

THE BODY SHOP®

Position on Sustainable Palm Oil

Palm oil is a raw material used to manufacture ingredients used in a large number of The Body Shop® products, including soaps and toiletries. In addition, palm oil provides employment and is an important source of nutrition for millions of people in the less developed world. However, expansion of palm oil plantations contributes to the destruction of the world's ancient rainforests and endangers animal species such as orang-utans in Borneo and Sumatra. Conditions for people working in plantations and indigenous people in surrounding communities are also harsh and unjust, resulting in frequent conflict over land and human rights violations.

Since we became aware of these conditions, The Body Shop has worked passionately to contribute to improvements for workers, communities and animals affected by the production of palm oil. We have taken on a leading role through our seat on the Executive Board of the Roundtable on Sustainable Palm Oil, an unprecedented collaboration between grassroots groups, environmental and social NGOs and companies involved in the palm oil sector.

The first victory was reached in 2005, when the RSPO agreed a set of Principles and Criteria for the Production of Sustainable Palm Oil, setting strict guidelines for conditions in palm oil plantations. Several large plantations are now in the process of becoming certified against this international standard, and The Body Shop will incorporate palm oil from certified sources in our products, once the work is complete in 2007. Throughout the process, we have shared our experience as a leading ethical company, by championing human rights criteria, providing practical advice to plantations and advocated the inclusion of small-scale farmers by funding projects for small-holders. We have also worked to create support for sustainable palm oil in our sector, and have teamed up with Friends of the Earth to encourage other retailers to support the Roundtable. This effort has so far brought the total number of retailers up from only 3 in 2004 to 15 in 2006. We acknowledge that there is still a lot of work to be done, but we are hopeful as we see improvements beginning to take shape.

Our work has been recognised by Friends of the Earth who said:

"The palm oil industry offers important development potential for countries such as Indonesia and Malaysia. However the reality is that the industry has in many cases been developed in a highly destructive way which has led to the loss of huge areas of highly biodiverse rainforest and damaging impacts on both workers and local communities. The Roundtable on Sustainable Palm Oil is a valuable initiative trying to find a way to produce sustainable palm oil and get it to the international market place. We congratulate the leading role The Body Shop has taken among global companies in supporting the development of the Roundtable on Sustainable Palm Oil. They have played a crucial role in helping formulate strong standards for sustainable palm oil production and are now playing a central role in developing mechanisms for bringing certified palm oil to the global market. The Body Shop was one of the first global retailers to provide support for this initiative and has paved the ways for other retailers to follow its example. The Roundtable on Sustainable Palm Oil still has a tough journey ahead of it before credibly certified palm oil reaches the market but without the passion and commitment of The Body Shop it is hard to believe that the Roundtable would have come so far, so fast and that this goal now seems so attainable. The continued support of The Body Shop to the Roundtable is crucial to the integrity and credibility of the entire process. We fervently hope that this invaluable support will continue."

