

Effective immediately, Lush Fresh Hand Made Cosmetics is pleased to announce a new local program to the Greater Toronto Area working with urban beekeepers to assist prospective beekeepers in two key areas: financing and beekeeping education.

The *Lush Beekeeper Program* is designed to help new and existing urban beekeepers develop their respective beekeeping operation into sustainable small businesses by providing a zero interest loan for qualifying applicants and a mentoring program to help accelerate new beekeepers through what is typically a multi-year learning curve.

Goals

The Lush Beekeeper Program has two primary goals:

- Help stimulate the urban beekeeping industry by introducing financial and mentoring support programs.
- Help develop a vibrant, diverse and resilient source of urban honey for local markets and Lush's Supply Chain.

Program Highlights

The Lush Beekeeper Program is designed as a multi-year program to appeal to both **new urban beekeepers** struggling with startup costs and a lack of experience as well as **existing urban beekeepers** trying to grow their existing colony footprint.

This program offers:

- A privately sponsored zero interest loan specifically designed to help Canadian urban beekeepers get established or grow their existing beekeeping business.
- Mentoring support to help new beekeepers develop the skills necessary to develop a healthy, thriving beekeeping business
- An opportunity to participate as a supplier in Lush's value chain.

Scope

The scope and reach of this program is currently the Greater Toronto Area. It is Lush's intent to work co-operatively and build synergy with other apicultural initiatives and local beekeeping organizations.

In addition to the Lush Beekeeper Program, Lush offers a zero interest loan to qualifying new and existing beekeepers outside the Greater Toronto Area. For further information on this program and an application form, email LushBeeKeeperProgram@lush.com.

Program Details

Lush is introducing this multi-year partnering program to help establish new urban-based honeybee colonies.

The program covers the costs of local queens and honeybees, harvesting support, and approved beekeeping mentorships and education.

Lush's objective in this program is to support Ontario's beekeeping industry efforts to raise locally-bred queens and honeybees.

There is no interest charges assigned to the funding. Payment of the principal loan is from hive products. These products will be used in Lush's Handmade Canadian products. The beekeeper is expected to pay back the principal over three to five years.

The rate of repayment is flexible to make allowance for the dynamic nature of the honey business. It is expected that the beekeeper will allocate each year a minimum of fifty percent of the yield towards the fund repayment. The beekeeper, at their discretion, may decide to allocate more honey for repayment each year.

Lush will credit the repayment of honey at \$9.00/Kg and deduct this amount from the principal of the fund. Each year Lush will assess the market and determine if inflationary adjustments in the wholesale price for honey is warranted.

Lush will help identify and sourcing for the hive equipment, clothing, and tools the beekeeper will require. The beekeeper is expected to purchase their own suit/jacket, gloves, and hive tools. Lush will help identify these items and provide a source for their acquisition.

A central extraction facility will be provided by Lush to ease the beekeeper's harvesting effort. The beekeeper will be expected to bring their frames/honey/containers to the facility. This state-of-the-art facility saves the beekeeper significant time and money.

Creating sustainability is a key focus of this program. Vigilantly performed best beekeeping practices are key to colony longevity, health and production. During the first year of operation a new beekeeper must have a mentor. This is a condition of the program. The beekeeper may identify an experienced mentor or identify the requirement and Lush will assign a mentor to the new beekeeper. The mentor must be current with Integrated Pest Management and Bio Security principles, swarm management, wintering, and harvesting processes.

The new beekeeper must make every effort to be available for the period the mentor visits the hive(s). The mentor and beekeeper will be responsible to work out a schedule that is mutually acceptable.

Part of becoming a beekeeper is to take the appropriate courses offered in the industry. The Lush Beekeeper Program offers an ability to pay for the required education. For instance, enrolling to the Ontario Beekeeping Association's Technical Transfer curriculum. Education and mentoring costs beyond the first year are at the discretion and expense of the beekeeper.

The concept of the program is to incent the growth of new colonies and new beekeepers. Lush would like to reward successful new beekeepers. Beekeepers in good standing may apply for additional funding after the first year. Good standing is determined by Lush based on the Beekeeper's annual performance of repayment of the existing loan.

The title of capital assets purchased by the Lush loan remain Lush assets until the loan is completely paid off by the Beekeeper. The length of time to pay off the loan is expected to be over multiple years and the exact term is negotiable, and determined by honey production levels.

When Lush receives honey from the Beekeeper, or from the Service Provider on behalf of the Beekeeper, the weight of honey is translated into Canadian dollars at a rate of \$9/Kg. A record will be maintained by Lush that acknowledges receipt of payment and an online receipt of the honey payment will be forwarded to the Beekeeper to keep both parties' records synchronized.

HOW TO APPLY

The Applicant should submit a brief Business Plan and complete out the Lush Beekeeper Program Application Form. Please forward it online to the Lush Beekeeper Program at LushBeekeeperProgram@lush.com

The Applicant is notified by the Lush Program Manager within ten business days and indicate a) if the loan request has been approved, b) the total capital to be allocated, and c) the conditions of repayment. An agreement is then signed by both parties documenting the decision to proceed with the project.

Beekeeper's Business Plan

Business Plan

Provide a brief description of your proposed urban beekeeping operation – # of hives, intended location of hives, landowner of location, intended use of the hives (honey production or pollination), level of current beekeeping experience, beekeeping association status, ecological benefit of your project, associated community activities, and/or other organizations which may be involved.

Please include a breakdown estimate of the funding required associated your operation.

One of the primary objectives for this program is to help develop successful beekeeping businesses with beekeepers trained in the latest best hive practices. Lush is offering to fund mentoring and formal education within the first year. Please indicate your current level of beekeeping experience. If you have a mentor available please provide their name, email, and telephone number.

Application Form

Contact Details	
Name or Organization Legal Name	
Contact Person	
Physical Address	
Mailing Address	
Email Address	
Website (If available)	
Telephone Number	
Sustainable LUSH Team Contacts (Who did you talk with before submitting this application?)	
Application Date	MM/DD/YY

References	
Please give the name, address, telephone number and email address of two individuals at organizations that you work with who can provide a reference. One of these must be female.	
Reference 1	
Reference 2	

Lush/Beekeeper Agreement

This Agreement is made between the Sustainable Lush Fund (Lush) and _____, the Lush Beekeeper Program Applicant (Beekeeper)

Whereby

The Beekeeper agrees to fulfill the schedule of a 50% of annual harvested honey, as a repayment for the funds forwarded, paid by, and incurred by Lush in direct support of the Beekeeper's Business Plan.

It is agreed that repayment schedules are to be mutually agreed to and documented in written and attached as an integral part of this agreement prior to any funding initiated by Lush.

The Beekeeper agrees to provide a written status report on the health of the colonies on a quarterly basis with Lush.

The Beekeeper agrees it is their responsibility to manage all aspects of the honeybee colonies.

Lush will retain title of all capital assets funded as part of this Agreement until the Beekeeper has met the repayment obligations stipulated above.

Situations may arise whereby the Beekeeper may need to reassign the Beekeeper role and obligations to another Beekeeper. This is acceptable provided that Lush is brought into the discussion and it is deemed possible to continue on with the spirit of this agreement with the third party Beekeeper.

Transparency & Funding

Lush will be instructed by the Beekeeper of the account at a designated Canadian bank where the funds will be deposited to support the Beekeeper's Business Plan.

With an approved Beekeeper's Business Plan and signed Agreement, Lush will notify the Beekeeper when the funds are deposited into the Beekeeper's bank account.

The Beekeeper is responsible to ensure that the funds are solely used for the purposes of paying for the capital and expenses identified in the Beekeeper's Business Plan (i.e., mentoring services, formal education, and capital equipment and bees).

The Beekeeper agrees to maintain a separate bank account for the purposes of managing the funds provided by Lush and to keep all original receipts. All costs should be paid from this

bank account. Lush may request copies of the bank statements with the quarterly status reports.

Lush must be informed by the Beekeeper of any additional funding they are receiving from other donors.

Non Animal Testing Policy

Lush has a strict non-animal testing policy. We cannot provide funding for Projects or buy materials from Projects who have:

- a) Commissioned tests on animals; or
- b) Are financially partnered with anyone who commissions tests on animals.

By signing this document, I hereby declare that our organization do not commission tests or are financially involved with any organization who have commissioned tests on animals for cosmetics or any other purpose.

3) Ethical Statement

Partner confirms that all associates involved in the Project do not promote or support violence, aggression or oppression towards others (we will only support non-violent direct action groups); does not force or coerce others to change their religious beliefs; harbor racism, prejudice or judgement of others on anything other than their own actions; and has made every effort to be environmentally responsible.

4) Anti-Bribery & Corruption Policy

The Sustainable Lush fund operates a strict policy of not participating in bribery or corruption and as part of this agreement the Sustainable Lush partner is acknowledging and agreeing to follow the terms laid out in our anti-bribery and corruption policy.

5) Agreement

By signing below, Partner agrees to the terms set forth in this agreement. If any of the terms of this agreement are not kept, Lush reserves the right to stop funding immediately.

**Beekeeper
Principal**

Sustainable Lush Fund

Print Name.....

Print Name.....

Signed.....

Signed.....

Date.....

Date.....

Background:

Lush Cosmetics Introduction

Lush Fresh Handmade Cosmetics is an international retailer that is known worldwide for our unique bath and beauty products, effective skin and hair care, personalized customer service, environmental activism, and a fun and funky store atmosphere. Lush North America supports over 200 retail stores in Canada and the USA, a mail order business based in Vancouver and manufacturing centers in Vancouver and Toronto. We are dedicated to the practices of fair trade sourcing and supporting sustainable communities as well as giving back to organizations in the areas of animal rights, human rights and environmental conservation.

The Sustainable Lush Fund Purpose:

The overall goal of the Sustainable Lush Fund is to develop the independence, resilience, and multi-capital-generating capabilities of the enterprises in which it invests. Working directly with enterprises that produce Lush's ingredients, Sustainable Lush aims to empower the communities and regenerate the ecosystems that produce and sell these precious ingredients.

Sustainable Lush invests in a way that creates financially viable and resilient businesses that mimic living systems in its design and development, and sparks inspiration for transformation.

We act as a reliable purchaser willing to pay a premium for products that regenerate local ecosystems and communities, while simultaneously enhancing suppliers' ability to effectively serve their local market's needs.

Sustainable Lush Fund's Strategy for Local Honey

The Sustainable Lush Honey Strategy invests in projects and enterprises that seek to reconcile the current challenges and opportunities being faced by today's beekeepers. These being:

Challenges

- Industrial agriculture, monoculture and pesticides
- Pests and diseases
- Weather constraints of Canadian climate zones
- Difficulties in communication between beekeepers
- Scale of beekeeping: Too small cannot be financially viable, too large can lose capability to give careful attention to all hives.

- Attachment of beekeepers to existing beekeeping practices, even in rapidly changing climates and environmental conditions.

Opportunities

- Significant local and national interest in queen breeding for pest and disease resistance, along with enhanced organization between queen breeders and rapid advances in queen breeding technology.
- Many beekeepers galvanized by recent challenges: “If we don’t figure out solutions, then we’re out of business.”
- Public and corporate interest in the plight of the honey bees.
- Interest from many beekeepers in natural and organic beekeeping systems.
- Rapidly growing interest in urban and suburban beekeeping.

The Sustainable Lush Capital Loan is a financial tool being used to grow a web of resilient producers in a way that secures their financial viability. The loan is based on principles of easing the financial risk of transition of production methods, experimentation in business plans, and expanding into uncharted markets. Payment installments can be made with the raw materials that come from the results of the loan. These principles of the interest free loan are being applied to launch the Sustainable Urban Beekeeping Co-operative.