

## living your mission

Each of us has the unique opportunity to take action and make changes in our own life to reduce our individual impact on the Earth. Aveda supports and encourages forward progress on your sustainability journey by taking five steps:

- 1. buy local:** Support local farmers' markets and become a member of a local coop grocery store. Not only will you be supporting local farmers, but also you'll reduce greenhouse gases associated with the transportation of food from soil to table. ([www.foodroutes.org](http://www.foodroutes.org))
- 2. drive a clean, fuel-efficient car:** Looking for a new car? Low emissions and good gas mileage are both important to the environment. You can also limit your impact by carpooling, driving less or even better—walk, bike or use public transportation. ([www.epa.gov/greenvehicles/](http://www.epa.gov/greenvehicles/))
- 3. reduce, reuse, recycle:** Cut household waste by 75%, think before you buy; buy only what you need, watch out for excess packaging and materials that cannot be recycled in your area. When shopping, bring your own reusable bag. Reuse, repair and recycle what you can and donate quality, useable items to charity. ([www.wasteonline.org.uk/](http://www.wasteonline.org.uk/))
- 4. purchase energy star products:** Your house can cause twice as much pollution as your car. Reduce this pollution and your electricity bills by purchasing products with the Energy Star logo. Appliances, electronics, lighting, heating and cooling equipment are a few examples of the 40 home product categories that this government program evaluates. (In the U.S. [www.energystar.gov](http://www.energystar.gov); in Europe [www.eu-energystar.org](http://www.eu-energystar.org); in Asia [www.apec-esis.org/home/php](http://www.apec-esis.org/home/php))
- 5. sign up or ask for renewable energy:** If your energy utility company offers renewable energy (wind, solar, etc.) for your home, sign-up. If not, ask them to provide this option. ([www.green-e.org/your\\_e\\_choices/pyp.html](http://www.green-e.org/your_e_choices/pyp.html))

## about aveda

World renowned stylist Horst Rechelbacher founded Aveda in 1978 with the vision of bringing to salon and spa professionals products that would be safer for them, for their guests and for the planet. The products are made as naturally as possible while providing professionals with the high performance they require. Aveda products are also crafted around a proprietary know-how, Aromaology™ and “the art and science of pure flower and plant essences.”

**use of plant-based ingredients:** Plants have been the companions of mankind since our origin, providing us with food, medicine, clothing and shelter. Aveda believes plant-based products are sustainably and biodegradably superior as petrochemicals are non-renewable resources that contribute to environmental degradation. In addition, plant-based ingredients emit very different bio-energetic fields from their petrochemical imitations, despite identical chemistries. These differences are due to their intrinsic properties, which take into account how, when and where the materials were created, cultivated and/or harvested. More importantly, people can detect these differences subconsciously through smell. Together with our commitment to plant-based technology, Aveda recognizes our responsibility to use botanical resources in a sustainable way and establish sourcing traceability systems.

**partnering with salons and spas around the world:** Beyond creating and manufacturing innovative professional beauty products, Aveda partners with salons and spas in developing sustainable beauty businesses. The Aveda network feels like a community and works as a business ecosystem; globally it comprises:

134 Experience Centers  
6,220 salons and spas  
37 beauty schools (Aveda Institutes)  
45,000 salon and spa professionals  
2,743 employees

We all know that our environment needs help. We sometimes feel overwhelmed by the challenges our planet is facing, and yet we all can contribute to the solutions. We don't have to become environmental professionals nor do we have to change who we are and what we do for a living. We just have to accept personal responsibility for our actions and improve our awareness of how we impact the Earth. We have to do what we do best, but do it sustainably. This requires our creativity.

Business does not have to be a major cause of environmental destruction; it can be the solution, by accepting its responsibility and becoming aware of the consequences of its activity on our planet's ecosystems. This requires our creativity.

Sustainability is one of leadership's best opportunities to unleash creativity in the workplace. New ways of thinking generate true innovation and product differentiation, which in turn creates greater consumer and shareholder value. A company culture of sustainable innovation will also bring refreshment and enjoyment to the job, give employees a sense of purpose beyond daily economic performance and it can breed retention.

The Aveda mission commands us all at Aveda to “set an example for environmental leadership and responsibility.” One might think that it brings a lot of additional constraints in our daily work and to some extent it does. However, it also brings to all employees an empowerment, an invitation to break rules and reinvent.

Aveda will not change the world, or the beauty industry at large. We can create a ripple effect that touches beauty professionals, customers, suppliers, farmers, communities in which we live and operate our businesses and other industries. It requires that we change ourselves first and live in responsibility and awareness. We business people can change the world by changing the way the world does business. How? By changing the way we do business.

Dominique Conseil  
Aveda president



the art and science of pure flower and plant essences

## living our mission

“our mission at aveda is to care for the world we live in, from the products we make to the ways in which we give back to society. at aveda we strive to set an example for environmental leadership and responsibility, not just in the world of beauty but around the world.”

Horst Rechelbacher  
founder

## AVEDA

For additional information on our environmental and social progress based on the CERES Principles, please check online or contact us at:

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CERES  
REPORT  
HIGHLIGHTS

“our mission at aveda is to care for the world we live in, from the products we make... to the ways in which we give back to society.”

aveda's responsibility starts with the ingredients we source, long before they reach our manufacturing plant in minnesota.



**support community-based farming and harvesting:** Partnering with traditional communities and purchasing more directly allows us to achieve superior quality, better traceability in our supply chain and more positive affect to those who need it most: babassu nut gatherers in Northeastern Brazil, Bulgarian farming families, South African farming communities, the Mardu peoples of Western Australia and the Yawanawa people of the Western Amazon.

**support certified organic and biodynamic crops as a first step toward sustainable agriculture:** 80% of the tonnage of essential oils we purchase for use in manufacturing our products are certified organic or biodynamic as of June 2006.

**commitment to plant-based ingredients and green chemistry:** We use petrochemicals by exception and constantly look for plant-derived ingredients and more natural manufacturing process alternatives to deliver the desired performance. Such innovations include the use of: surfactants and amine-free hair conditioners from certified organic babassu, natural styling resins, colorants from plant anti-oxidants in lip products, certified organic standard herb sanitation for many shampoos and conditioners, hexane-free absolute extraction in the Petal Essence™ line, and propylene-glycol-free botanical extraction.



**striving for an accident-free workplace:** There was a 49% decrease in the number of OSHA reportable accidents from 2000 to 2005, which has brought Aveda to a better than industry standard of 2.7 cases for 100 workers.\*

\*Refers to Total OSHA Recordable Cases during calendar year 2004 (the latest available industry rates) for NAICS 32562. Source: U.S. Department of Labor, Bureau of Labor Statistics, Injuries, Illnesses, and Fatalities.



aveda supports projects around the world led by those who work to protect and restore the earth's ecosystems.

**\$6,007,000 raised over the last eight years:** Aveda salon/spa professionals, employees and customers united for Earth Month (April) and raised funds that in 2006, went to 24 grassroots organizations that protect threatened or endangered plants and animals around the world.

**over 275,000 petitions collected this year (april 2006):** Aveda salon/spa professionals, employees and customers united voices and petitioned the United Nations and the White House to support the protection of endangered species.

**a group of network "all stars" visited guatemala in 2005 and peru in 2006:** Top supporting Earth Month salon/spa professionals experienced first hand one of the Aveda Earth Fund projects. "Seeing the partnership [between Rare and Aveda] live in action was... breathtaking...to get off a plane and experience that...it changed my life."

**one third of aveda's earth fund donations (\$980,000 in 2006) supported indigenous and other marginalized communities:** Community organizing and community-based enterprises of organic farming, medicinal plant culture, and nature-based tourism in places such as Australia, Brazil, Canada, Costa Rica, Indonesia, Nepal, Mexico, Peru, Philippines and the United States benefited from the Aveda Earth Fund.

at aveda we strive to set an example for environmental leadership and responsibility... not just in the world of beauty... but around the world

aveda redefines conventional business rules to incorporate environmental and social considerations.



**reducing energy needs over the past decade:**

Aveda sustained continuous energy efficiency innovation and investment in its Minnesota manufacturing operations and facility. Because of these efforts, while manufactured volumes have increased nearly 80% from 1996 to 2006, related greenhouse gas emissions (carbon dioxide) have only increased by 30%.



**leading our industry in environmentally responsible packaging:**

Aveda continues to innovate new solutions that minimize the use of virgin material and uses single material when possible to support downstream recycling. Just as Aveda led the industry by using 100% post-consumer recycled (PCR) PET in bottles and jars and 80%/100% PCR HDPE in bottles and jars, in 2005 Aveda again led the way by being the first to use a cap containing 25% PCR for some shampoos and conditioners.



**minimize impact of shipping-related materials:**

Aveda began using Forest Stewardship Council (FSC) wood pallets in 2002 and switched shipment of the two most used ingredients from non-recyclable drums to reusable totes. Aveda is developing and testing other waste minimization projects such as receiving tubes in lightweight trays instead of boxes and receiving empty bottles in cardboard boxes that are reused multiple times by Aveda and the supplier.



aveda uses green construction for its beauty schools, salons, spas and stores and helps third-party owners "green" their own businesses.

**retailing in eco-effective ways:** In the late 1990s, Aveda was using environmentally preferable materials like sustainably harvested FSC wood in our stores. We continue to challenge the "best option" and our updated store design includes the use of non-toxic, rapidly renewable, biodegradable or easily recyclable materials and fixtures that can be taken apart easily for reuse or can be recycled. For example, some of our building materials incorporate sunflower seed husks, wheat-straw, sawdust and other wood wastes. Aveda continues to work with the U.S. Green Building Council's LEED (Leadership in Energy and Environmental Design) certification program in developing retail-specific standards.

**reclaiming wood from a dismantled 19th century japanese farmhouse:** For its award-winning Lifestyle Salon in Tokyo, Aveda designed with local materials such as tamo oak that helps to minimize soil erosion. Solar panels were also installed on the rooftop to provide a clean source of energy and a variety of plants throughout the salon were chosen for their air purification properties and their relationship to Aveda products.

**putting "sunflowers" to work:** One of many environmentally-friendly features at Aveda's new distribution center are the skylights that track the sun's movement throughout the day (like sunflowers), directing an optimal amount of natural light into the building.

**piloting leed-ci certification for beauty schools:** Aveda constructed the 17,000 square foot Washington DC Institute, which uses many of the same design guidelines and materials as our stores. The DC Institute will be part of the pilot program for LEED-CI (Commercial Interiors) program with plans to apply for LEED certification.



to become a sustainable business, aveda faces the same challenges that need to be addressed throughout the world. overcoming them requires collaboration with the entire supply chain of business partners and stakeholders in order to develop an alternative way to do business.

**supporting sustainable agriculture:** Aveda is committed to certified organic while recognizing the ultimate goal of sustainable agriculture goes beyond organic. To that purpose, Aveda is exploring emerging standards and collaborating with farmers and non-governmental organizations (NGOs).

**buying cleaner energy:** While improving energy efficiency and conservation, Aveda recognizes that energy will always be needed to develop, manufacture and market its beauty products. The company is exploring different options to support greener sources of energy. They include: Native American reservation-based wind power, proprietary wind power generation and green energy purchased through a local utility company.

**moving from eco-efficient to eco-effective packaging:** Aveda has come a long way in minimizing virgin material in its packaging. Aveda is investigating how it can be more responsible for its own product packaging in order to recover and reuse the quality recycled resins that are used for some of our packaging. An initiative for recycling plastic bottle caps will pilot this approach in the coming years. The company is simultaneously testing ways to improve the compatibility of bio-based packaging with our product specifications.

**using green construction:** Aveda created a domestic retail store design based on sustainable materials years ago. Recent design improvements include updating and reducing redundant uses of materials. Also, when remodeling a store, finding alternative uses for as much as 70% of the materials that are removed which would otherwise go to a landfill.