

## Commitment to Sustainability Delivers Even Faster Growth for Unilever

Unilever's Sustainable Living brands continue to show superior performance, as the company reports on the fifth year of progress of the Unilever Sustainable Living Plan. Consumers expect more of brands and businesses now – and they reward those that deliver a wider social benefit in addition to the traditional product performance at an affordable price.

In 2015, Sustainable Living brands – which have integrated sustainability into both their purpose and products:

- Grew even faster than they did in 2014
- Delivered nearly half Unilever's growth
- Grew significantly faster - in fact 30% faster- than the rest of the business
- Included Unilever's five biggest brands globally – Knorr, Dove, Dirt is Good, Lipton and Hellmann's

These findings were shared with sustainability specialists from NGOs, academia and business, who gathered in London to determine how collective action can help achieve the Sustainable Development Goals.

Paul Polman, Unilever CEO, said: "Business can play a leadership role in disrupting markets in support of sustainable living – and they will be rewarded by consumers who are also seeking responsibility and meaning as well as high quality products at the right price. There is no trade-off between business and sustainability, it is creating real value for Unilever."

Participants also discussed shifting trends in consumer attitudes around sustainability, including new Unilever research<sup>1</sup> challenging the commonly held perception that sustainability doesn't sell. The research shows that:

- Sustainability is no longer a niche issue
- 54% of consumers want to buy more sustainably. Many already are. And it tells us that more want to
- Consumers want it all - high performing products, the right price and with a purpose that they can connect with

Unilever confirmed that, five years in, it is on track to meet the vast majority of the targets within its Sustainable Living Plan, the company's blueprint for achieving its vision to grow the business, while decoupling environmental footprint from growth and increasing its positive social impact. Sustainability is helping to deliver more growth and lower costs, as well as less risk and more trust.

This comes against a global backdrop of growing volatility and uncertainty, which is a constant challenge to Unilever's progress against its targets. An additional complexity is in the consumer use phase of the value chain, where wider systems change is required to further reduce the environmental impact associated with the use of products. The company will accelerate efforts to design products that are less carbon and water intensive, and continue to work with partners to address challenges in the consumer use phase and to help consumers understand how they can live more sustainably.

Since the launch of the Plan, Unilever has helped around 482 million people to improve their health and hygiene, including through handwashing, improving self-esteem and oral hygiene. The majority of its foods and beverage portfolio met, or are better than, benchmarks based on national nutritional recommendations – and 34% met highest nutritional standards. Unilever also enabled around 600,000 smallholder farmers and 1.8 million small-scale retailers to access training and support.

In its own operations, Unilever continues to make good progress – since 2008, the company has reduced CO2 emissions from energy by 39% per tonne of production, water by 37% per tonne of production and waste sent to disposal by 97% per tonne of production.

ENDS

Notes

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: [unilever.com/sustainable-living](http://unilever.com/sustainable-living) or Mobilizing Collective Action

Follow the conversation at @Unilever and @UnileverUSA and with #collectiveaction

1 customized research project commissioned by Unilever, executed by Europanel in five markets. Households surveyed recorded their actual purchases and were asked questions about specific purchases, not just purchase intent.

Sustainable Living brands

A Sustainable Living brand is a brand that has integrated sustainability not only into its purpose – in other words its marketing platform – but also into its products.

This means:

Defining a Purpose which takes action to make the world a better place in a way that's relevant to the brand, good for society and meaningful to the people who choose their products.

Offering Products that contribute to the Unilever Sustainable Living Plan goals, whether that involves improving health, wellbeing or nutrition, reducing environmental impacts or using sustainably sourced ingredients.

Sustainability is creating value for our business

Unilever has developed a simple four-point framework to help capture the ways in which sustainability contributes to our success.

Driving growth - Sustainability is supporting growth by deepening brand equity, opening up new markets, such as the safe drinking water market, and inspiring innovation. Our Sustainable Living brands demonstrate this.

Lowering cost - By cutting waste and reducing use of energy, raw materials and natural resources, we create efficiencies and cut costs. Cost avoidance and savings ultimately help to improve our margins. Costs avoided through eco-production have exceeded €600 million since 2008. Our waste program during this time has contributed to around €250m of costs avoided and created hundreds of jobs.

Reducing risk - Sustainable ways of doing business help us mitigate risk across our operations. Operating sustainably helps us to future proof our supply chain against the risks associated with climate change and long-term sourcing of raw materials, making us less exposed to the volatility of resource prices.

Building trust - Placing sustainability at the heart of our business model strengthens our relationships with stakeholders and helps us succeed as a business. It helps us maintain our value and relevance to consumers, while inspiring Unilever's current and future employees. In 2015, we maintained our status as the Graduate Employer of Choice in the FMCG sector across 34 countries. Unilever is also named within the top three most sought-after employers globally on LinkedIn.

#### 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 169,000 employees and generated sales of €53.3 billion in 2015. Over half (58%) of the company's footprint is in developing and emerging markets. Unilever has more than 400 brands found in homes around the world, including Persil, Dove, Knorr, Domestos, Hellmann's, Lipton, Wall's, PG Tips, Ben & Jerry's, Marmite, Magnum and Lynx.

Unilever's Sustainable Living Plan commits to:

- Helping more than a billion people take action to improve their health and well-being by 2020.
- Halving the environmental impact of our products by 2030.
- Enhancing the livelihoods of millions of people by 2020.

Unilever was ranked number one in its sector in the 2015 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 2015 GlobeScan/SustainAbility annual survey for the fifth year running. Unilever was ranked the most sustainable food and beverage company in Oxfam's 2016 Behind the Brands Scorecard for the second year.

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

For more information about Unilever and its brands, please visit [www.unilever.com](http://www.unilever.com). For more information on the USLP: [www.unilever.com/sustainable-living/](http://www.unilever.com/sustainable-living/)