Certification System

Natura & UEBT

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Natura is a Brazilian Cosmetics multinational that innovates based on elements of biodiversity, driven by relationship selling.

Our Mission

“We are Natura. Inspired by Our Essence and our proximity with nature, science and technology, we propose to expand and mobilize our Relationship Network, in pursuit of creative solutions that promote a life of beauty, pleasure and sustainability, all at once.”
Natura – Our Numbers

About Natura

- Around 1.33 million Natura Consultants in Brazil.
- Around 550,000 Natura Consultants in the International Operations.
- Around 4,800 employees in Brazil, 1,400 in the International Operations and 1,100 in Aesop.

- B Corp certification, commitment to economic growth allied with promoting social and environmental well-being.
- UEBT Member
- Listed on the NYSE Dow Jones Sustainability Index since 2014.
Natura & Aesop in the world
Transform Natura into a company that generates a positive impact in three spheres: economic, environmental and social, rupturing the current paradigm of merely reducing and mitigating impacts.

It comprises strategic directives for 2050 and ambitions and commitments for 2020.

**three interdependent pillars:**
- Brands and Products;
- Our Network;
- Management & Organization.
SUPLIER COMMUNITIES

30 communities
2,251 families

Raw material supply
R$ 3,6 million in 2015

Distribution of benefits
80 agreements with communities
R$2,4 million in 2015
R$28 million since 2003

Local Development
R$ 18 million invested in 2015 in Funds, support,& management plan, training & studies, consultancy and running Ecoparque
Cocoa Film – Trans Amazonian Area
What motivated Natura to develop a system certified by UEBT?

- What have led us to develop a Certification System in partnership with UEBT?
  - Lack of traceability and good production practices within the communities Natura was dealing with;
  - Difficulties to monitor all certification system in every community;
  - The use of many different certification system (FSC, Organic, Fairtrade, etc) once each one were very specific and could´t bring us a far reaching vision and traceability. Moreover, the costs and complexity involved in it.
  - The partnership with UEBT has been seen as an opportunity to accomplish with an robust audit and verification system in which, Natura could also enhance the Principles of Biotrade commerce;
Monitor and develop the whole supply chain considering the communities and families involved in it, having as a foundation the ethical biotrade, which has as reference:

- Ethical Biotrade Standard (STD01 – Ethical BioTrade Standard version 2012-04-11) and;
- Good Production Practices based on ISEAL Alliance (International Social and Environmental Accreditation and Labeling Alliance).

Checks

System
- Organizational Management
- Environmental Conservation
- Quality and Production Best Practices
- Traceability
- Labour legislation
- Safety and Healthy in the work

Field
Evaluation is carried out in the field (cooperatives, and families) based on documentation and practices

Action Plan
How it Works?
• The Natura + UEBT Certification Model is a system that reinforces our compromise with the bioethical commerce thus guaranteeing information integrity.

• All cooperatives and families are monitored by Arcgis (ESRI GPS system) being possible to have a link between this system and SAP, in which control the participation of each family in the total received. This system enables the control payments and benefit sharing for each family.

• The Arcgis also help us the control of cropping and housing area to be in accordance with the environmental Brazilian policies.

• In near future, Natura will evolve to build key indicators to monitor the environmental such as plant cover, soil usage, etc…
2nd party Audit (Inatura)

Natura KPI’s

Organization Check
- Annually

Field Check
- Sampling (min square root + 1)

3rd party Audit (external)

SCI Verification
- Frequency: Annual

Organization Check
- Based in sampling rules

Field Check
- Sampling (min square root + 1)

Natura Checklist Requirements

Natura Supplier’s
Cooperatives and families

Verificadores do Checklist da Natura
Results

For the COMMUNITIES

• Social Organization and awareness and leadership
• Self Esteem leverage and ownership feeling
• Tools to monitor, evaluate and management of their “business”
• Local value added Improvement
• Social, economics and environmental Development in their communities

For NATURA

• Brand Value
• Vegetal raw materials traceability
• Mitigate risks for Natura´s image
• Improved supply security for this raw materials
• Direct contact with people from the communities (relationship management)

• Transparency and trustable relationship between Natura and families;
  • Working plan develop together
  • Colective commitment to the results
    • 14 verified communities
    • 40 ingredients certified by UEBT & Natura
Thank you