

Unilever
& sustainability



Our brands



160 million times a day, someone will choose one of our foods, home or personal care brands

Unilever in 2008



Turnover
(millions)

€40,523



Operating profit
(millions)

€7,167



Purchase of goods and services (millions)

€29,346



Employees
(year end)

174,000



We have operations in around 100 countries and our brands are on sale in 50 more

Our mission is to add vitality to life



- We meet everyday needs for nutrition, hygiene and personal care with brands that help people feel good, look good and get more out of life
- We need to do this in a more sustainable way

Our business case for sustainability



- Fuel innovation
- Win with our customers
- Win in developing & emerging markets
- Address consumers' needs as citizens
- Build the Unilever brand



Our approach to sustainability



- We have studied the footprint and impact of our business
- We continue to minimise our impacts in our own manufacturing, eg water use, CO2 emissions
- But we find the sustainability impacts of our business arise principally through our brands
 - upstream in sourcing their raw materials
 - downstream when consumers use them

Our approach to sustainability



- Therefore we are integrating sustainability into our brands through a process we call Brand Imprint
- We do this in the firm belief that successful brands of the future will be those that
 - continue to satisfy consumers' functional needs **and**
 - address their concerns as citizens, eg concerns about the environment or social justice

Integrating sustainability



Our Brand Imprint process



- Brand Imprint prompts brands to understand and address their social and environmental impacts
- This analysis helps brands
 - make a positive difference
 - fuel innovation
 - ie “do well by doing good”

An example of Brand Imprint



- As the world's largest tea company, in 2007 we committed to source all our tea from sustainable, ethical sources
- Certification of farms from independent environmental organisation Rainforest Alliance
- Improving the livelihoods of 2 million people across 3 continents
- Commitment instrumental in winning contract to supply tea to McDonald's in several European countries in 2008



Integrating sustainability



Our Vitality Framework



- Central to the way we manage our brand portfolio is identifying how each brand can bring vitality to life
- Our Vitality Framework helps us do this by focusing on
 - more personal vitality
 - more social value
 - less environmental impact

Integrating sustainability



- We are working on metrics to assess delivery of our Vitality Mission
- Starting with environmental impact, we have piloted four indicators to measure the impacts of our brands in terms of
 - greenhouse gas emissions
 - water
 - waste
 - sustainable sourcing
- These will help us to reduce impacts and track progress across our product portfolio

Working in partnership



- Core to our approach is working with others to deliver our sustainability commitments
- Our principal global partners in nutrition and health



Recognised for our efforts



- Dow Jones Sustainability World Indexes foods industry leader for 10th year running – the only company to achieve this



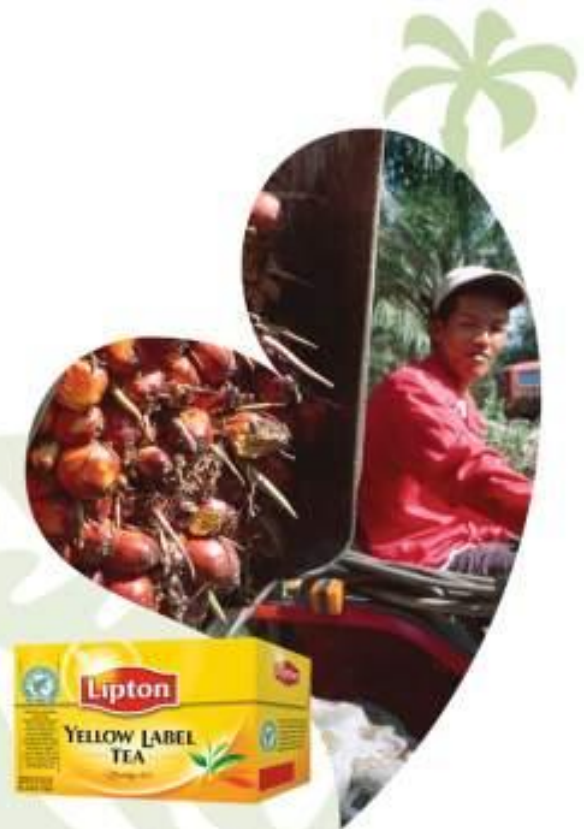
- Included in the Global 100 Most Sustainable Corporations in the World by Corporate Knights & Innovest Strategic Value Advisors



- **FTSE4Good** Included in FTSE4Good Index Series and FTSE4Good Environmental Leaders Europe 40 Index

Sustainable agriculture

Growing for the future



Sustainable agricultural sourcing



- 2/3 of our raw materials come from agriculture
 - we have a clear interest in how crops are grown and in securing future supplies
- Our long-term aim is to buy from sustainable sources
- Since 1995 we have been working with growers through our Sustainable Agriculture Programme
- Programme tracks 11 indicators, eg water, energy, pesticide use, biodiversity, animal welfare, social capital

What we use



Our share of world volume 2008 (estimate)



12% black tea



7% tomatoes (processed)



5% peas (processed)



5% sunflower oil



4% spinach (processed)



4% palm oil

Key crop - tea



- We are the world's biggest tea company
- In 2007 we committed to source all our tea from sustainable, ethical sources and to work with the Rainforest Alliance on certification
-  By 2008, around 50% of tea for Lipton Yellow Label and PG Tips sold in W Europe came from Rainforest Alliance Certified™ farms
- To achieve certification, farmers invest in improvements such as conservation measures, waste water treatment, housing and medical facilities for workers

Key crop - palm oil



- We are one of the largest users of palm oil
- We were a founder member of the Roundtable on Sustainable Palm Oil in 2004
- In 2008 we committed to have all the palm oil we use certified sustainable by 2015
- We are supporting a moratorium on deforestation for palm oil in SE Asia and have built a coalition of companies with Greenpeace, WWF and Oxfam to campaign for change among palm oil growers

Climate change

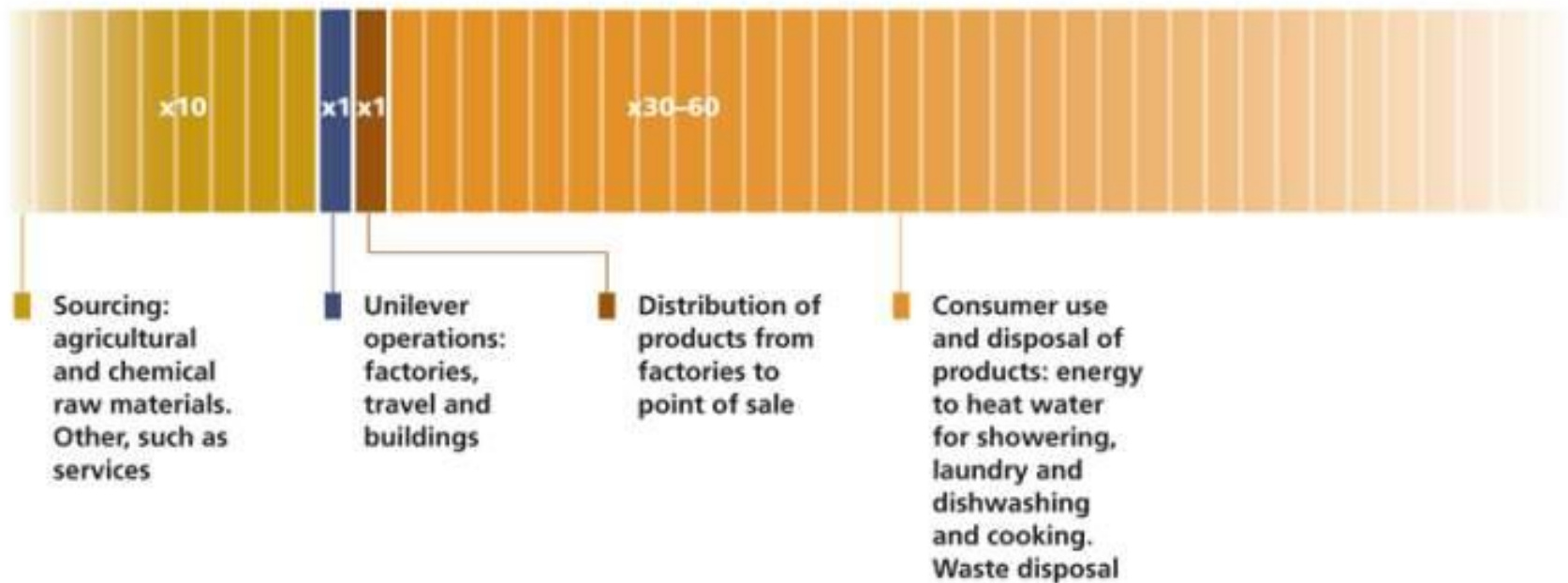
Reducing our
greenhouse gas footprint



Understanding our carbon footprint

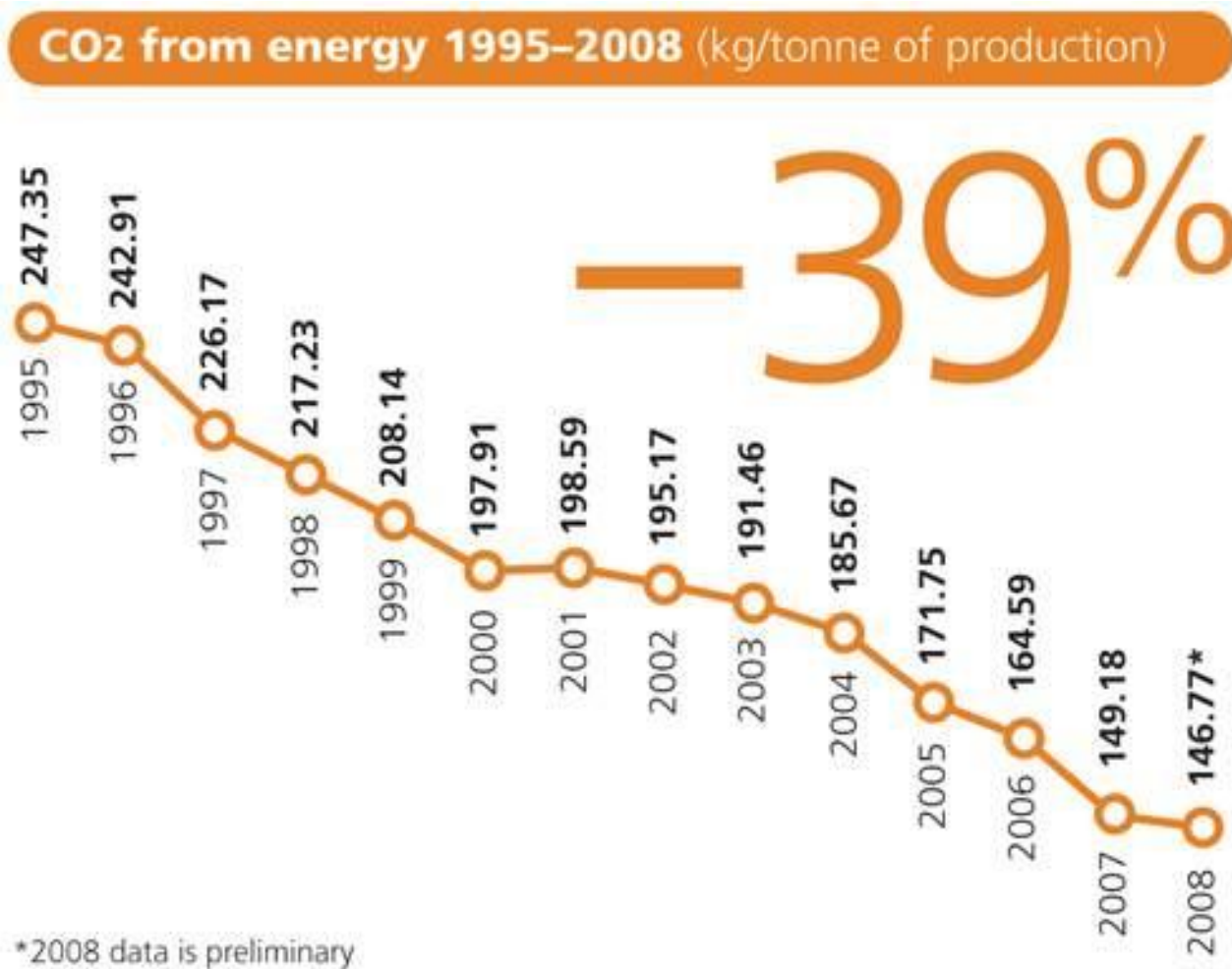


Our carbon footprint



Our own operational footprint is 3 m tonnes of CO₂ equivalent a year. Our wider footprint is significantly larger and depends on assumptions about how consumers use our products

Reducing CO₂ from energy



Reducing our direct impacts



- In our own manufacturing, our target is to reduce CO₂ from energy per tonne of production by **25% by 2012** (against a baseline of 2004)
- This builds on reductions made since 1995
- We are investing in more efficient power generation and less energy-intensive manufacturing processes


Reducing our indirect impacts



- Our wider carbon footprint prompts us to consider the energy consumed
 - by consumers when they use our products
 - in our supply chain, particularly our agricultural suppliers
- We are improving the footprint of our existing portfolio and assessing whether product innovations improve products' greenhouse gas footprint

Climate-friendly refrigeration



-  As the world's leading ice cream company we own over 2 million point-of-sale ice cream freezer cabinets worldwide
- Via Refrigerants Naturally! we are working with Greenpeace, UNEP and companies to promote refrigeration technologies that avoid climate-damaging hydrofluorocarbons (HFCs)
- We are rolling out climate-friendly alternatives based on hydrocarbons (HCs)
- We now have over 400,000 HC freezers in use

