

## **Soap Plant**

Positioning updated on June 1, 2007

### Context

One of humankind's major challenges these days is finding a way to promote our own sustainability and offer development opportunities to everyone, nowadays and in the future, all while protecting the environment.

In a response to this challenge, Natura believes and strives to apply in its practices the concept of sustainable development, which arose at the close of last century as a result of the newfound awareness of the interconnectedness of all forms of life on the planet.

We share this vision and incorporate it into our businesses. We highlight the following from the Strategic Social and Environmental Options of Natura's 2007 Strategic Plan:

*"The awareness that the current development model is below current global demands is increasing, and a new model must be pursued in order to combine economic prosperity with the fulfillment of human needs and the preservation of life on the planet. Today, in addition to providing answers for the demands of their consumers, companies must be able to recognize and meet the needs of society as a whole. (...) The magnitude and complexity of the issues related to sustainable development will require a much broader and more radical excellence and innovation approach. It is the understanding of these issues – deeply connected to our world vision – which we pursue at Natura. This requires a constant process of reinventing the business chain, introducing changes which sometimes will be completely new, as in products based on the sustainable use of biodiversity."*

### Concept

In the pursuit of the sustainable development of our businesses, we chose a management model guided not only by economic growth and the company's long-lasting life, but also by the promotion of social justice and environmental preservation.

This means taking into account, in daily decisions, the needs of today's and tomorrow's people and communities.

### Action

The Benevides Industrial Unit, in the state of Pará, which houses our soap production and oil extraction plants, is an example of what we pursue in our operations. Its implementation reinforces our belief in sustainability and shows that it is possible to create businesses that benefit all parties.

The unit offers great advantages to our business, as it meets an increasing demand for renewable products. A fair amount of the vegetal raw material is produced there, which we have been using since 2005 to manufacture our entire soap line, opting not to use non-renewable animal, mineral or synthetic raw materials. The vegetable oil produced in Pará composes, along with oil currently acquired from other suppliers, the base for our soap.

As the project evolves, the raw material contribution of our Pará-state plant is expected to grow. The soap noodle, used in the manufacturing of Natura's bar soaps, is produced in its entirety at the Benevides Unit.

The Pará plant innovates through the application of sustainable development, by choosing family farming and by acquiring, directly from small local producers, the fruit and seeds used in the manufacturing of vegetable raw material.

In the future, as the project evolves, small growers will be benefited by means of an income complement. The training and know-how enhancement of families involved with the soap plant is expected to create income, improve quality of life and promote autonomy in the medium and long terms. A research lab on the uses of biodiversity may also promote technological advances in the community.

The project will also contribute to the protection and recovery of extraction areas. With the startup of the soap plant's activities, several fruit oils originating in Brazil's rich biodiversity will be made usable, such as inajá, murumuru, babaçu, tucumã and other species. The sustainable exploration of these palm trees will contribute to the preservation of the areas and will promote planting in rundown locations.

In summary, the standing forest, maintained through the rational use of its resources, will generate income and offer local populations a better life alternative on their own land. In other words: good for the environment, good for the community and good for our business.