

THE BODY SHOP

STRIVING TO BE A
FORCE FOR GOOD



THE BODY SHOP INTERNATIONAL PLC
VALUES REPORT 2011

CONTENTS

- 02 THE VALUES CHAIN
- 04 INTRODUCTION
- 06 ABOUT THE BODY SHOP
- 07 RESEARCH AND DEVELOPMENT
- 15 SOURCING AND PRODUCTION
- 31 DISTRIBUTION AND PACKAGING
- 37 STORES, STAFF AND FRANCHISES
- 49 ENGAGING OUR CUSTOMERS
- 57 THE BODY SHOP FOUNDATION

MOST COMPANIES TALK ABOUT THE 'VALUE CHAIN' THAT RUNS THROUGH THEIR BUSINESS — FROM RAW MATERIALS TO THE FINISHED PRODUCT. WE HAVE ONE OF THOSE TOO, BUT OURS ISN'T JUST A VALUE CHAIN, IT'S A VALUES CHAIN.

IT'S BY PUTTING THOSE VALUES INTO PRACTICE THAT WE STRIVE TO CREATE **A FORCE FOR GOOD.**

THE VALUES CHAIN

THE STORY OF THIS REPORT FOLLOWS THE STAGES WE GO THROUGH IN DEVELOPING, SOURCING, AND SELLING OUR PRODUCTS.

WE’VE SHOWN THIS AS A CIRCLE BECAUSE WE BELIEVE IT IS — AND SHOULD BE — A VIRTUOUS CIRCLE; EVERYTHING WE LEARN AT EACH PHASE OF THE PROCESS IS RE-INVESTED IN THE DEVELOPMENT OF THE NEXT PRODUCT.

P.07 — 14
RESEARCH AND DEVELOPMENT

OUR CUSTOMERS WANT PRODUCTS THAT MAKE A DIFFERENCE — BOTH TO THEM AND TO THE WIDER WORLD; OUR CHALLENGE IS TO FIND THE RIGHT FORMULATIONS AND INGREDIENTS TO DO THAT.

P.15 — 30
SOURCING AND PRODUCTION

WHAT GOES INTO OUR PRODUCTS IS AS IMPORTANT TO US AS IT IS TO OUR CUSTOMERS. THAT’S WHY WE HAVE ONE OF THE MOST EXTENSIVE RESPONSIBLE SOURCING PROGRAMMES IN OUR INDUSTRY.

P.31 — 36
DISTRIBUTION AND PACKAGING

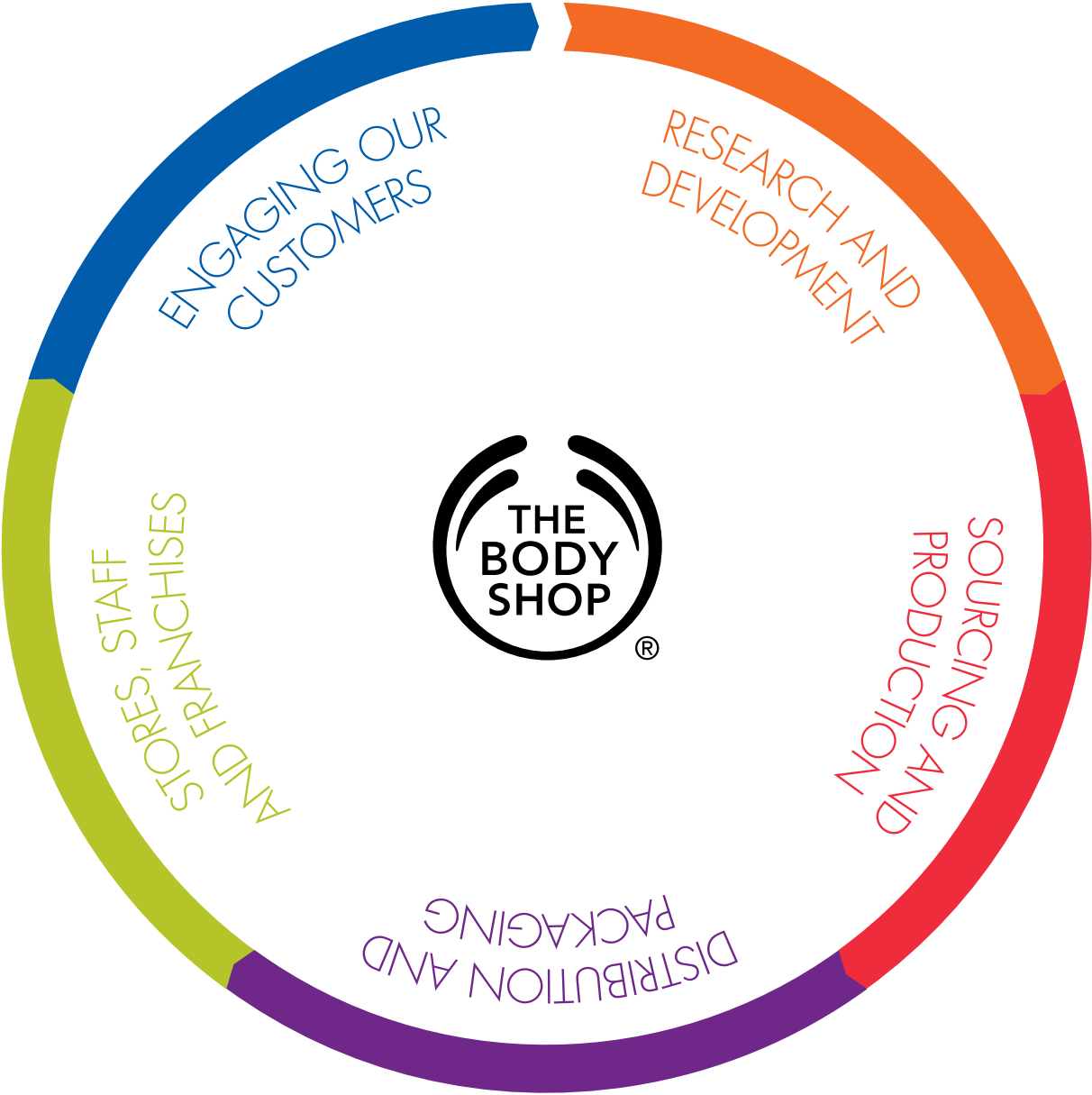
THESE DAYS EVERY MAJOR BUSINESS IS UNDER PRESSURE TO REDUCE ITS CARBON FOOTPRINT, ESPECIALLY WHEN IT COMES TO DISTRIBUTION. WE THINK THAT’S A GOOD THING.

P.37 — 48
STORES, STAFF AND FRANCHISES

OUR STORES ARE THE FACE OF THE BODY SHOP, AND OUR STAFF ARE THE VOICE OF THE BRAND. THE BODY SHOP® STORES ALSO ACCOUNT FOR THE MAJORITY OF OUR ENVIRONMENTAL IMPACT, SO WE’RE FOCUSING OUR IMPROVEMENT EFFORTS THERE.

P.49 — 56
ENGAGING OUR CUSTOMERS

OUR AMBITION IS TO LOOK GOOD, FEEL GOOD DO GOOD. OUR CAMPAIGNS ARE THE BODY SHOP VALUES IN ACTION, AND MANY CUSTOMERS CHOOSE US FOR THIS REASON ALONE.



WE ARE SOPHIE GASPERMENT CREATING A DIFFERENCE

SOPHIE IS EXECUTIVE CHAIRMAN OF THE BODY SHOP

I am delighted to introduce the 2011 Values Report of The Body Shop International. The theme of the report, 'The Values Chain' reflects how we work as a business, with our Values fully integrated into what we do every day. These Values remain as integral to our company as when the business started:

- DEFEND HUMAN RIGHTS
- SUPPORT COMMUNITY FAIR TRADE
- PROTECT OUR PLANET
- AGAINST ANIMAL TESTING
- ACTIVATE SELF ESTEEM

It is not a shared responsibility, but a shared commitment to being a business that is a force for good, a business with ethics.

This is why The Body Shop® is not a traditional beauty brand, but is a beauty brand with heart, going beyond conventional corporate social responsibility, by engaging in ground breaking campaigns driving for long-term change such as our Stop Sex Trafficking campaign, and by leading the way in responsible sourcing using our positive engagement approach. We invented and run an exceptional Community Fair Trade programme, working directly with farmers, where our long term commitments have brought benefits to over 300,000 marginalised people. We have an ongoing commitment to animal

welfare and our position against animal testing is as strong as ever. We know that we need to improve on our environmental performance, and we will, having set challenging targets for ourselves.

The expectations for The Body Shop are high when it comes to our Values, but our expectations of ourselves are greater. We set the bar high, and we know that even when we achieve our goals it is never enough and we always need to do more.

We see that many companies now communicate more strongly on their values, and we are delighted. We pioneered this path and we see it as an opportunity to go even further, setting the highest standards for natural and ethical beauty brands.

We're open about what we do, what we're proud of, and where we need to improve. That's what this report is all about, and we'd like it to be part of our ongoing dialogue with our customers, our teams, our franchisees and our partner NGOs, people that care about what we do, and want us to continue to be the pioneer and standard-bearer that we always aspire to be.

This report is a true reflection of The Body Shop; how we work and live our Values every day and I hope that you find it both interesting and inspirational.



ABOUT THE BODY SHOP

THE BODY SHOP WAS ONE OF THE WORLD'S FIRST ETHICAL BUSINESSES, AND WE'RE STILL RECOGNISED INTERNATIONALLY AS A COMPANY THAT PUTS ITS VALUES INTO PRACTICE, EVERY DAY.

We may have started with just one small shop in Brighton, but 35 years on The Body Shop has more than 2,600 stores in 66 markets, selling more than 1,200 products. We began with the vision and entrepreneurship of one woman – Anita Roddick – and we're now part of the leading beauty group in the world, L'Oréal. Our passion, our commitment, and our principles have not changed. They are stronger and more relevant now than they've ever been.



WE SELL MORE THAN 1,200 PRODUCTS IN MORE THAN 2,600 STORES — INCLUDING OUR SHEA BODY BUTTER.

Our products use naturally-derived ingredients wherever possible, and are never tested on animals. We've always campaigned passionately about cutting edge social and environmental issues. We pioneered Community Fair Trade as far back as 1987, and work with these suppliers wherever we can. We now work with more than 20 artisan, farmers and producer groups, exporting high quality products in more than 20 countries, which impacts more than 300,000 marginalised people across the world. Each of our relationships is unique, providing different benefits for the communities, such as a more stable future, or access to basic essentials like education, clean water and healthcare.

We believe in treating people well, trading fairly, and protecting the planet.



RESEARCH AND DEVELOPMENT

WE ARE
DEVELOPING
GREAT PRODUCTS
THAT ARE BOTH
EFFECTIVE AND
ETHICAL

BECAUSE OUR CUSTOMERS WANT
BEAUTY PRODUCTS THAT HELP THEM
FEEL GOOD, LOOK GOOD, DO GOOD.



WE ARE **ALEXA MANZI** TALKING ABOUT OUR PRODUCTS

**ALEXA LIVES AND WORKS IN LONDON,
AND HAS BEEN A LOYAL CUSTOMER OF
THE BODY SHOP SINCE SHE WAS A TEENAGER.**

"I buy from The Body Shop because I love what they make, and believe in what they do. I was initially attracted to the brand by Anita's pioneering charity work – I'm an active charity supporter myself these days, and I definitely buy into the campaigns The Body Shop runs. But what I really buy is the products. That's what brings me back again."



"THE BODY SHOP IS FOR PEOPLE WHO KNOW THE IMPORTANCE OF SUSTAINABILITY — BECAUSE OF THEIR VALUES I CAN FEEL GOOD ABOUT PURCHASING THEIR PRODUCTS."

CUSTOMER OF THE BODY SHOP



WHEN THE BODY SHOP FIRST STARTED WE WERE ONE OF THE ONLY ETHICAL BRANDS ON THE HIGH STREET, BUT IN THE 35 YEARS SINCE THEN THIS WAY OF SHOPPING HAS MOVED INTO THE MAINSTREAM.

These days, a much higher proportion of the population is deciding what to buy based on principles, as well as product performance and price. They know that each individual decision they make can add up to a real positive difference, whether that's recycling more of their waste, or choosing Fair Trade goods.

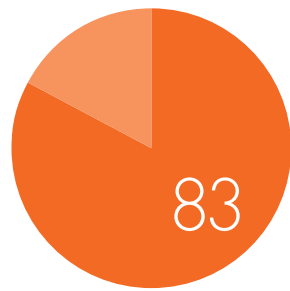
Buying from The Body Shop is a big part of this for many people. We are lucky to have a strong base of loyal customers, who are demanding, both in terms of the values they expect us to live by, and the quality of what we sell. And that's exactly how it should be. We want people to buy our products not only because they've been made in a responsible way, but because they work, and work beautifully.

So how do we do this? We spend a great deal of time listening to our customers, both informally, through what they tell us in our stores, and formally, through market research. We want to hear what our loyal and long-term customers think, but we also want to understand why people don't always buy from us, and how we might appeal to those who haven't shopped with The Body Shop before.

When it comes to our loyal and regular customers our main competitors are the niche natural, environmental and ethical businesses, while with other types of consumer we're competing more directly with the big mainstream brands and retailers. An interesting but very relevant statistic here is that while 64% of our loyal shoppers are prepared to pay more for an ethical product, the comparable figure is only 45% for our less regular customers. And while 83% are more likely to choose retailers that take social and environmental issues seriously, only 44% of our regular customers are prepared to change the way they shop for that reason alone.

This is why it's so important to start with the performance of the product on its own terms. In other words, we don't want to promote our products primarily as ethical or charity purchases, but as great quality beauty products, from a trustworthy brand at a reasonable price. The fact that our products have a compelling natural, ethical and environmental story is an added advantage, and is why our brand is different. But for a lot of our customers it's the unique sensorial feeling and outstanding performance of our products themselves that they think about first.

All this adds up to an integrated business model of values and ethics within a commercial plan, competing on an international stage. We believe that this model is the only sustainable model in the long term.



83% OF OUR REGULAR CUSTOMERS SAY THAT THEY CHOOSE RETAILERS WHO TAKE SOCIAL AND ENVIRONMENTAL ISSUES SERIOUSLY.

Developing our products

Some of the ideas we have for our new products start either with customer feedback or market research. We also do lots of work to understand new trends in the beauty industry and how we can respond to them – we're always looking for opportunities to fill a gap in the market. But unlike most beauty companies, some of the trends we want to exploit relate to ethical shopping and we often start with natural ingredients we'd like to use, and then use our expertise and know-how to look for opportunities to build a product or range around it. Good examples of this would be our use of synthetic rather than real musk in our White Musk® range, and jojoba oil rather than whale blubber by-products. In the latter case we wanted to raise awareness of the fact that there was a viable commercial alternative to whale blubber as part of the Save the Whale campaign we were running with Greenpeace. Other ranges have been inspired by our Values in a similar way – our new eco-conscious hair products, for example, are based on ingredients that don't leave residues in the water system that could be harmful to aquatic life.



WE ALWAYS USE SYNTHETIC RATHER THAN REAL MUSK IN OUR WHITE MUSK® RANGE.

Once we have a specification for a new product from the brand team, we then look at the best way to make, package, and market it. The 'best way' for us doesn't just cover commercial considerations like cost, but ethical ones too. So, for example, at this stage we will try and include at least one Community Fair Trade ingredient in every product. We endeavor to make sure that the factories that will be asked to manufacture the product are audited against our Ethical Code of Conduct, and that our packaging comes from recycled or sustainable sources. In other words, we're thinking about these issues right at the start of developing a range or a formulation, and not just as an afterthought.

If the new product will need a new ingredient we've not used before we'll do preparatory compliance work to understand the nature of its supply chain. For example, we'll study whether the ingredient can be bought in organic or Fair Trade form and what certification can be provided. We'll also look at whether there are any other social or environmental issues associated with it, such as any adverse impact on biodiversity. Another crucial principle that comes into play at this stage is our stance on animal testing – one of the first and most obvious examples of how our Values are fully integrated into our business.

WE ARE **JANE FIRTH** MONITORING WHAT WE MAKE

JANE IS A TECHNICAL COMPLIANCE ADVISOR FOR THE BODY SHOP, WHICH MEANS SHE HELPS TO MANAGE OUR NEW PRODUCT DEVELOPMENT PROCESS. SHE HELPS TO MAKE SURE THAT NOTHING WE USE HAS BEEN TESTED ON ANIMALS AND THAT WE CONTINUE TO COMPLY WITH BUAV'S HUMANE COSMETIC STANDARD.

"It's my team's responsibility to check the credentials of every single ingredient we use. We have incredibly rigorous standards when it comes to animal testing, and insist that every ingredient has its own annual 'animal non-testing declaration' before it gets used in one of our products. And that's very far from being just a box-ticking exercise – there have been several occasions when we've had to delist a particular material, which means we've either had to look for another supplier, or consider reformulating the original product. Like every scientist I love the rigour and precision of what I do, and because I work for The Body Shop I can apply my training to something I really believe in."



DURING 2009 AND 2010 WE
REJECTED 15 MATERIALS DUE TO
NON-COMPLIANCE WITH OUR
AGAINST ANIMAL TESTING POLICIES.



Fighting against animal testing

The Body Shop has always been against animal testing – it was one of our earliest and most ground-breaking campaigns, and led to us being the first international cosmetics brand ever to be awarded the Humane Cosmetics Standard. So how does our much-publicised public stance translate into everyday business practice?

Our Technical Compliance Team is responsible for ensuring that no ingredient we use has been tested on animals since the end of December 1990. We have a robust series of policies and protocols to enforce this, but as the British Union for the Abolition of Vivisection have noted in their audits, this is such an article of belief for The Body Shop that we go beyond compliance to real commitment. This is one reason why we were awarded a Lifetime Achievement Award by the Royal Society for the Prevention of Cruelty to Animals for our work on animal welfare.

The same compliance team also works actively with our suppliers to help them understand exactly what we expect from them, and support them on implementation, training, and making the best use of our web-based database. A supplier handbook covers all of these procedures, as well as our requirements on monitoring and response times. We also work with our suppliers whenever questions arise about particular ingredients, and if necessary these will be taken off our approved list.

We insist that every single ingredient our suppliers use for The Body Shop has its own animal testing declaration, and we won't accept anything less than 100% compliance. We carry out random audits of both suppliers and ingredients, and our processes are regularly inspected by the BUAV. These inspections have consistently recognised that we comply fully with the Humane Cosmetics Standard.

Looking forward, the whole area of product testing has become a topic of conversation in terms of our relationship with L'Oréal. They're well known for the quality of their scientific research, and they have been applying that expertise to finding alternatives to animal testing for cosmetics. One particular success has been the development of a new synthetic epidermis called 'Episkin', which mimics the physiology and reaction of human skin so well that it can be used to test the effects of many chemicals.

We're hopeful that this addition to the range of non-animal tests will make a significant difference to the overall cosmetics sector, as it has been made available to use for the whole industry.

> For further details on our policy and approach please [click here](#).

Addressing 'chemicals of concern'

When we are formulating a new product we look carefully at whether the benefits that the consumer demands would require the use of what are known as 'chemicals of concern,' and whether we can find alternatives. Examples are Phthalates, which are mainly used to make plastic flexible, and Triclosan, a widely used anti-bacterial. We actively exclude the use of these chemicals from our products and constantly review our formulations when there are new scientific developments, or new issues raised about existing compounds that might concern the public.

We are trialling a new 'eco-conscious' symbol to help consumers identify The Body Shop® products that meet certain environmental criteria, and do not harm aquatic life. The Body Shop® Rainforest Haircare range is the first to carry the logo.



OUR ECO-CONCIOUS RANGE IS WATER-FRIENDLY.



SOURCING AND PRODUCTION

WE ARE SOURCING AND PRODUCING OUR PRODUCTS AS RESPONSIBLY AS WE CAN

WE ARE WORKING WITH OUR SUPPLIERS TO HELP IMPROVE CONDITIONS FOR THEIR WORKERS. SOME OF OUR MOST IMPORTANT INGREDIENTS ARE BOUGHT THROUGH COMMUNITY FAIR TRADE; OTHERS CAN PRESENT US WITH COMPLEX CHALLENGES.

AS OUR BUSINESS GROWS, OUR SUPPLY CHAIN IS BECOMING LARGER AND MORE COMPLEX. ACROSS THE WORLD WE HAVE DIRECT RELATIONSHIPS WITH AROUND 130 SUPPLIERS IN 26 MARKETS, AND COMMUNITY FAIR TRADE SUPPLIERS IN A FURTHER 21 COUNTRIES.

The Body Shop sells 2 different types of product – formulated goods like cosmetics and toiletries, and ‘non-wet’ gifts and accessories. Our business model is to contract out the manufacture of all of these products to third-party suppliers, who are expected to comply with The Body Shop requirements. This makes commercial sense for us, but it means we have to manage our relationships with these suppliers very carefully, to ensure that the way they operate is consistent with our own Values and standards.

Sourcing our products and ingredients

For our direct suppliers, we’ve been using the same process for a number of years, and we’re confident that it works. It starts with a brief from our brand team, which includes the product specification. We then invite companies to tender for the project, the majority of which are well-established suppliers to The Body Shop and already on our approved list. We are keen to nurture long-term relationships and have been working with some suppliers for many years.

Any new suppliers have to meet our ethical, social and quality criteria as well as standard legal and financial checks. Having been through this process, the final decision on the best supplier for each individual project can be made on the basis of commercial considerations like innovation, reliability of supply, quality and capacity.

But our involvement with sourcing and production doesn’t end there, because what goes into our products is a vital part of the promise The Body Shop® brand makes to its consumers. We actively oversee the supply process, and ensure that our manufacturers know what we expect from them, and that the supply chain is correctly set up to ensure they can deliver the right specification. We have a special interest in encouraging our Community Fair Trade network and their supply chain and giving them access to international markets which are often not available to them.

Supporting Community Fair Trade

Supporting Community Fair Trade has been one of our core Values since 1987, when our first programme was launched. In those days we talked about ‘Trade not Aid’, and while the name may have changed, the idea behind it is just as relevant as it was then, if not more.

Our basic aim is to source as much as we can from small, local and community groups, especially in developing countries. We promise to pay a fair price for work done in fair conditions, which also comes with a commitment to community development and to providing a predictable source of demand over the medium to long term, so that people can plan for and build their own future.

The Body Shop is now a major international business, and as we’ve grown we’ve developed a detailed framework about how we go about working with these Community Fair Trade suppliers – what we expect from them, what they can expect from us, and how we will manage the relationship from conception to closure. The programme is independently verified by the ‘Institut für Marktecologie’ and now covers relationships with 25 producers in 21 countries, some of which have lasted nearly 25 years.

300,000+ £8.9m

WITH 25 SUPPLIERS IN 21 COUNTRIES, OUR COMMUNITY FAIR TRADE WORK POSITIVELY IMPACTS MORE THAN 300,000 LIVES.

IN THE LAST 2 YEARS OUR SPEND ON COMMUNITY FAIR TRADE INGREDIENTS, GIFTS AND ACCESSORIES HAS RISEN TO £8.9M.

Putting it into practice

So if that’s the theory, how does it work in practice? We have a team of specialist buyers who are dedicated to seeking out community groups who might be able to become a supplier to The Body Shop, but don’t at present have the contacts, capacity or scale to compete in international markets. This is because they are marginalised in some way – for example, one factor behind our decision to work with our new fragrance alcohol suppliers in Ecuador was the fact that the farmers in question were struggling against unfair purchasing practices, and there was a high level of child labour in the industry.

Another key selection consideration for the programme is consistency, and this works both ways: we recognise our responsibility to provide a predictable demand for any supplier we commit to, but we also have to ensure that we have reliable and regular supplies of key goods and the highest quality ingredients. As a result our Community Fair Trade programme only includes ingredients and goods that are a long-term and integral part of our supply chain.

Once we’ve identified a possible supplier, our team spends a lot of time understanding the local context, from cultural and social issues to the technicalities of production, and the economic realities of basic living costs. These are the factors that determine the price we decide to pay, not larger questions of supply and demand or fluctuations in world commodity prices. Where appropriate, we also pay a community premium on top of that, which goes into a development fund managed by community leaders. They decide what to spend this on – whether healthcare, schools or local infrastructure.

The aim in every case is to achieve what’s called a ‘sustainable business level’ – in other words, we first determine the amount of money we need to spend on purchases to make a tangible impact on each supplier and their community. As this suggests, this is a big commitment on our part, not just in financial terms, but also in the provision of support and the management time we have to put in to honour this pledge over the life of the relationship, ensuring that it is sustainable in the long term.

WE BOUGHT MORE THROUGH COMMUNITY FAIR TRADE IN 2010 THAN WE EVER HAVE BEFORE, AND WE’RE NOW SOURCING PRODUCTS AS DIVERSE AS COCOA AND SHEA BUTTER FROM GHANA, HAND MASSAGERS FROM INDIA, HONEY FROM ETHIOPIA, BRAZIL NUT OIL FROM PERU, ORGANIC ALOE VERA FROM GUATEMALA, AND ORGANIC BABASSU OIL FROM BRAZIL. OUR PURCHASES BENEFIT OVER 300,000 RURAL GROWERS, ARTISANS AND THEIR FAMILIES.

In addition, since the acquisition of The Body Shop by L’Oréal in 2006, we have succeeded in influencing the Group as a whole in the widespread use of Community Fair Trade products. Bringing our tremendous know-how in the field to the Group, L’Oréal today uses 6 Community Fair Trade ingredients across a range of its brands, furthering the positive impact of the programme to the communities that we work with.



OUR BABASSU NUT OIL FROM BRAZIL IS JUST ONE EXAMPLE OF OUR COMMUNITY FAIR TRADE INGREDIENTS.



WE ARE **BRIGIDO SOZA** DEVELOPING QUALITY COMMUNITY FAIR TRADE INGREDIENTS

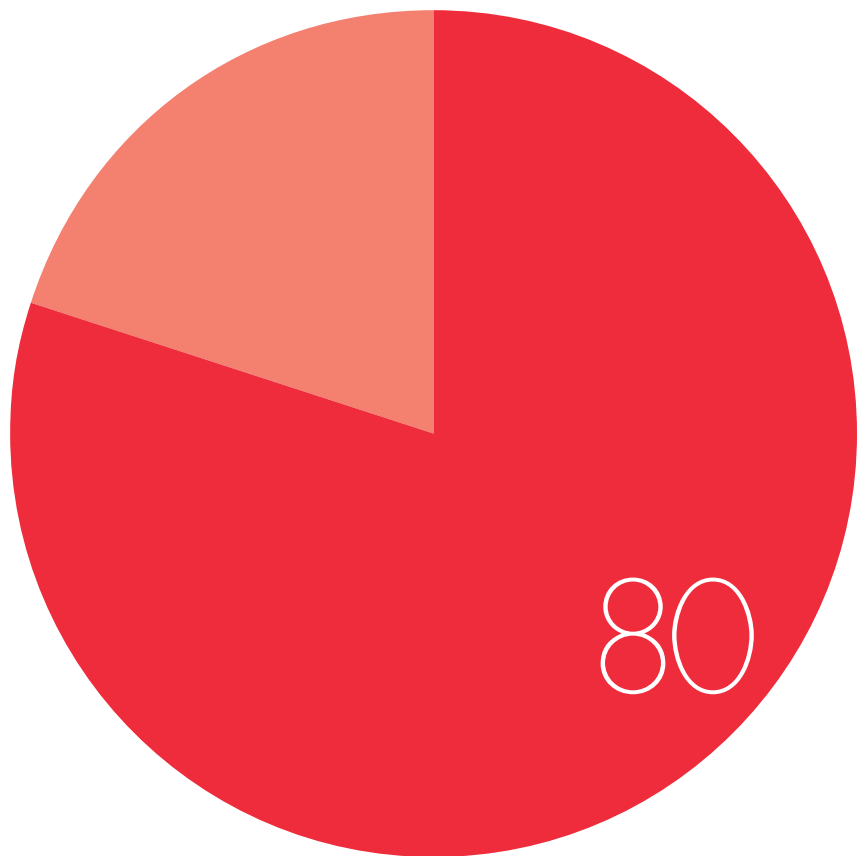
BRIGIDO IS PART OF THE JUAN FRANCISCO PAZ SILVA CO-OPERATIVE IN NICARAGUA, WHICH HAS BEEN SUPPLYING US WITH HIGH QUALITY SESAME OIL SINCE 1993.

“Our co-operative started with almost nothing, now 20 years later we’ve so many significant achievements under our belt. We’ve built 8 schools, we’ve organised over 30 water projects bringing clean drinking water to over 5,000 people, we’ve integrated environmental education into all of the schools in our region. We’ve made great advances in diversifying into new products such as honey, rice, coffee, fruits, cashew nuts and cattle for milk and beef production. We’ve managed to move up the supply chain, processing our own products locally and exporting through Del Campo, our second level co-operative. We even import, using a company we have formed in the UK, called Etico. We are now part of the Nicaraguan co-operative movement and have formed Feniagro, a national federation, to represent us. Our ability to sell our sesame oil to a stable and fair market has been vital in achieving all of this with our principal client and ally being The Body Shop.”

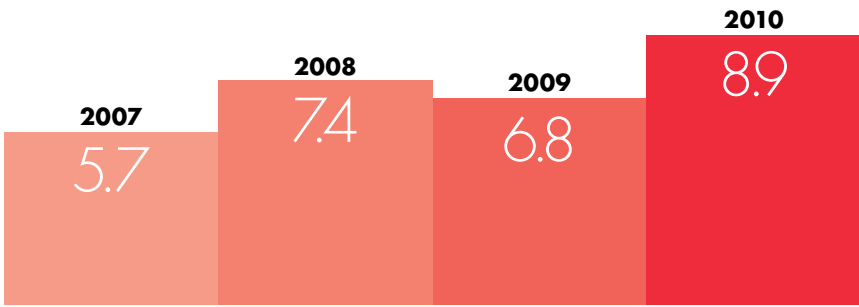


SESAME OIL FROM BRIGIDO'S CO-OPERATIVE GOES INTO OUR MORINGA BODY BUTTER AND ALOE NIGHT CREAM, AS WELL AS MANY OF THE PRODUCTS IN OUR MEN'S RANGE.

OUR COMMUNITY FAIR TRADE INGREDIENTS, GIFTS AND ACCESSORIES



PERCENTAGE OF PRODUCTS CONTAINING ONE OR MORE COMMUNITY FAIR TRADE INGREDIENT, OR MADE BY A COMMUNITY FAIR TRADE SUPPLIER IN 2010 (2009: 68%)



SPEND ON COMMUNITY FAIR TRADE INGREDIENTS, GIFTS AND ACCESSORIES OVER THE LAST FOUR YEARS (£M)

Working with the Tungteiya Women’s Shea Butter Association

Our work on shea in particular has been one of the most outstanding win-wins we’ve ever had. Shea is a hidden ingredient in many food and cosmetics products and is collected exclusively by rural women in some of the poorest parts of Africa. By buying it on a Community Fair Trade basis, directly from the Tungteiya Women’s Shea Butter Association for over 17 years, our trade has enabled the communities to build 11 school buildings, 8 teachers’ quarters, 5 community health clinics and 2 child feeding centres. In addition, our trade has empowered the women of Tungteiya to achieve a far greater degree of gender equality within the communities who supply it to us in West Africa. We’re now helping to spearhead The Global Shea Alliance, a new cross-industry initiative on shea that has the potential to benefit over 4 million other women in the region.

>To find out more about our work on shea and watch our film please [click here](#).

Working with the CADO Co-operative

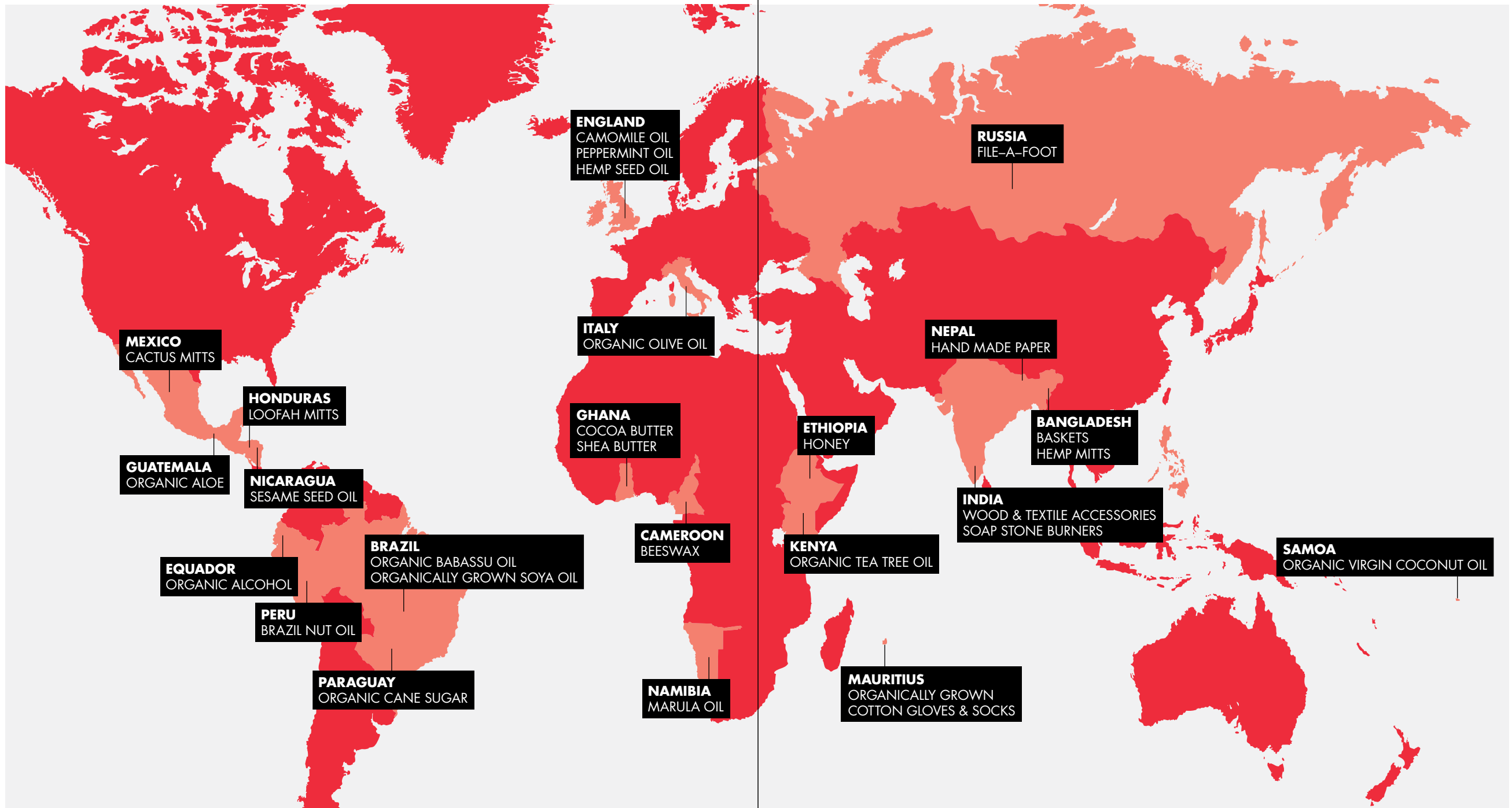
One of our most recent achievements was to become the first cosmetics company in the world to start using organic Fair Trade alcohol in our fragrances. Alcohol is an ‘invisible’ ingredient as far as the consumer’s concerned, but one that accounts for up to 70% of the volume of a typical perfume. It took 4 years to set this new programme up with CADO, and it will benefit hundreds of farmers using traditional farming techniques in remote regions of Ecuador. The community will also be investing in a pioneering but challenging new programme to prevent child labour and promote farm safety in the Ecuadorean sugar cane industry.

Working with Get Paper Industries

Get Paper Industries in Nepal has been supplying us with gift containers for over 20 years now. In 2010, GPI was proud to announce the opening of a new school, with the help of the proceeds of trade with The Body Shop. In a remote valley outside of Kathmandu, there is a community of migrants who earn a pitiful living by breaking stones that have been washed down by the river. The children of these ‘stone-breakers’ receive no formal education. The members of the GPI Co-op decided that they would invest the proceeds of their social fund, generated by trade with The Body Shop, into building a school with 3 classrooms to offer these children a free education. The funds were invested through their own charity General Welfare Pratisthan, which GPI set up in 1993.

>For more information on our Community Fair Trade ingredients please [click here](#).

WHERE DO OUR COMMUNITY FAIR TRADE INGREDIENTS, GIFTS AND ACCESSORIES COME FROM?



A close-up portrait of a woman with dark, wavy hair, looking slightly to the side with a gentle smile. She is wearing a black top and a necklace made of large, round, olive-green beads.

WE ARE **KANOKKAN BOONAMNUAY** CHAMPIONING ETHICAL TRADE

KANOKKAN WORKS FOR A THAI COSMETIC MANUFACTURER THAT MAKES PRODUCTS AND GIFTS FOR US. SHE ALSO TOOK PART IN THE ETHICAL TRADE WORKSHOP WE RAN LAST YEAR IN BANGKOK.

“Working with The Body Shop is a great opportunity for us, but it’s not always easy adapting to such a new way of working. The workshop in Bangkok gave us some really helpful training on specific issues, as well as a much broader perspective on what ethical trade means. The mix of people involved meant that the learning spread quickly throughout the whole company after the workshop was over. We’re now holding monthly meetings that look at the issues we discussed at the event, and coming up with answers together, as a group.”

400+

OVER 400 PEOPLE HAVE BEEN THROUGH THE BODY SHOP ETHICAL TRADE TRAINING PROGRAMMES IN THE LAST 2 YEARS IN THE UK, FRANCE, THAILAND, CHINA, SINGAPORE, AND HONG KONG.

Trading ethically with our direct suppliers

All our direct suppliers are assessed against our Code of Conduct, according to the criteria set out by the Ethical Trading Initiative, which is an alliance of companies, trades unions and voluntary organisations. The Code covers issues such as child labour, discrimination, working conditions, living wages, and freedom of association. The process begins with a self-assessment questionnaire, and later includes independent audits and site visits, where it is carefully assessed whether they are following the standards set out in our Code of Conduct. Our buyers are unable to place a purchase order unless the supplier has successfully been through our Ethical Trade process.

As we've expanded our business we've sometimes discovered breaches of our Code. This is never an easy situation to manage, and we are always fully committed to working closely with the supplier to try and work through what we call 'non-compliances.' We believe in positive engagement and always want to find a solution if there is one. We believe in using our trade as a lever for change – working with a supplier to improve their practices can be far more powerful and effective than simply walking away. Having said that we don't flinch from taking tough decisions if that's absolutely the only alternative left to us.



Ethical Trading Initiative
Respect for workers worldwide



Why sign up to the ETI Base Code?

Because...

	Employment is freely chosen	Slavery and bonded labour are totally unacceptable. Some 12.3 million people globally are forced to work for their employers.
	Freedom of association and the right to collective bargaining are respected	Tens of thousands of workers lose their jobs every year for attempting to join a trade union or improve working conditions. Some even lose their lives.
	Working conditions are safe and hygienic	Every day 6,000 people around the world die from work-related accidents or diseases. Most of these tragedies could be prevented.
	Child labour shall not be used	218 million children work to support their families, missing out on education and often damaging their health. This reinforces the cycle of poverty.
	Living wages are paid	3 billion of the world's poor live on less than two dollars a day. If people can't feed their families on an adult's wage, they may send their children to work.
	Working hours are not excessive	Long working hours are the norm for most of the world's workers. This damages people's health and undermines family life.
	No discrimination is practised	Women and certain minorities are often confined to the lowest-paid jobs with no access to training or promotion.
	Regular employment is provided	Most workers can be laid off when it suits the employer. This fuels poverty and insecurity and drives down wages.
	No harsh or inhumane treatment is allowed	Few workers have protection against physical, verbal or sexual abuse in the workplace.

www.ethicaltrade.org

WE EXPECT ALL OF OUR SUPPLIERS TO MEET OUR ETHICAL TRADE STANDARDS.

Moving beyond auditing

It's this belief in positive engagement that has led us to move 'beyond ethical auditing' to a more collaborative approach. This is designed to raise standards in key areas like health and safety, and help the people we buy from find more sustainable ways of running a productive and effective business. The aim of our programme is not to tick boxes but to make meaningful improvements to workers' lives. We now have a number of specialist NGO partners working with our higher risk suppliers on issues like this, and we're proud of the improvements that have already been achieved, particularly in terms of worker participation.

Taking this more collaborative approach has led to many knock-on benefits for our suppliers. Over 130 people have been through our Ethical Trade training programmes in the UK, Thailand and China. In the UK we ran workshops with key suppliers on how to implement Ethical Trade in their businesses, which was facilitated by the ETI. In China we organised a 4 day workshop on effective labour relations and the Chinese Labour Contract law covering topics, such as how to attract, motivate and retain new workers during a national labour shortage. The workshop was facilitated by The China Training Institute and delivered by a Chinese Labour Law expert. The programme we ran in Thailand was a particular success, and by involving a large proportion of the workers in the event, we've already helped them to achieve very real change in conditions at their factory. We intend to continue with this approach in collaboration with key suppliers over the coming years.

130

WE HAVE DIRECT RELATIONSHIPS WITH AROUND 130 SUPPLIERS, IN 26 MARKETS ALL OVER THE WORLD.

IT'S VITAL THAT OUR OWN BUYERS UNDERSTAND, NOT ONLY THE ETHICAL ISSUES, BUT ALSO THAT THEIR PURCHASING BEHAVIOUR CAN HAVE AN IMPACT ON WORKING CONDITIONS IN THEIR FACTORIES TOO.

As well as running external training workshops we've also continued our internal training programme for everyday business functions. Key staff from our sourcing and quality teams were all trained to the internationally recognised SA8000 Ethical Trade standard and we've also delivered an Ethical Trade 'roadshow' to around 150 key people in the business.



Ethical Trading Initiative
Respect for workers worldwide

WE ARE PROUD TO HAVE BEEN RECOGNISED BY THE ETHICAL TRADING INITIATIVE AS ONE OF ITS LEADING MEMBERS.

Extending our scope

As well as moving beyond auditing, we are also expanding the programme to include our 'tier two' suppliers in addition to our direct suppliers. In other words, not only what we sell, but what we buy to run our own operations. This covers everything from how we clothe our staff, to how we run print and promotions. Taking this wider approach has led us to focus on some agricultural crops like cotton, and components we use to use in fitting out our stores. We know that some of these raw materials can pose high ethical risks and we now have a much greater transparency and traceability in some of these supply chains. In doing this we've discovered that it's harder managing this aspect of the supply chain because the relationships are indirect, and may often consist of a single transaction, with no on-going trading contact. But that doesn't mean we shouldn't do what we can and we will continue to extend the scope of our programme, where we feel we can make a difference and have an impact.

As well as greater direct involvement in these areas, we're also looking for ways to cascade our ideas and Values further down our supply chain. We started a pilot project with 12 of our most strategic trading partners in 2010, giving them the tools and techniques they can use to exert a positive influence on the firms they work with.

>To find out more details on our policy and approach, and watch our Ethical Trade film please [click here](#).

Dealing with controversial or challenging ingredients

We've already talked about how we're phasing out the use of some materials in our store-fittings because we can't guarantee an appropriate or ethical source of supply. It's relatively easy to make changes with materials like this, but there are other ingredients that are key to our formulations or our product ranges, which makes them harder to manage or – if necessary – avoid.

Wood and paper

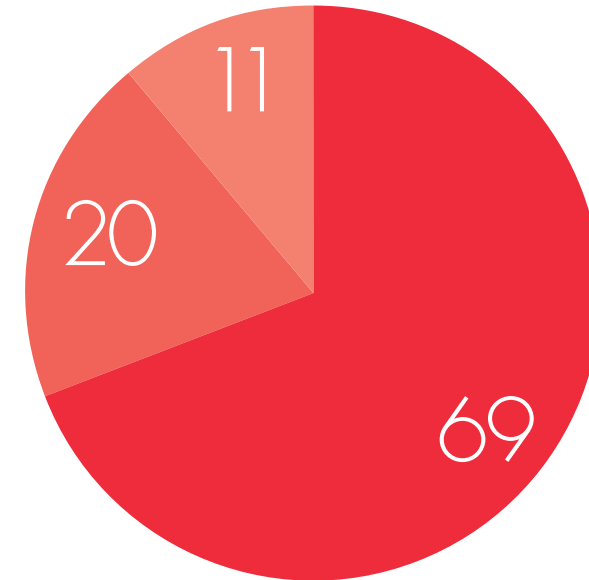
Wood forms part of many of our gifts and accessories as well as our shop-fittings. Issues associated with wood are also integral to The Body Shop Values – we launched ground-breaking campaigns to raise awareness of acid rain and the destruction of the rainforests over 20 years ago. We're now members of WWF's Forest and Trade Network, and have achieved our target of using only Forestry Stewardship Council-certified wood in our accessories. Likewise we'll be buying only FSC or recycled product packaging wherever we possibly can. We've worked closely with the FSC to understand what it means to have a reliable 'chain of custody' for wood, and we're applying this learning across our whole supply chain.



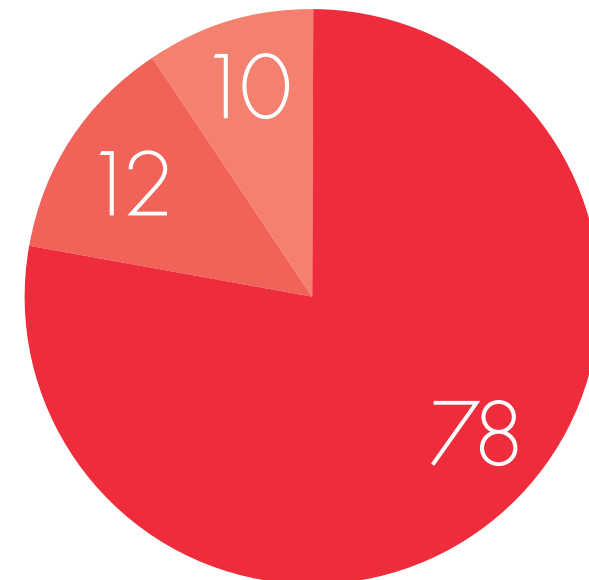
OUR FILE-A-FOOT, DETANGLING COMBS AND CUTICLE STICKS ARE MADE FROM SILVER BIRCH WOOD SOURCED FROM THE FIRST FSC-CERTIFIED FOREST IN RUSSIA.

WHERE HAS OUR WOOD COME FROM?

FSC
NON FSC
TEDDY



SOURCES OF WOOD IN 2009 (%)



SOURCES OF WOOD IN 2010 (%)

BY THE END OF 2011 ALL OF THE WOOD USED IN OUR ACCESSORIES WILL BE FSC CERTIFIED, APART FROM THE WOOD SOURCED THROUGH OUR COMMUNITY FAIR TRADE PARTNER, TEDDY EXPORTS.

We have one Community Fair Trade wood supplier – Teddy Exports in India. They supply us with wooden massagers, our ‘bags for life’, and muslin cloths. Most of the wood they use is Acacia Nilotica, but despite a 15-year search for sustainable supplies, there is virtually no FSC-certified acacia available in India. We’re continuing to work with them on this, but it remains a very difficult challenge, and not one we can easily solve by ourselves. Teddy were our first ever Community Fair Trade supplier, and thanks to us were able to open their first school in 1994.

Palm oil

Palm oil gives rise to even more complex issues than wood, some of them highly contentious. It’s the most widely used vegetable oil in the world, employed in everything from food to detergents, and increasingly also as a bio-fuel. As a result there’s been a huge increase in demand in recent years, but this success has come at a cost, both to the rainforests cut down to make way for new palm plantations, and the indigenous peoples who are moved off these lands. We were one of the founder members of the Roundtable on Sustainable Palm Oil, and we’ve always sought suppliers who comply with these principles.



WE ARE PLACING THE RSPO LOGO ON ALL OUR SOAPS.

We first started working with Daabon, a Colombian group in 2007. Daabon was not certified by the Roundtable as a national standard for Colombia didn’t exist at the time but it had passed an independent audit using the Roundtable’s criteria. We also carried out our own visits to their plantations.

It was only in late 2009 that a problem suddenly emerged with a piece of land that had been purchased by a consortium that included Daabon. Christian Aid, an international development charity and its local partner in Colombia claimed that people were living on the land and that they were being evicted to make way for a new plantation. For its part, the consortium insisted they had bought the land in good faith, and that there were no signs of the land being used by anyone else. We’d never had any trading relationship with the consortium, but as soon as we heard about this new issue we thought it sensible to investigate the matter for ourselves. We commissioned an independent study in partnership with Christian Aid, which revealed how complex the underlying legal and property questions really were. We used the results of the study to suggest a number of ways Daabon might help resolve the issue, which they did take on board, but it became obvious to us eventually that an acceptable long-term solution was unlikely to be found, and as a result we stopped trading with Daabon.



100% OF THE UNMODIFIED PALM OIL WE USE IN OUR PRODUCTS WILL BE CERTIFIED SUSTAINABLE BY THE END OF 2011 AND WE’RE ALREADY OVER 95% OF THE WAY THERE.



DISTRIBUTION AND PACKAGING

WE ARE DISTRIBUTING AND PACKAGING OUR PRODUCTS WITH THE LEAST IMPACT POSSIBLE

OUR NEW HUB-BASED DISTRIBUTION SYSTEM HELPS US TO MINIMISE OUR CARBON FOOTPRINT.



WE ARE **SIMON PATTENDEN** SAVING SHIPMENTS, MONEY AND CO₂

SIMON IS AN INTERNATIONAL OPERATIONS PROJECT MANAGER BASED AT LITTLEHAMPTON. HIS JOB INVOLVES FINDING NEW WAYS TO IMPROVE OUR DISTRIBUTION PROCESSES WHICH WILL CUT COSTS, AND REDUCE OUR CARBON EMISSIONS.

“The idea I’m most proud of was when, with my team, we identified a way of using slip sheets rather than pallets for our international distribution. Slip sheets are much lighter and thinner than pallets, which means you can ship more product in the same container. I’d known about the benefits of using slip sheets for years, but it took quite a while to find a supplier who could do what we needed. We piloted the process with the International Transportation Team, and on gift supplies coming into the UK from Asia, and we’re now using it in all shipments from the UK to the US. We plan to expand it to as many markets and with as many suppliers as possible.”

65

SIMON’S INNOVATION IS ALREADY REDUCING OUR SHIPMENTS BY APPROXIMATELY 55 SEA CONTAINERS A YEAR, WHICH ADDS UP TO 65 TONNES OF CO₂.



AS AN INTERNATIONAL BUSINESS, OUR CHALLENGE IS TO GET OUR PRODUCTS TO OUR CUSTOMERS EFFICIENTLY AND COST-EFFECTIVELY; AS A VALUES-BASED BUSINESS WE WANT TO DO THAT IN A WAY THAT MINIMISES WASTE, REDUCES PACKAGING, AND CUTS EMISSIONS OF CO₂.

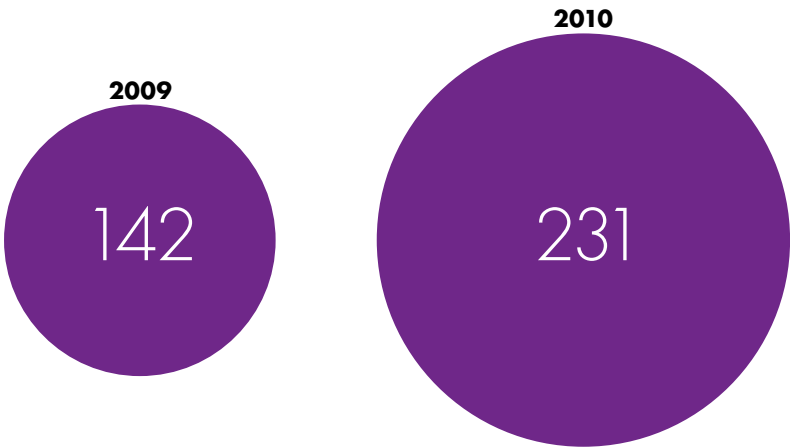
Transporting our products to market

We organise our international business in 3 regions – Europe, Asia, and the Americas. We have a warehouse in each region where we collate finished products and ship it around the world. These are principally located in the UK, Singapore, and the US. The traffic through these warehouses is classified as either ‘inbound’ or ‘outbound’. Inbound covers products coming in, and outbound includes shipments between the 3 warehouses, shipments to our own stores and franchisee operations, and deliveries direct to consumers generated by internet shopping and ‘The Body Shop At Home™’ business.

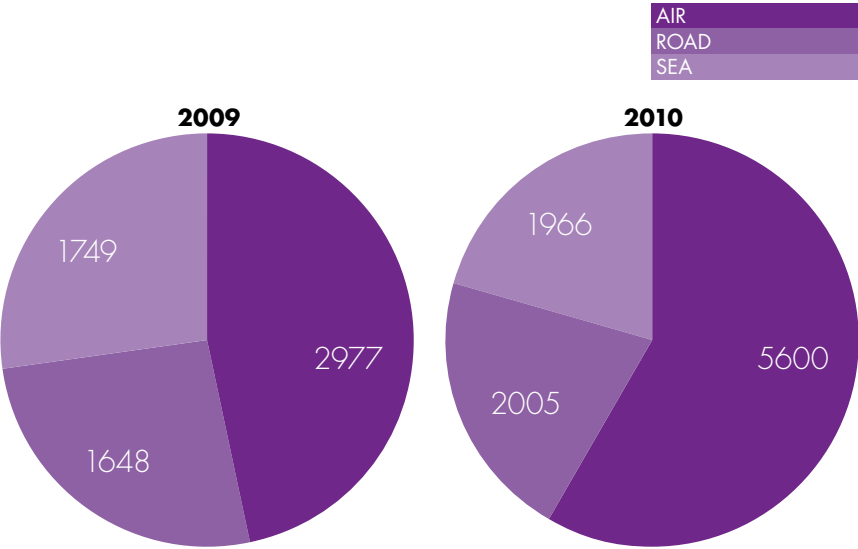
As The Body Shop becomes more international, we’re moving towards a hub-based distribution system. This is not only more efficient, but helps reduce air freight, which is another of our long-term aims. Other ways we’re attempting to reduce our carbon footprint include consolidating our shipping to larger but less frequent deliveries, merging different types of order to the same market, and using each container more efficiently. Our Canadian shipments are now more efficient as a result, and for the last 3 years we’ve been running a similar programme to consolidate goods coming into Singapore. We are also consolidating our freight in Shenzhen and Bangkok to reduce shipments and improve container fill. Of the goods we source from China, we now ship 90% directly from the mainland rather than going through Hong Kong, which avoids a 150km trip by road.

We are confident that, as we continue to roll out these initiatives, our transport CO₂ emissions will begin to reduce. We are paying special attention to reducing our air freight in particular, which saw a rise between 2009 and 2010, largely due to unexpected demand and a request to get products to our customers quickly. This is always a challenge for a growing global business, but we’re in the process of adjusting our planning processes so we don’t need to air freight as much as we did in 2010.

TRANSPORTING OUR PRODUCTS



LIKE-FOR-LIKE CO₂ EMISSIONS FROM ALL FREIGHT (GRAMMES PER UNIT PACK OF PRODUCT SHIPPED)



TOTAL CO₂ EMISSIONS FROM FREIGHT BY MODE OF TRANSPORT (TONNES)



Packaging sustainably

Packaging is definitely one of those areas where less is more, and we've worked hard to reduce the amount of packaging materials we use. Many of our products aren't packaged at all, and those that are use recycled or sustainable components wherever that's technically possible. One of the most important of these is recycled plastic, known as 'post consumer recyclate' or PCR. We try to include PCR in all packaging where possible, but levels do vary depending on the specific requirements of the product and the quality of PCR available.

By the end of 2010 45% of our product range was filled into packaging that contained some PCR. A fall in the proportion used since 2009 was partly down to the mix of new products we launched in the intervening 12 months, and where we could viably use some PCR. However, we were the first international cosmetics retailer to use plastic bottles, containing 100% PCR, which help reduce both landfill waste and CO₂ emissions. We're using these bottles wherever we can, but the colour quality of the

plastic has deteriorated noticeably in the last year due to the demand for PCR, and we've struggled to find supplies that are good enough for us to use in all of our products without compromising the product integrity. The reason for this is that the quality of the recyclate will vary according to the material available for recycling at any one time – by its nature it's a cyclical business. Where we can't use 100% PCR for technical reasons, we will use bottles containing 25% PCR instead. All of our customer paper bags are made from 100% recycled paper and we use water based inks to aid the further recycling of these.

65%

WE AIM TO INCREASE THE PERCENTAGE OF OUR PRODUCTS USING PACKAGING WITH SOME PCR CONTENT TO 65% BY THE END OF 2012.



STORES, STAFF AND FRANCHISES

WE ARE SELLING OUR PRODUCTS PRIMARILY IN OUR OWN STORES, AND THROUGH SHOPS RUN BY OUR FRANCHISEES

EVERYONE WHO WORKS IN ONE OF OUR STORES SHARES THE SAME PASSIONS, AND GETS THE SAME SUPPORT.

WE NOW HAVE MORE THAN 2,600 STORES IN MORE THAN 66 COUNTRIES ACROSS THE WORLD. AROUND HALF OF THESE WE FULLY OWN, AND THE OTHER HALF ARE RUN BY OUR FRANCHISE PARTNERS. WE'VE RUN THE BODY SHOP® THIS WAY SINCE WE FIRST EXPANDED OVERSEAS IN 1978 — IN FACT, WE WERE ONE OF THE FIRST BEAUTY COMPANIES TO EXPAND ITS BUSINESS GLOBALLY USING THIS PARTICULAR MODEL.

In some ways our approach to franchising is very similar to the way other companies do it, but there's an ethical and values led dimension to our contracts that not all other businesses include. The commercial as well as the ethical aspects of the relationship are covered in the franchise agreement, which sets out what we will do for them, and what we expect them to do in return. Each franchise operation is normally owned by the franchisee, but we provide the brand direction, products, and support them on key aspects of the retailing operation. Our paramount commercial priority is to ensure that there is consistency in the way our stores are run, and that we protect and enhance The Body Shop® brand. That's why we retain tight control of how the stores look and what they stock but as long as those issues are handled according to the terms of the franchise contract we're usually happy to let the franchisees manage 'back end' aspects of their business.

Like all franchisors, we look for partners who are financially sound, with solid relevant experience, and access to the funding they need to develop the business over the medium to long term. Unlike most other franchisors, we also look carefully for franchisees whose ethical credentials match our own. Our franchisees are expected to integrate our Values into their operations and some have developed reputations as leaders in responsible business practice in their particular regions. The franchise part of our business continues to thrive and we are determined that it is commercially as well as ethically successful.

Volunteering by our teams

We believe that volunteering is an important part of life and we encourage our teams to be as active in the local community as they can. We have a policy to allow every member of staff paid volunteering days every year. This goes as high as 6 days per year in the UK and Singapore. There's a special 'Anita week' every October, to honour Anita Roddick, and reward outstanding achievements by our teams. We encourage all employees to spend at least one of their days during that week if they can.

The range of work our employees do as volunteers is always impressive. In the UK groups of employees visited a local hospice every week during 2010, helping with decorating inside and gardening outside; a team of 30 spent a whole day at a children's hospice painting the fences; and the Littlehampton IT team developed a website for a charity working with local homeless people.

2,600

WE NOW HAVE MORE THAN 2,600 STORES IN OVER 66 COUNTRIES ACROSS THE WORLD.

1976

OUR STORE WAS ESTABLISHED IN 1976 IN BRIGHTON.

For the past few Christmas holidays employees at the US Customer Support Centre have collected gifts for the families at a local women's domestic violence shelter. Our American stores also set up collection bins for donations to charities working with homeless women and those suffering from domestic violence.

Staff from The Body Shop in Seoul volunteer regularly at a care centre for senior citizens living alone, while in Busan our employees help at an orphanage. In Australia, The Body Shop encourages employees to volunteer with a children's play scheme, and a total of 4,000 hours was given to this programme during 2009 and 2010. 8 employees in Japan took part in the Oxfam Trailwalker fundraising event, to support Oxfam projects in Cambodia and Laos, and the charity Emergency Aide in Congo.

During Anita Week 2010, UK employees helped with conservation work at the Wildfowl & Wetlands Trust in Arundel, and helped clear scrubland for West Sussex Conservation and for a local National Trust site. One UK project, LCT Homelink, benefited from over 700 hours of volunteer help in that week alone. Employees in the US were involved in activities ranging from working at animal shelters to picking up litter. Employees in the Canadian Customer Support Center held a food drive for the Daily Bread Food Bank.



CONSERVATION WORK AT PAGHAM HARBOUR, UK.



VOLUNTEERING AT LCT HOMELINK.

WE ARE **EMMA SYLVESTER** VOLUNTEERING TO MAKE A DIFFERENCE

EMMA MANAGES OUR KING'S ROAD STORE IN LONDON AND IS A REGULAR VOLUNTEER AT 'BODY AND SOUL', A CHARITY THAT SUPPORTS CHILDREN, TEENS AND FAMILIES AFFECTED BY HIV AND AIDS.

"I've been a volunteer and coordinator at Body and Soul for a number of years. I've held skincare workshops, pampering sessions with facials and hand massages and given make-overs. You leave Body and Soul feeling like you've made a real difference, helping people feel valued, bringing them back from the margins of society with a smile and a hug. It's an amazing feeling to make an individual feel special, even just for 10 minutes."

6

ALL OUR STAFF ARE PAID TO VOLUNTEER FOR UP TO 6 DAYS PER YEAR, DEPENDING ON WHERE THEY ARE IN THE WORLD.

Inspiring and developing our people

Ours has always been a business that puts a high value on people – we campaign for human rights across the world, and we're equally concerned to treat the people who work for us in a fair, considerate and supportive way.

As you would expect, this means we have forward-thinking policies on issues like diversity and equality, because we believe passionately that it's not your background, race, sexuality, gender, or disability that defines who you are, but the talent you have, and the commitment you're prepared to give.

In the last few years we've formalised most of our HR policies – another necessity as the business has grown. We now have 5 'pillars' or clusters of policies under the overall heading of 'The Body Shop & Me'. These cover recruitment and integration, learning and development, performance appraisal, reward and engagement and career development. There are detailed tools and processes supporting all of these, and they're underpinned by the basic principles we follow in all our dealings with our teams, which are transparency, dialogue, and mutual commitment. These principles aren't just 'paper values' either – they're very real commitments to a relationship with our people that's based on mutual respect, strong belief in diversity and clarity about the responsibilities and expectations on both sides.

One way we express this is through our 'competency model'. This sets out how we all work together, and what we need to do to develop and grow, both as individuals and as a business. The model combines commercial skills like managing complexity, achieving results, and connecting with customers, with personal characteristics like creativity, communication, and initiative, and ethical qualities like integrity, respect, and sensitivity.

As far as possible, we want our people to take ownership of their own development, and invest in their own future at The Body Shop. We've introduced a Retail Academy designed specifically for our store teams. Calling it an 'academy' makes it sound like a real place, but in fact it's a virtual tool-kit of learning materials that add up to a unique curriculum of ethical beauty know-how. It's all about making sure that every customer of The Body Shop gets the same quality and energy of service wherever they are in the world – service that's backed up by in-depth knowledge and a passion for what we sell. We've developed the materials ourselves, so that they capture the essence of The Body Shop approach, as well as what's accepted best practice in areas like store standards and sales skills.

We also support the wider personal development and wellbeing of our employees by contributing towards courses in areas like languages, sports, music, and health and fitness. Our flexi-benefits scheme called 'Choices' offers employees the opportunity to buy or sell holiday, purchase cycles from their gross salary, increase their pension contributions as well as a range of other tailored benefits. In order to support staff in financial or personal difficulty we also offer confidential and independent counselling through our employee assistance programme.

Reducing our environmental impact

We've included the environment in this chapter because what happens in our stores is such a key determinant of our overall impact and performance.

We have demanding environmental targets for The Body Shop as a whole, and have made a public commitment to reduce our CO₂ emissions by 50% in our stores by 2020 and to achieve the same by 2015 in our offices. Before we set this target we were working towards carbon neutrality, but having seen how that was working in practice we found that, although the intention was undoubtedly good, in practice it was encouraging the wrong sort of decision-making. We would rather devote our resources to improving our own performance rather than offsetting. Having an outright emissions reduction target has redressed the balance the right way here.

The energy we consume in our stores makes up a significant proportion of our carbon emissions, and we've been working hard to make them more efficient. We now have automated meter reading in one third of our UK stores, which helps us monitor our energy consumption, and identify opportunities to make savings. We've recently been piloting the use of a full Buildings Management System in a number of our larger shops on high streets, and the initial results suggest we could achieve a cut of between 10% and 15 % in the energy we use for heating, lighting and cooling, for these types of store. If these initial results prove robust, the plan is to roll this out across appropriate stores in the UK, as well as in other markets like France and Germany and internationally. This is quite an innovation story in its own right, since most Building Management Systems like this are installed at large sites like factories and warehouses, and we've had to adapt it for our much smaller buildings. We're also working with energy management specialists on new ideas that can work alongside this system, like more efficient Heating, Ventilation and Air Conditioning systems to address the industry-wide problem of stores losing heat or cooling through open doors, as well as an extensive study on closed doors versus open doors.

As well as monitoring our energy use more closely, we've also been steadily shifting to green electricity tariffs. Over 90% of the store estate in the UK, France, Germany and Benelux are now covered, as well as over 65% in Austria. We aim to do the same in Portugal in the course of 2011, with plans underway for a wider international roll-out as de-regulation occurs.

We are pleased that our outright CO₂ emissions from stores stayed more or less level, despite an increase in the size of our store estate. Of course, this isn't enough if we are to meet our challenging 50% reduction target, but we believe that a continued and successful roll out of the Building Management System, a forthcoming store re-vamp and behavioural change will help to accelerate this trend and mean we achieve our 50% reduction target by 2020.

OUR ENVIRONMENTAL TARGETS:

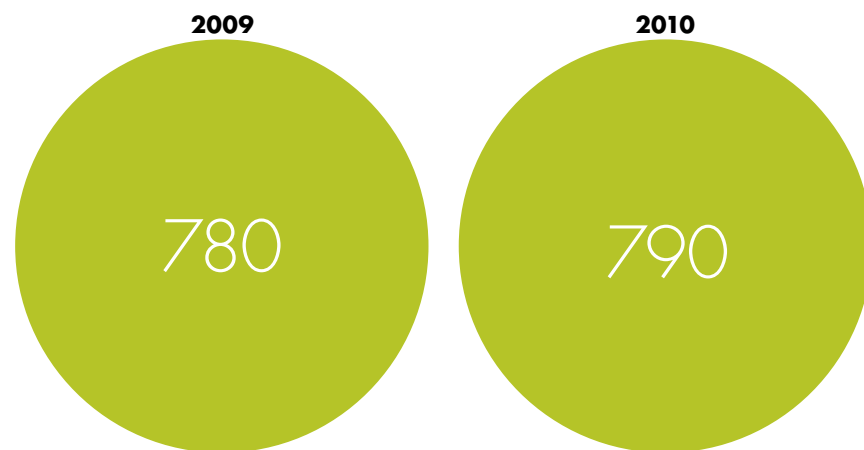
REDUCE OUR CO₂ EMISSIONS BY 50% BY 2020 IN STORES AND BY 2015 IN OFFICES

REDUCE THE AMOUNT OF WASTE WE GENERATE BY 50% BY 2020

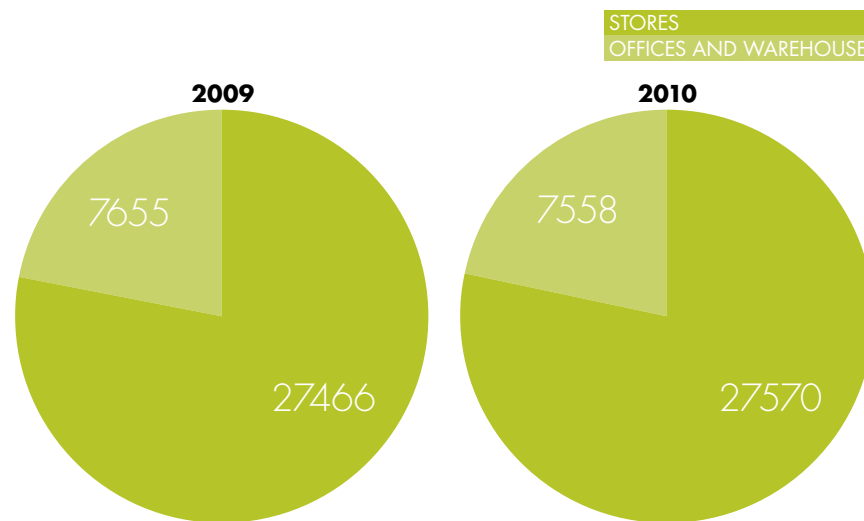
REDUCE OUR WATER CONSUMPTION BY 25% BY 2020

Waste and recycling is another big area for us, and we're well-known for being the first beauty retailer to offer refillable bottles. The same principle still holds true in our stores, where we continue to look for productive ways to recycle items like the fabric used in backdrops. We're also using a specialist waste management collection company, which helps reduce the number of journeys made, and ensures as much of our waste is recycled as possible.

Our employees are encouraged to minimise the number of business journeys they make, and use public transport or video-conferencing wherever they can, but we were disappointed that due to the increasingly global nature of our business, air travel rose between 2009 and 2010. We are monitoring this closely and have invested in improved facilities for conference and video calls to get us back on track.

HOW MUCH CO₂ DO WE EMIT FROM OUR STORES AND OTHER FACILITIES?

LIKE-FOR-LIKE CO₂ EMISSIONS FROM ALL SITES (GRAMMES PER UNIT PACK OF PRODUCT SHIPPED)



TOTAL CO₂ EMISSIONS FROM OUR STORES/OFFICES AND WAREHOUSES (TONNES)

Thinking local in Littlehampton

Our corporate head offices are located in Littlehampton, in the South East of England. We work hard to introduce new environmental technologies there and to make it an inspirational place to work.

We have just installed the largest, self-funded roof mounted solar system in the UK. The installation consists of 3,840 solar panels and will generate around 900,000 kWh of electricity a year, which is 25% of the site's energy requirements and equivalent to powering the needs of 250 houses. We also have plans to install solar panels at our Wake Forest offices in the US, which could generate up to 30% of the energy needs for that site.

Support from UK government Feed-In Tariffs helped in investing in this green energy generation. The favourable subsidy created huge interest as some organisations saw a significant opportunity for commercial gain and the government has since reviewed their approach with the tariff due to end at the end of July 2011. Whilst we understand the need to prevent commercial exploitation, we are disappointed that large, self-funded scale installations like ours, have now reduced considerably in size, been postponed or abandoned.

30%

WE HAVE PLANS TO INSTALL A WIND TURBINE AT LITTLEHAMPTON AND SOLAR PANELS AT OUR WAKE FOREST SITE IN THE US, WHICH COULD GENERATE UP TO 30% OF THE ENERGY THESE SITES NEED.

INSTALLING OUR SOLAR PANELS

6,355 SQ M OF SOLAR PANELS
THE SIZE OF 24 TENNIS COURTS

20KM OF CABLE, THE LENGTH
OF 2,386 DOUBLE DECKER BUSES

9 WEEKS TO INSTALL

£2.8 MILLION INVESTMENT — THE
LARGEST SELF-FUNDED SOLAR PANEL
PROJECT IN THE UK



THE LARGEST SELF-FUNDED SOLAR PANEL PROJECT IN THE UK, AT OUR WATERSMEAD SITE IN LITTLEHAMPTON.

We have extensive grounds at our Littlehampton site, which we used to landscape in quite a conventional manner, with mown grass areas and trimmed hedges. We've now decided that we can put our environmental Values into practice far more effectively by managing this area in a sustainable way. This will encourage biodiversity, and turn the site into a useful habitat. We now have 8 linked areas, which we've developed in collaboration with local schools and community groups. We're also working in partnership with a local college with a well-respected horticultural department – we benefit from their expertise, and their students get the chance to learn new skills like soil sampling, plant identification, and environmental surveys. There are now summer flowering meadows to attract insects and birds, as well as a series of bird boxes, bat boxes and other places of refuge for wildlife.

One of the most popular initiatives has been to introduce allotments for our employees, especially those who have no access to gardens. We provide use of a greenhouse and then the opportunity to use a large piece of land with over 20 allotments to grow fruit and vegetables. The take up has been phenomenal and offers staff the opportunity, not only to grow their own produce, but also access to nature and a break from work. We try and recycle as much food waste as we can from the site and are looking to offer the compost we produce for staff to use in their allotments and elsewhere around the grounds. We have also introduced 4 new beehives, which are managed by members of staff and are already providing us with honey.

OUR ALLOTMENTS HAVE BEEN A GREAT SUCCESS. THEY OFFER STAFF THE OPPORTUNITY TO NOT ONLY GROW THEIR OWN PRODUCE, BUT ALSO ACCESS TO NATURE AND A BREAK FROM WORK.



TOP: WE HAVE OVER 20 ALLOTMENTS AT OUR SITE.
BOTTOM: OUR 4 NEW BEEHIVES ARE ALREADY PROVIDING US WITH HONEY.

Thinking local in Indonesia

Our franchisee in Indonesia has been driving their own environmental programmes for a number of years. Ibu Suzy Santoso-Hutomo, is the CEO and is renowned for her environmental and social activism. In 2011 she became a Chair of Greenpeace South East Asia and Trustee of Greenpeace International. Suzy is also a Board member of Al Gore's Climate Reality project and as a result of that work has inspired more than 500 people about climate change and what we can all do to avoid it.

In the last few years we've planted over 17,000 trees to offset our local use of paper products, working in partnership with NGOs and our own staff. Another scheme is called 'Bring Back Our Bottles', encouraging customers to bring back their empty bottles for recycling, by offering them a bag for life for every 25 bottles they return to our stores. We've collected around 3,000 bottles per month during that time. All the funds we generate are donated to the Tzu Chi Foundation, a humanitarian NGO that provides scholarships for children in need and disaster relief.

We've also been running Think Act Change, an inspiring documentary film competition, designed to create awareness amongst customers, especially young people, about important global issues. Think Act Change has been chosen as The Best Social campaign organised by MIX magazine in 2011. As a result of the competition our customers have produced a number of highly engaging and inspirational documentaries on topics such as climate change, domestic violence and deforestation, raising awareness amongst their peers and educating themselves too.

>To view the winning films please [click here](#).

12,000

WE'VE PLANTED OVER 12,000 TREES TO OFFSET OUR LOCAL USE OF PAPER PRODUCTS IN INDONESIA.



IN 2010, 'THINK, ACT, CHANGE' WAS CHOSEN AS 'THE BEST PR PROGRAMME FOR A SOCIAL CAMPAIGN' BY MIX MAGAZINE.



Managing Health & Safety

Part of our commitment to our employees is to ensure that they have a safe and healthy working environment. For our store staff, we analysed the safety incidents reported back in 2009, and found that around 12% of them involved people threatening our employees, especially when they were working alone. As a result of this we decided to introduce personal safety alarms in some more vulnerable areas in the UK. The new alarms are discreet and inconspicuous, but work as a listening device if someone gets into a difficult situation. All devices are monitored 24 hours a day, 7 days a week by an Alarm Receiving Centre. We've been training people on using them for the last 2 years, and we've had really good feedback from everyone who's now using them. We intend to look at how this can be rolled out further in different countries.

It can be a challenge getting employees engaged with a rather technical subject like this, but we've made real progress by using a fun, simple Health & Safety DVD. This draws on actual experiences in-store to point out the typical hazards, and show people how to avoid them. It comes with a straightforward self-assessment questionnaire, and is now being introduced across the world, as well as being used in the induction process for all our new employees.



NEARLY 100 OF OUR STORES IN VULNERABLE AREAS ARE NOW USING THE SAFETY ALARMS, AS WELL AS A NUMBER OF OUR UK FIELD-BASED MANAGERS.



ENGAGING OUR CUSTOMERS

WE ARE
MARKETING
OUR PRODUCTS
RESPONSIBLY,
TO HELP MAKE
YOU LOOK GOOD,
FEEL GOOD AND
DO GOOD

THE BODY SHOP HAS ALWAYS BEEN A CAMPAIGNING BUSINESS — IT'S WHAT PEOPLE LOVE ABOUT US, AND EXPECT FROM US.

WE ARE **MARIANNE GULLOV** CAMPAIGNING AGAINST SEX TRAFFICKING

MARIANNE WORKS FOR THE BODY SHOP IN DENMARK. SHE ORGANISED A HIGHLY-SUCCESSFUL MARCH LAST YEAR TO SEEK SUPPORT FOR OUR INTERNATIONAL STOP THE SEX TRAFFICKING OF CHILDREN AND YOUNG PEOPLE CAMPAIGN.

“This is a cause that’s really close to my heart, and I thought the best way to raise awareness of it would be to organise a march through the centre of Copenhagen. Despite the pouring rain, over 1,500 people turned out, and the whole event attracted huge media interest and an incredible buzz on the internet. We sold t-shirts on stalls, and encouraged everyone passing by to sign the Stop Sex Trafficking petition. It was an amazing day, despite the weather, and I was so proud to have organised something that made such a difference.”



AS A RESULT OF MARIANNE’S EFFORTS, AND THE WIDER WORK OF THE CAMPAIGN, THE DANISH GOVERNMENT IS INCLUDING OUR RECOMMENDATIONS IN ITS NATIONAL ACTION PLAN TO TACKLE HUMAN TRAFFICKING. VICTIMS OF TRAFFICKING WILL NO LONGER BE TREATED AS CRIMINALS AND WILL BE SUPPORTED BY A BETTER EDUCATED POLICE FORCE AND OTHER AUTHORITIES.

WE WANT EVERYONE TO FEEL BETTER AND HAPPIER AFTER THEY USE OUR PRODUCTS. WE'VE NEVER BELIEVED THAT 'BEAUTIFUL' SHOULD BE A STEREOTYPE THAT FEW CAN ACHIEVE. WE WANT TO CELEBRATE THE INNATE BEAUTY OF EVERY INDIVIDUAL, TO EXCEL IN CONFIDENCE AND SELF-ESTEEM WHOEVER YOU ARE. WE DO NOT ASPIRE TO PLAY TO AN INDIVIDUAL'S INSECURITIES.

Supporting the brand

All the research we've done proves that people believe in our products, and that despite the huge number of 'green' and 'ethical' brands now flooding the market, we still stand out.

It's no surprise that the people who know and love us tend to be concerned about the same issues that we're concerned about, and very conscious of what and why they buy. They are fully prepared to boycott brands that don't share their values. In fact, when we questioned a sample of our regular customers in early 2010, over 96% of them said that our Values are important to them, with over 62% saying they're extremely important. More recent research suggests that 81% of our loyal customers believe it's important for a retailer to take an ethical stance, which includes having a clear position on social and environmental issues.

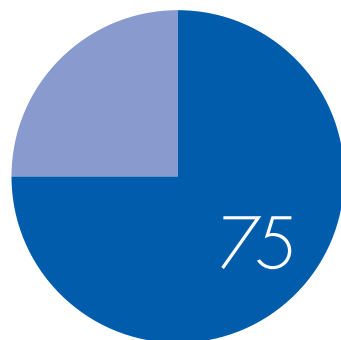
This is why our campaigning activities are so close to the heart of The Body Shop® brand – it's about being the voice of our customers, a business that is a force for good, driving long-term change.

Campaigning for positive change

Campaigns have been part of The Body Shop from the very beginning. The first was Save the Whale, launched with Greenpeace in 1986, followed by Stop the Burning, which collected almost a million signatures to call for action to save the Brazilian rainforests. Ban Animal Testing is probably still the most famous campaign we've ever run, and not forgetting the ground-breaking campaigns on self-esteem, human rights, domestic violence, and renewable energy.

THE BODY SHOP WAS HONoured TO RECEIVE THE UNITED NATIONS BUSINESS LEADERS AWARD FOR FIGHTING HUMAN TRAFFICKING IN DECEMBER 2010.

Every campaign has been designed to achieve lasting long-term change. We do sometimes associate a specific product with a campaign, but it's never about cause-related marketing alone. The best way to illustrate how campaigns work within the business is to look more closely at the current Stop the Sex Trafficking of Children and Young People campaign, which is linked to our Soft Hands Kind Heart hand cream.



75% OF OUR REGULAR CONSUMERS BELIEVE IT'S IMPORTANT FOR A RETAILER TO HAVE A CLEAR POSITION ON CURRENT ISSUES SUCH AS RESPONSIBLE SOURCING AND HUMAN RIGHTS.

The facts about child sex trafficking are shocking. Over 1 million children and young people are trafficked every year for sexual exploitation, and it was realising this and understanding the terrible worldwide issue and the impact trafficking has on their lives that inspired us to take action. We believed that, with our reach and global customer base, working collaboratively with NGO's and Governments, we could drive long-term change. This prompted us to develop a high-profile campaign.

As is usual with our campaigns, we first looked for an experienced and knowledgeable NGO partner, and found it in ECPAT International. The name stands for End Child Prostitution, Child Pornography and Trafficking of Children for Sexual Purposes, and they've been working in this field since 1996. Their network now extends to more than 80 local groups in over 70 countries, which means they had both the presence and the expertise to make our campaign a tangible reality.

Working closely with ECPAT, we put together a 3-phase campaign to take place over 3 years. Phase 1 was all about raising awareness and fundraising. Phase 2 focused on petitioning and phase 3 was all about calling for change. The preparatory work began with the establishment of a cross-functional team at The Body Shop to oversee the campaign, which included representatives from the brand team, Marketing, Product Development, the Retail Academy, and Internal Communications. We also worked closely with the franchisee community to ensure the campaign would resonate around the world.



HONG KONG CAMPAIGN LAUNCH.

OUR PETITION

OVER 7 MILLION SIGNATURES FROM AROUND THE WORLD

2.3 MILLION SIGNATURES, THE LARGEST EVER HUMAN RIGHTS PETITION PRESENTED TO THE EU COMMISSIONER

THE LARGEST PETITION IN SWEDEN IN 30 YEARS

ONE OF THE LARGEST PETITIONS IN AUSTRALIAN HISTORY

THE 2ND LARGEST PETITION IN UK POLITICAL HISTORY



WE'VE COLLECTED OVER 7 MILLION SIGNATURES CALLING FOR A CHANGE.

Local ECPAT groups then linked up with our own teams across the world, to plan specific initiatives at national and local level. The official launch took place in Bangkok in August 2009, in the presence of Dr Najat Maalla M'jid, the UN Special Rapporteur on the sale of children, child prostitution and child pornography. The campaign seeks to increase awareness of the scale of the issue, raise funds for vulnerable young people, and most importantly inspire decision-makers to push for change. The Soft Hands Kind Heart hand cream was specially developed to support the campaign, and all the proceeds go towards it. We encouraged customers to sign petitions online and in-store, and received over 7 million signatures worldwide.

And because our campaigns are about achieving tangible change, Stop the Sex Trafficking of Children and Young People campaign also funded the creation of a new system called Progress Cards, which firstly identify the issues that must be tackled on a country-by-country basis to achieve long-term change, with a concrete solution, and to ensure that we are able to track progress. Countries were assessed against 3 criteria. These were the availability of community-based intervention programmes, especially for children at risk; the incorporation of international legal standards for protecting children into the national legal framework; and the provision of specialised medical and counselling services for children who are victims of trafficking. Each country was measured on a 'traffic light' system, where green is good progress, amber indicates work is underway, and red signals the need for urgent action.



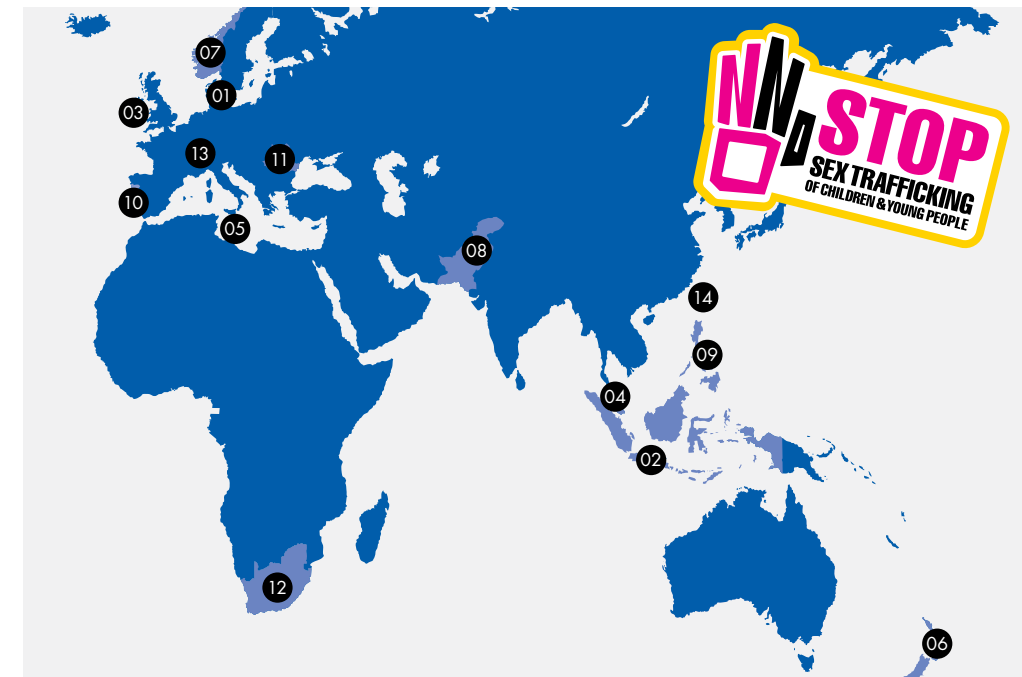
INDONESIA PETITION HANDOVER.

In each of our markets where we run the campaign, petition handovers were organised with government departments, or other key opinion formers or decision makers, to call for specific action based on the results of our Progress Cards. From Korea to Denmark to South Africa to Australia we have presented millions of customer signatures and there have been some significant achievements. In Malta, the government signed the Council of Europe Convention on the Protection of Children Against Sexual Exploitation and Child Abuse, a major international treaty which will greatly improve the protection and support for children. The government later committed to creating a sex offenders register, achieving the campaigns second call to action in just 8 months. In Malaysia, the government committed to ratify the Optional Protocol to the UN Convention of Child Rights on the sale of children, child prostitution and child pornography. There have also been notable successes in Romania, Sweden, Denmark, Switzerland, Norway, The Netherlands, Taiwan, Pakistan, Indonesia, Ireland, South Africa and Portugal.



TAIWAN PETITION HANDOVER.

WHERE HAS OUR CAMPAIGN INSPIRED GOVERNMENTS TO COMMIT TO LEGISLATIVE CHANGE?



- 01 DENMARK
- 02 INDONESIA
- 03 IRELAND
- 04 MALAYSIA
- 05 MALTA
- 06 NEW ZEALAND
- 07 NORWAY
- 08 PAKISTAN
- 09 PHILIPPINES
- 10 PORTUGAL
- 11 ROMANIA
- 12 SOUTH AFRICA
- 13 SWITZERLAND
- 14 TAIWAN

Campaigning against Sex Trafficking of Children and Young People in Ireland

In 2009, The Body Shop Ireland franchise launched the Stop Sex Trafficking of Children and Young People campaign, in conjunction with Children's Rights Alliance. The key call to action of our campaign petition was ratification of the Optional Protocol to the UN Convention on the Rights of the Child, on the sale of children, child prostitution and child pornography.

Since 2000, of 500 children who have gone missing while in the 'care' of the Irish state, 90% remain unaccounted for; it is strongly suspected that many of these will have been trafficked. During Christmas 2010 we used graphic shop front imagery to raise awareness about this issue to our customers. We also involved Irish artist Michelle Rogers, who wanted to emphasise that trafficked children are no different to our own, and produced some powerful paintings of her nieces which were then reflected on large banners and hung in front of windows above our stores in Dublin, Cork, Galway and Sligo.

We also used this imagery as part of a communications toolkit to engage with our politicians on the issue. Due to the power of our window posters, Michelle's inspiring artwork and the hard work and dedication of our store staff we collected 165,011 signatures, equating to 3% of the Irish population.

Shortly after we handed over our petition, we received some very positive and constructive comments from the Office of the Minister for Children and Youth Affairs and from the Office of the Minister for Justice and we are really hopeful that this will result in Ireland's ratification of the UN convention. The Children's Rights Alliance referred to this as "a positive development that has arisen from The Body Shop 'Stop Sex Trafficking of Children and Young People' petition."

>To read the full report on the background to the campaign [click here](#).

Another successful recent campaign was focused on raising awareness of the HIV epidemic, launched in March 2009. Over 6,000 young people aged 16-24 are infected with HIV every day, often because they're unaware of what they should be doing to prevent it. The key message of the campaign was that 'anyone can be an activist' – that we all need to do what we can to protect ourselves and stop the spread of HIV. As part of the campaign we teamed up with MTV International and the Staying Alive Foundation to help educate young people on safe sex, and donated all profits from our Tantalizing Lip Butter. We also formed a ground-breaking partnership with UN AIDS which was launched around the world on World Aids Day, 1st December 2010.

Marketing responsibly

Our Values always inform the way we market our products. We don't use excessively thin or young models but we have to respect that the expectations in some markets differ when considering buying a beauty product. We use people and products in our imagery but never an impossibly air-brushed human face. And while we may make some ranges designed for specific age groups or skin types, we're extremely careful not to use any wording that might play on customers' insecurities – our products are all about the power of positive self-esteem, not the fear of falling short. Likewise our products never offer perfection or promise the impossible – they do what they say they'll do, and they'll do it beautifully.

"THERE IS NO OTHER BEAUTY BRAND IN THE WORLD THAT WOULD TOUCH SEX TRAFFICKING OR DOMESTIC VIOLENCE. IT'S SO IMPORTANT BECAUSE THEY ARE IN SUCH A GOOD PLACE TO MAKE AN IMPACT."

CUSTOMER FEEDBACK

THE BODY SHOP FOUNDATION

WE SET UP THE BODY SHOP FOUNDATION IN 1990. IT'S A REGISTERED CHARITY WHICH SUPPORTS PIONEERING FRONTLINE ORGANISATIONS THAT OFTEN FALL OUTSIDE THE SCOPE OF CONVENTIONAL PHILANTHROPIC FUNDING.

IT FOCUSES — AS WE DO — ON ISSUES LIKE HUMAN RIGHTS, THE ENVIRONMENT, AND ANIMAL PROTECTION.

WE ARE MAKING A DIFFERENCE BY INVESTING IN INSPIRATIONAL CAUSES AND ENCOURAGING OUR PEOPLE TO BE VOLUNTEERS.

Taking a bolder approach to philanthropy

The Body Shop Foundation has always taken a rigorous approach to its community investment. Every project has to deliver demonstrable benefits, which can be monitored, measured, and evaluated at the end of the scheme. The Foundation deliberately concentrates on grass-roots groups, because they believe that these people are best placed to make a real and lasting difference at local level. If this sounds familiar, then it should: it's a direct extension of everything The Body Shop believes in as a company – the power of the individual to make a difference, the value of working with small and often marginalised groups, and the importance of taking a business-like approach, even to philanthropy.

The Foundation focuses its work on projects that address social and economic injustice, access to education, and the protection of the environment and animal life. Every project is run in collaboration with a local group, to ensure that we make the most of local expertise, and come up with solutions that are supported by local people.

In 2009 and 2010 the Foundation made 247 grants across its remit of human rights, animal and environmental protection, totalling £1,935,237. Over 200 members of staff suggested possible projects for funding.

Most of this money comes from The Body Shop International, but the Foundation also runs its own fund-raising activities, and encourages employees of The Body Shop to take part. We also have a tax-efficient Give As You Earn programme in the UK, and similar schemes in other countries across the world. Employees can also give to The Body Shop Foundation. Through payroll-giving, employees in the Americas gave more than \$114,000 in 2009/10 to the Texas Council on Family Violence, Amnesty International, Until There's a Cure, and Children on the Edge.

WHERE HAS THE FOUNDATION MONEY BEEN SPENT IN 2009 AND 2010 FINANCIAL YEARS?



	CONTINENT	PROJECTS	AWARDS GRANTED
01	ASIA PACIFIC	69	£649,318
02	EUROPE	93	£547,688
03	AMERICAS	51	£285,223
04	AFRICA	25	£257,855
	GLOBAL	9	£195,153

Funding globally

The Global Grants programme funds projects anywhere in the world, preferring to fund small, local organisations. These funds are allocated by our Board of Trustees and the current focus for this programme includes issues such as access to water, education for children and young women and conservation of forests. In 2010 7 organisations were awarded 2 year commitment grants, totalling £200,015. Among the projects funded were Coordinated Action Against Domestic Abuse, The Orangutan Foundation and SolarAid Malawi. Let's look at 2 of these in more detail.

SolarAid, Malawi

SolarAid is a young, innovative charity which tackles two of the most pressing challenges facing the world at the moment: climate change and global poverty. Their vision is a world where everyone has access to affordable, clean, renewable power, and they're working towards this by bringing solar power to local communities in the developing world.

SolarAid received Foundation funding for their 'sunnymoney' programme in Malawi. This uses the principles of micro-franchise to deliver affordable renewable energy products, especially for people suffering hardship. Our funding of £40,000 over 2 years will identify, train and supply 12 'sunnymoney' entrepreneurs in Malawi, who will then be in a position to distribute Solar Aid's range of products to up to 20,000 people.

Global Cool, UK and Zambia

Global Cool takes a fresh and unique approach to promoting green lifestyles. They target high-profile trendsetters as role models, helping make a greener way of life look both attractive and easy. Their 3 main objectives are to inspire people to live in a less carbon-intensive way; to educate primary school children in the UK about climate change through their Project Genie Initiative, and to encourage the use of low-carbon technologies in less developed countries, by funding SolarAid in Zambia. Our funding of £30,000 over 2 years is supporting Global Cool's running costs, and allowing them to hire more people.



80,000+

THE LIVES OF OVER 80,000 PEOPLE HAVE BEEN POSITIVELY AFFECTED AS A DIRECT RESULT OF FOUNDATION FUNDING.

TOP: GRID ALTERNATIVES, USA, GRANT RECIPIENT. BOTTOM: TAABAR, INDIA, GRANT RECIPIENT.

Funding locally

The Body Shop Foundation also run programmes in each of the zones in which our business operates, enabling us to capitalise on local knowledge and wisdom. Each geographical zone funding panel is made up of representatives from The Body Shop's employees, franchisees and consultants, enabling the staff to make decisions about where to spend the money. This ensures we deliver grants on specific needs and issues for the specific zone, making our funding effective and relevant to staff in those markets and zones. Here's an example of one of the group the US panel has funded.

Sea Turtle Conservancy, USA

Dr. Archie Carr, the world's leading authority on sea turtles, founded this non-profit organisation in 1959. It was the first organisation in the world formed specifically to study and protect sea turtles. Our funding of £10,000 supported a variety of programmes related to the BP oil spill in the Gulf of Mexico, including an initiative to rescue sea turtle eggs and hatchlings from the Gulf Coast of Florida and Alabama and relocate them to the East Coast of Florida.

The Foundation also funds projects near our main UK sites. Staff are able to nominate projects known to them, sometimes through their own volunteering activities. Grants of approximately £5,000 – £10,000 are made to small groups, and 44 grants were made in 2010/2011 across West Sussex and London.



SEA TURTLE CONSERVANCY, USA.

Recognising exceptional achievement

In 2009 we set up a new awards scheme to celebrate employees who go the extra mile to help their own communities and support small inspirational groups working for social and environmental change. The recognition for the award was a 1-week trip to 2 projects supported by The Body Shop Foundation in Malawi.

The first of the 2010 winners was Michael Richardson from International Operations, who was recognised for his work as an Emergency Rider Volunteer transporting blood supplies to hospitals by motorcycle, and his passionate advocacy of a more environmental approach to our supply chain. Alice Francis, from the Americas Avalon Mall store in Newfoundland, Canada, has worked for The Body Shop for 22 years, and has always been a passionate supporter of our campaigns, while working actively to help her own community. Nidhi Bajaj, who works for our franchise in India helps to organise volunteer activities for her colleagues, and works herself with the TAABAR Society, which supports India's street children. Last but not least, you can read about Marianne Gullov, from The Body Shop Denmark, on page 51.

"WAS THIS WHAT I EXPECTED? IT WAS FAR MORE, IN EVERY SENSE. IT WAS ALSO AN EXCELLENT REMINDER THAT WHEN I CAN SOMETIMES GET BOGGED DOWN IN DAY TO DAY TRANSACTIONAL BUSINESS, THAT I AM WORKING FOR A VERY SPECIAL BRAND. IT IS NOT MARKETING SPIN. OUR VALUES ARE AT THE VERY CORE OF OUR BUSINESS AND OUR POINT OF DIFFERENCE."

MICHAEL RICHARDSON, INTERNATIONAL WINNER 2010

£894,225

THE AMOUNT WE GAVE OUT IN GRANTS FOR 2010.

YOU CAN FIND OUT MORE ABOUT US, WHAT WE'RE DOING, AND HOW YOU CAN GET INVOLVED AT:

WWW.THEBODYSHOP.COM

HTTP://THEBODYSHOPFOUNDATION.ORG



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