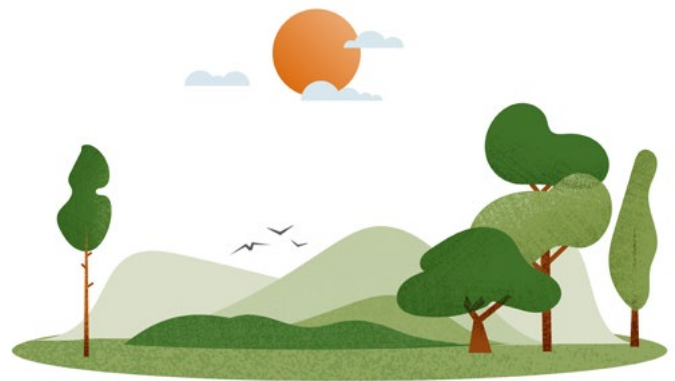
Engage meaningfully along supply chains and treat suppliers as partners.

When it comes to beauty and biodiversity, a supply chain should be a partnership, not a series of transactions or links. Action on the ground is seen as key in addressing biodiversity in the beauty sector (see Figure 3 - survey results). Companies should develop partnerships, not just promote participation, along their supply chains. Local producers provide the knowledge needed for more meaningful targets and action plans. UNESCO calls Indigenous, traditional, and local knowledge systems ‘one of the largest bodies of human knowledge about biodiversity,’ as well as one of the least recognized resources for understanding, monitoring, and managing biodiversity. IPBES has found that more inclusive approaches lead to better outcomes for people and nature. Local producers are also the ones that may be excluded or put under pressure by sustainability requirements – unless such requirements are built into partnerships with long-term commitment and sufficient support.

Concluding thoughts

The Kunming-Montreal Global Biodiversity Framework is ‘putting our planet on a path to healing.’¹¹ Business is increasingly committed to advancing the vision of a world in harmony with nature. And the beauty sector is placed – by its position, but also by its connections to biodiverse landscapes – to come together and play a leading role in taking the urgent action needed now to conserve, restore and sustainably use biodiversity.

¹¹ From UN Secretary-General António Guterres’ [statement](#) on World Wildlife Day, 3 March 2023, on the adoption of the Kunming-Montreal Global Biodiversity Framework.





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UEBT is a non-profit association that promotes sourcing with respect. Its mission is to regenerate nature and secure a better future for people through ethical sourcing of ingredients from biodiversity.

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