

ビジネスモデルにおける「価値の好循環」の3要素（前ページの矢印マーク）に関する詳細説明



By the end of 2013, 48% of our agricultural raw materials were sourced sustainably. This is helping to reduce risk in our supply chain and contributing to our goal of eliminating deforestation land associated GHG impacts that could result from the sourcing of our raw materials.

ENHANCING LIVELIHOODS

We are also improving the livelihoods of hundreds of thousands of smallholder farmers with whom we work and we have increased sales through our rural distribution networks via our 45,000 Shakti entrepreneurs in India. During 2014 we will broaden our commitments on Enhancing Livelihoods to reflect the emphasis we place on human rights in our own operations and extended supply chain, and to encompass more ambition to build inclusive business models where a win-win approach can deliver sustainable growth for all.

DRIVING BUSINESS SUCCESS

Our focus on making sustainable living commonplace for our consumers is helping to drive profitable growth. In the three years since the USPL became operational, we have found the benefits are accelerating. By looking at product development, sourcing and manufacturing through a sustainability lens, opportunities for innovation open up. By reducing waste and material use, we create efficiencies and cut costs, which helps to improve our margins. By collaborating with partners including not-for-profit organisations, we gain valuable new market insights and extend channels to engage with consumers.

SUSTAINABLE BRAND GROWTH

Knorr, Unilever's largest brand, celebrated its 175th birthday in 2013 with the introduction of a Knorr Sustainability Partnership on-pack logo to help consumers clearly identify products featuring sustainably sourced ingredients. Our consumer research across 11 countries found that three quarters of consumers would be more likely to purchase a product if they knew it was made from sustainably sourced ingredients. Knorr has made great progress on its commitment to source 100% of its agricultural ingredients

sustainably. These efforts have led to substantial improvement in Knorr's brand equity in Germany, one of its key markets, compared to 2012.

Our Home Care category in Latin America partnered with leading retailers such as Carrefour in a new initiative 'Sumate al EcoLavado' (Join us at EcoWash) to promote good laundry habits. Brands including Surf and Skip worked together in Argentina, Uruguay and Chile to encourage washing at lower temperatures, saving energy through shorter wash cycles, and switching to concentrated detergents. Carrefour stores that participated in Argentina have experienced sales growth three times higher than others while consumers were encouraged to make lasting changes to their behaviour.

SUSTAINABLE INNOVATION

An example of how our commitments in the USPL help drive business growth was the introduction to more markets in Asia and Africa of the new Lifebuoy Colour Changing handwash. This makes handwashing fun for kids and reassures parents that their children are protected from germs. The colour of the foam changes from white to green in ten seconds, the time it takes for the Lifebuoy special formulation to deliver 99.9% germ protection. The growth of this premium offering has helped towards Lifebuoy's aim to change the handwashing behaviour of 1 billion people.

The launch in 2013 of compressed deodorant aerosol sprays by three brands (Sure, Dove and Vaseline) in the UK was a further example of sustainable innovation. These new product sizes use half the propellant gas and an average of 25% less aluminium. Supply and distribution savings have led to 35% less road usage too. Consumers gain the convenience of a smaller easy-to-carry pack size with the added satisfaction of knowing the environmental impact is reduced. As a result market share is up and conversion rates from conventional packs have exceeded our expectations.

LESS WASTE

Measures to promote efficiency in manufacturing are achieving significant cost benefits. Between 2008 and 2013 we avoided cumulative energy costs of over

€150 million. Likewise our actions to reduce raw and packaging materials and disposed waste have avoided cumulative supply chain costs totalling €200 million since 2008.

The USPL is also helping to motivate employees to take action. For example, our €15 million 'Small Actions Big Difference' fund encourages staff to develop sustainable business ideas. In 2013 we invested in 50 of the best projects suggested by them to reduce water abstraction by manufacturing sites around the world. These yield an average payback time of less than two years and have helped us achieve our reductions in water abstracted.

COLLABORATIVE PARTNERSHIPS

During 2013 we developed a co-investment partnership with the Children's Investment Fund Foundation (CIFF) to reduce the mortality of children under five through implementing Lifebuoy's handwashing programme in Bihar, India. The five-year programme will reach 9 million schoolchildren directly and have an impact on 50 million people through children acting as change agents for their families. Lifebuoy provides co-investment, staff resource and expertise to run the direct contact programme, as well as investment in mass media to raise awareness of the importance of handwashing with soap. CIFF is providing significant co-investment alongside staff resource and expertise to optimise programme effectiveness.

FUTURE CHALLENGES

Three years on from launching the USPL, we have more evidence that our ambition to make sustainable living commonplace is helping to drive business growth. We have also learnt a great deal from our progress and the challenges of implementing the USPL. Looking forward, we are reviewing our strategy and approach to focus even more attention on those areas that matter most to the business and where our contribution can achieve the greatest transformational impact on society.

One area is our work towards eliminating deforestation with others in our industry through the Consumer Goods Forum. We have led the process of building the Tropical Forest Alliance, a public-private partnership to combat deforestation associated with sourcing commodities such as palm oil. Unilever is one of the largest buyers of palm oil in the world and we have committed to securing 100% of our own supplies sustainably from certified, traceable sources by 2020.

We can also use our scale to make a difference to basic hygiene. In too many countries around the world, billions of people still lack safe drinking water and effective sanitation. Thanks to our portfolio of brands such as Lifebuoy, Pureit and Domestos, Unilever is uniquely placed



Unilever is an active founder member of the Dutch Sustainable Growth Coalition (DSGC). This CEO-led partnership of eight multinational companies develops knowledge about the integration of sustainability within business. Knowledge and insights are shared with the broader business and stakeholder community, including policymakers.

Dutch Sustainable Growth Coalition



Unilever's expertise and the strength of the Lifebuoy brand, coupled with our ambitions to deliver health impact at scale, will help achieve three things: better policies around water, sanitation and hygiene; a stronger argument for their integration into the post-2015 development agenda; and ultimately an end to preventable deaths of children for the worst of all reasons – ignorance. PSI is proud to partner with the Unilever Foundation and Lifebuoy to help drive the Lifebuoy brand's social mission and Unilever's market growth.

Karl Hofmann, President & CEO, PSI

We are stepping up our own brand-led initiatives and will increasingly seek an integrated approach. Lifebuoy's target to help 1 billion people to improve their hygiene behaviour by handwashing with soap is very ambitious so we are working with partners to find ways to drive down costs and scale up our efforts.

We aim to achieve real improvements in the health and everyday lives of people who are our current and future consumers. We will focus more specifically on the needs of women as they form the majority of our consumer base, are strongly represented in our agricultural supply chains and in some countries in selling our brands in remote rural areas. By working with NGO partners such as Oxfam, we have gained new insights into the impacts that our extended value chain can have on women who face disadvantage and discrimination. Increasingly we are looking for opportunities where we can play a role in promoting the rights of women, building knowledge, enhancing their livelihoods and increasing economic inclusion.

In 2014 we will update the USPL to reflect our learning and new areas of focus.

OVERVIEW OF RISKS

SUSTAINABILITY

The success of our business depends on finding sustainable solutions to support long-term growth.

See Risks on page 34

LIFEBUOY – THREE YEARS OF DOUBLE-DIGIT GROWTH

Our health soap brand, Lifebuoy, has achieved three years of sequential double-digit growth to become the world's number one anti-bacterial brand. Expert studies have shown that washing hands at five critical moments during the day can dramatically cut the incidence of life-threatening diseases like diarrhoea. Lifebuoy puts this social mission at the heart of its brand proposition. In 2013, Lifebuoy ran hygiene behaviour change programmes in 14 countries.

Unilever Annual Report and Accounts 2013

