UNILEVER SEES SUSTAINABILITY SUPPORTING GROWTH

6 May 2015 - Four years into its ambitious and wide-ranging Sustainable Living Plan, Unilever says it is making a growing and positive impact on its business in terms of growth, cost efficiency and resilience for the future.

Unilever is on track to meet most of the Unilever Sustainable Living Plan goals, which it set in 2010. The consumer element of the reducing environmental impact goal remains more challenging, and heavily dependent on wider market shifts. But Unilever has started to decouple its environmental footprint from its underlying sales growth.

Promising progress has been made across Unilever’s global factory network with the company achieving a key sustainability target of sending zero non-hazardous waste to landfill. More than 240 factories in 67 countries in its global network have now completely eliminated landfill waste.

This includes all three Unilever factories in Australia, where a range of policies and new waste solutions have been implemented to achieve this goal at the North Rocks, Minto and Tatura sites. For example, the Unilever team at Tatura reviewed a number of existing supply arrangements and found alternative ways to safely recycle contaminated glasses, plastics and general waste - everything from oily rags to old light globes are now recycled.

“In just four years, we’ve made significant progress and marked a number of milestones along our sustainable living journey, both here in Australia and New Zealand and abroad. I’m particularly proud we’ve been able to eliminate waste sent to landfill from our local manufacturing sites however as we reflect on this, we know there is more to achieve the ambitious social and environmental targets of our Plan. I look forward to working to make sustainable living commonplace in the years ahead,” said Clive Stiff, Chairman and CEO, Unilever Australia and New Zealand.

More than 55% of Unilever’s agricultural raw materials are now sustainably sourced, reducing the risk to supply - more than half way to its 2020 target of 100%. Unilever is also making significant reductions in CO₂ from energy and water in manufacturing, reducing them by 37% and 32% per tonne of production respectively since 2008.

Against the ambitious target to help improve the health and well-being of over 1 billion people by 2020, Unilever is nearly 40% of the way (397 million) to reaching it. The Company has also enhanced the livelihoods of over 1 million people so far, having helped and trained 800,000 smallholder farmers since 2010 and provided 238,000 women with access to training, support and skills.
At a time when more and more companies are talking about ‘brands with purpose’, Unilever has put some definition and measurement behind what it calls ‘sustainable living brands’ – meaning brands that contribute to one or more of the Unilever Sustainable Living Plan goals and have a sustainable living purpose.

‘Sustainable living brands’ now represent half of Unilever’s growth and are growing twice as fast as its other brands. A growing number of its leading brands have integrated sustainability into the contribution they make to the world - their purpose – and into their products’ ingredients and lifecycle. The ‘sustainable living brands’ are evidence of Unilever’s Purpose in action - making sustainable living commonplace.

Many of Unilever’s brands that have led the way on sustainable living, such as Dove, Lifebuoy, Ben & Jerry’s and Comfort, are achieving above average growth, with high single and double digit sales over the past three years.

A detailed report on the progress made against the targets set out in the Unilever Sustainable Living Plan and Unilever’s approach to transformational change is available online at: http://www.unilever.com.au/sustainable-living-2015/index/

ENDS

Media Contacts:

Unilever
Aneta Ilievska
(02) 9869-6422
aneta.ilievska@unilever.com

Res Publica
Tim Verguizas
(02) 8297 1513
tverguizas@respublica.com.au

Editor’s notes:
In November 2010, Unilever set out the Unilever Sustainable Living Plan, committing to a ten year journey towards sustainable growth. Today, Unilever confirmed it is on track to meet most of the goals.

The Plan has three big goals to reach by 2020:

• Help more than 1 billion people improve their health and well-being
• Halve the environmental footprint of its products and de-couple environmental impact from growth
• Source 100% of agricultural raw materials sustainably and enhance the livelihoods of millions of people

Across Australia and New Zealand, Unilever reports excellent progress in 2014 including:

• Reaching over 370,000 young people to date through ‘Dove BodyThink’ workshops run in partnership with the Butterfly Foundation.
• Reaching our target to ensure 100% of our children’s ice creams contain 110 calories or fewer per portion, up from 86% in 2013.
• Replacing over 12,000 Streets ice cream freezers since 2010 that use climate-friendly hydrocarbon refrigerant (R290), which not only emit less CO2 but are also more economical to run.
• Reducing total waste per tonne of production in 2014 in Australia by 41% compared to 2013 and reaching a milestone target of zero non-hazardous waste sent to landfill at Australian manufacturing sites.
• Reducing CO2 emissions per tonne of production in Australia by 8% in 2014 compared to 2013 and by 28% compared to our 2008 baseline

Global Highlights
By the end of 2014, Unilever has reported the following measurable updates to its Sustainable Living Plan:
Sustainable living brands

The company explained its rigorous approach to defining, measuring and monitoring ‘sustainable living brands’ as a combination of measurable contribution to one or more of its sustainability targets in the product lifecycle and a clear sustainability-linked purpose. It outlined a widening in the brands that classify as ‘sustainable living brands’ in their portfolio for 2015:

- **Dirt is Good**, which includes Omo and Persil, whose purpose is about helping more children have access to the quality education they need to reach their full potential. Called the Preparing Children for Tomorrow Initiative, it will be rolling out globally through the rest of 2015 and beyond.

- **Vaseline** is teaming up with international NGO Direct Relief to help heal the skin of 5 million people living in vulnerable situations by 2020, including people caught up in natural disasters and in refugee camps.

- **Sunlight**, Unilever’s oldest brand, which aims to reduce the burden of the millions of women who spend 200 million hours every day finding, fetching and carrying water and to free up their time. After successfully piloting two Sunlight Water Centres in Nigeria in 2014, in partnership with Oxfam, where women can safely get clean water, wash their clothes and dishes, and buy affordable everyday products without walking long distances, Sunlight plans to scale this up in 2015.

Sourcing and working across our value chain

Over 55% of Unilever’s agricultural raw materials are now sustainably sourced, more than half way to its 2020 target of 100%, and after 4 years, the Company is nearly 40% of the way (397 million) to reaching the target of helping to improve the health and wellbeing of over 1 billion people by 2020.

While greenhouse gas emissions have reduced in Unilever’s operations, across their value chain they have increased by 4% since 2010. While disappointing, underlying sales growth of 21% over the same period shows Unilever has started to decouple its environmental footprint from its sales growth.

Driving transformational change

To make a transformational difference to systems it operates within, Unilever is focusing its efforts on three areas where it is using its scale, influence and capabilities to catalyse change:

- ending illegal deforestation caused by commodity supply chains, which causes up to 15% of the world’s total greenhouse gas emissions;
- mainstreaming sustainable agriculture by helping smallholder farmers improve their yields and livelihoods;
- improving health by making water, sanitation and hygiene (WASH) more accessible.

Ending deforestation

Ending deforestation linked to commodity supply chains and ensuring sustainable supplies of agricultural ingredients are strategic priorities for Unilever as a business, for combatting climate change, for global food security and for human development.

In 2014 Unilever championed the UN Declaration on Forests, in which over 170 governments, NGOs and multinational companies agreed to halve deforestation by 2020 and end it by 2030.

Continued progress across the palm oil industry in tackling deforestation with more than 90% of global traded palm oil now covered by zero deforestation commitments

Championing sustainable agriculture

To mainstream sustainable agriculture, Unilever is focusing on key commodities where it has the most influence and on helping smallholder farmers to improve their yields and livelihoods.

The company has helped and trained around 800,000 smallholder farmers since 2010 and announced a string of partnerships in 2014 to scale up its work in this area, including with IFAD, Solidaridad, Acumen and Clinton Giustra Enterprise Partnership, GAIN, Oxfam and the Ford Foundation.

Improving WASH

With leading brands in the in-home water purification, toilet cleaning and health soap product categories, making water, sanitation and hygiene commonplace is both a human development and market development opportunity. Unilever is applying its advocacy to encourage universal access to safe drinking water, sanitation
and hygiene to be adopted as an SDG and offered its support to Indian Prime Minister Modi’s ‘Clean India’ campaign, which aims to end open defecation by 2019.

Unilever is also working with a number of partners to scale up its WASH programmes, including DFID, Wateraid, PLAN, WSUP and the Children’s Investment Fund.

Cost savings:
- Unilever has made cumulative cost avoidance of over €400m through eco-efficiency measures in its factories since 2008.
- In addition to this, last year (2014) Unilever made over €200m of savings through manufacturing, logistics, material efficiencies and research and development which can be attributed to the Unilever Sustainable Living Plan.

Mitigating Risks:
- Future proofing the supply chain in a world of finite resources: In 2014, 55% of Unilever’s agricultural raw materials were sustainably sourced, ensuring supply.

About Unilever:
Unilever is one of the world’s leading suppliers of Food, Home and Personal Care products with sales in over 190 countries and reaching 2 billion consumers a day. It has 172,000 employees and generated sales of €48.4 billion in 2014. In Australia and New Zealand, Unilever employs more than 2,000 people, and has offices and manufacturing facilities across both countries.

Unilever has more than 400 brands found in homes around the world. In Australia and New Zealand, our name brands include Flora, Lipton, Bushells, Dove, Rexona, Lynx, Vaseline, Omo, Surf, Continental, Toni & Guy, Clear and Streets.

Unilever’s Sustainable Living Plan (USLP) commits to:
- Decoupling growth from environmental impact.
- Helping more than a billion people take action to improve their health and well-being.
- Enhancing the livelihoods of millions of people by 2020.

Unilever was ranked number one in its sector in the 2014 Dow Jones Sustainability Index. In the FTSE4Good Index, it achieved the highest environmental score of 5. It led the list of Global Corporate Sustainability Leaders in the 2014 GlobeScan/SustainAbility annual survey for the fourth year running, and in 2015 was ranked the most sustainable food and beverage company in Oxfam’s Behind the Brands Scorecard.

Unilever has been named in LinkedIn’s Top 3 most sought-after employers across all sectors.