



Enhancing Business Actions: Transforming Challenges into Opportunity

Make Sustainable Living A COMMONPLACE

Unilever Presentation @ ISAP 2016

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MEGATRENDS IN THE NEW ERA OF BUSINESS



Planet Under Pressure



Energy Transition



Employment Under Pressure



Resources – From Abundance to Limits



Future Demographics

MEGATRENDS IN THE NEW ERA OF BUSINESS



Local is King



**The Growing
Wealth Gap**



**Hyper-
transparency**



**Disruptive
Business Models**



**Deteriorating
Security**

MEGATRENDS IN THE NEW ERA OF BUSINESS



Internet of Things



Fragmenting Power



Rise of the City



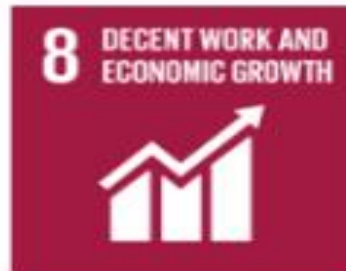
**Radical Innovation
Unleashed**



Generation Next

SUSTAINABLE DEVELOPMENT GOALS

17 GOALS - 169 TARGET TO TRANSFORM OUR WORLD



THE GLOBAL GOALS
For Sustainable Development



SUSTAINABLE DEVELOPMENT GOALS IN PRACTICE



1 NO POVERTY



No Poverty

AVIVA is one of the largest micro-life insurers on the Indian sub-continent working with several microfinance companies and as host of co-operative banks. Due to its vast network of branches, Aviva is able to serve financially-excluded and rural customers quickly and at low cost. In one year, Aviva covered over 630,000 people through its micro insurance products and close to 500,000 policies were sold in rural India.

3 GOOD HEALTH AND WELL-BEING



Good Health and Well-Being

SUMITOMO CHEMICAL COMPANY LTD. Is expanding its investment in R&D to develop a full rang of innovative tools and technologies to limit the spread of malaria and other vector-transmitted diseases. The research seeks to achieve a world that is free or substantially reduced of vector-transmitted diseases. The research seeks to achieve a world that is free or substantially reduced of vector borne disease and illness, improving the health and livelihoods of millions.

8 DECENT WORK AND ECONOMIC GROWTH



Decent Work and Economic Growth

NESTLÉ S.A. developed an Action Plan on Women in the Cocoa Supply Chain in Cote d'Ivoire which creates equal opportunities, gives women a voice and increases women's income. The Plan promotes local women's associations linked to the company's supply chain, and delivers high-yielding, disease-tolerant cocoa seedlings and technical assistance to increase productivity and income. These efforts have helped demonstrate how inclusive cocoa farming leads to positive impacts on families, communities, and the country as a whole, while contributing to a more sustainable supply of cocoa.

SUSTAINABLE DEVELOPMENT GOALS IN PRACTICE



Clean Water and Sanitation

NETAFIM is introducing its efficient drip irrigation systems to commodity crops in California such as alfalfa, corn and rice, helping farmers, become more resilient to drought. Drip irrigation is not yet a common practice for commodity crops, which are the largest consumers of water, but the market potential is very large. In a case where dairy farmer used effluent wastewater to irrigate his corn, impacts included water savings, reduced GHG emissions and improved yields.



Responsible Consumption and Production

UNILEVER'S Sustainable Living Plan sets out ambitious goals. By 2020 it will help more than 1 billion people take action to improve their health and well-being and enhance the livelihoods of millions of people, and by 2030 it aims to halve the environmental footprint of the making and use of its product as it grows its business. In 2015, Unilever's Sustainable Living brands grew even faster than they did in 2014. they also delivered nearly half of the company's growth and grew significantly faster - in fact 30% faster – than the rest of the business. The Plan enables company to make more than €200m of savings in one year alone through manufacturing, logistics, material efficiencies and research and development.



Responsible Consumption and Production

Fuji Xerox Co., LTD. Operates a “closed loop” integrated recycling system for its products, in which products released to the market are collected back after use, and the parts are either reused or recycled, thus reducing waste sent to landfill. The company has introduced recycling systems and take-back programs across Japan, Thailand, China, Korea, Australia and New Zealand. Since 2010, the company has maintained a recycling rate of at least 99.5% across its operations, which contributes to its foal of reducing CO2 emissions by 30% un 2020 compared to 2005.

SUSTAINABLE DEVELOPMENT GOALS IN PRACTICE



Life on Land

PIRELLI & C. SPA partners with a supplier in Indonesia to improve the production of natural rubber, a key input in Pirelli's tire. The program trains rubber farmers – the majority of which are small-holders – on improved methods of rubber extraction, aiming to maximize productivity, enhance rubber quality and extend the life of the rubber trees. In addition to providing Pirelli with a more reliable supply of higher quality rubber, the initiative is expected to improve the livelihoods of farmers and reduce deforestation. In two years the program has reached 6,000 farmers.



Partnerships For the Goals

BRASKEM has created the Fewer Losses, More Water Movement, a partnership which aims to reduce water losses in distribution systems by 2030. Water scarcity is a major issue in Brazil, and distribution losses account for up to 40% of all treated water amounting to approximately 6.5 billion m³ of water each year. With the support of the Global Compact Network Brazil, the project already has 50 participants, including private and public companies, local government authorities, NGOs and educational entities.

“Companies that do business responsibly and find opportunities to innovate around the SDGS will be the market leaders of tomorrow”

Lise Kingo, Executive Director United Nations Global Compact



CEO'S SURVEY BY UN GLOBAL COMPACT



87 %

Agree that the SDGs provide an essential opportunity for business to rethink approaches to sustainable value creation

74 %

State that participation in the UN Global Compact Shapes their sustainable efforts

80 %

Agree that demonstrating a purpose-driven commitment is a key differentiating factor in their industry

90 %

Are personally committed to ensuring that their company leads on the sustainable development agenda

A close-up photograph of a young child with dark hair and bangs, smiling broadly. The child is holding up both hands, with fingers spread, showing colorful paint (pink, green, and blue) on the fingertips. The background is dark and out of focus.

**A SUSTAINABLE
#BrightFuture**

UNILEVER GLOBAL



Americas

(32%)



Europe

(26%)



Asia AMET RUB

(42%)



THE AMERICAS

- €17.3 BILLION TURNOVER
- 0.4% UNDERLYING VOLUME GROWTH
- 32% OF GROUP TURNOVER

EUROPE

- €13.6 BILLION TURNOVER
- 2.6% UNDERLYING VOLUME GROWTH
- 26% OF GROUP TURNOVER

ASIA/AMET/RUB

- €22.4 BILLION TURNOVER
- 3.0% UNDERLYING VOLUME GROWTH
- 42% OF GROUP TURNOVER

2015 TURNOVER = €53.3
BN

TOP LEADERSHIP COMMITMENT

“A SUSTAINABLE WORLD IS EVERYONE’S BUSINESS”



PAUL POLMAN - CEO of UNILEVER

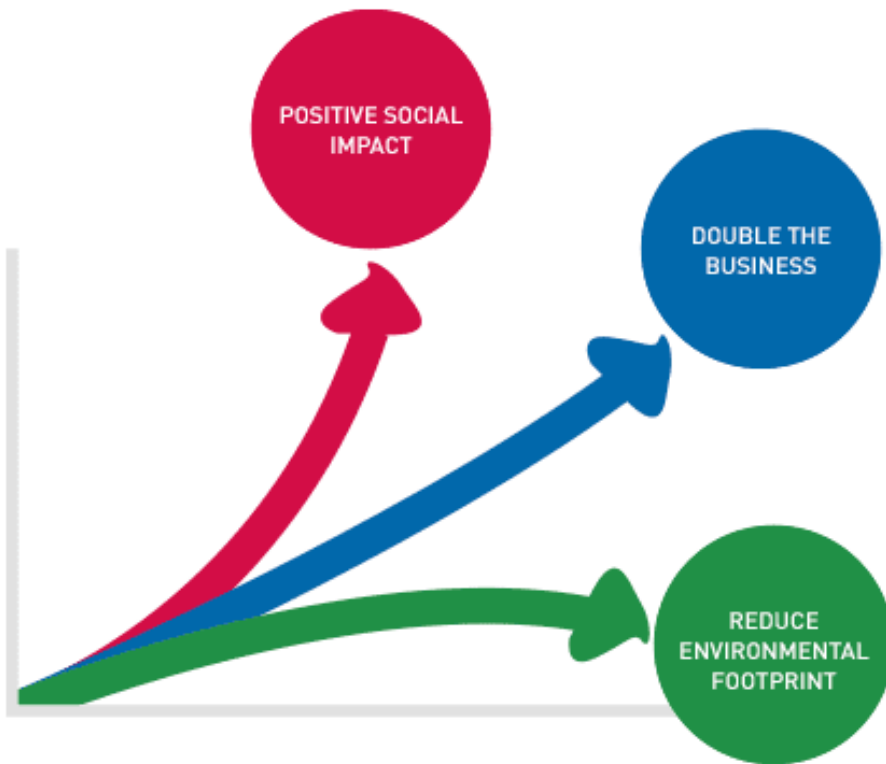
- Chairman of the World Business Council for Sustainable Development,
- Member of the International Business Council of the World Economic Forum,
- Member of the B Team and sits on the Board of the UN Global Compact and the Consumer Goods Forum and co-chairs the Sustainability Committee.
- Member of the SDG Advocacy Group, tasked with promoting action on the 2030 Agenda.
- Prior to this, Paul served on the High Level Panel on the Post-2015 Development Agenda, presenting recommendations on the SDGs on behalf of the private sector. He is a member of the newly formed Business and Sustainable Development Commission.
- International Council of the Global Commission on the Economy and Climate

“Unilever will be ‘carbon positive’ by 2030, eliminating fossil fuels from our business and directly supporting the generation of more renewable energy than we consume. Let’s make future generations proud of what we’ve achieved.”



UNILEVER SUSTAINABLE LIVING PLAN

UNILEVER Sustainability Business Model



Unilever Sustainable Living Plan

HELP
1 BILLION
PEOPLE IMPROVE
THEIR HEALTH
& WELL-BEING

HALVE
ENVIRONMENTAL
FOOTPRINT OF
OUR PRODUCTS

SOURCE
100%
OF AGRICULTURAL
RAW MATERIALS
SUSTAINABLY

NEW BUSINESS LANDSCAPE



A NEW WAY OF DOING BUSINESS



**SUSTAINABLY SOURCED
RAW MATERIALS**



**EQUAL OPPORTUNITY
& SUSTAINABLE
LIVELIHOODS**



**THE PLANET PROTECTED
FOR FUTURE GENERATIONS**



**ACCESS TO WATER
SANITATION &
HYGIENE FOR ALL**

SUSTAINABILITY DRIVING VALUE

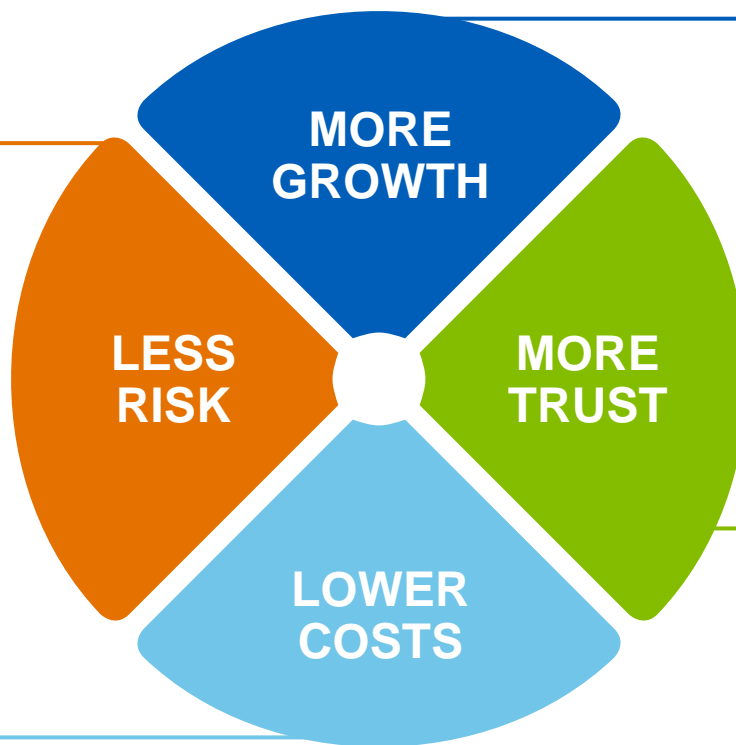


28%

of our total energy use comes from renewable sources

OVER
€600m

cumulative cost avoidance made since 2008



30%

Sustainable Living brands grew 30% faster than the rest of the business

No. 1

employer in 34 countries

... DELIVER STRONG BUSINESS PERFORMANCE



**SUSTAINABLE LIVING
BRANDS HELP GROW
OUR BUSINESS**

GREW 30%
FASTER
THAN THE REST OF
THE BUSINESS

50%
OF UNILEVER'S
GROWTH

**GREW
FASTER**
THAN THEY DID
IN 2014

2x
THE RATE OF
GROWTH

SUSTAINABLE LIVING
PURPOSE

SUSTAINABLE LIVING
PRODUCT

SUSTAINABLE
LIVING
BRANDS =
+
S

UNILEVER INDONESIA SNAPSHOT



Our products are available in 1 million stores...
...and every house use at least one Unilever products



8

Owned Factories

39

Products Brands

600+

Independent Distributors
Across Indonesia

6.500+

Employees
as per december 31, 2014

SUSTAINABILITY is an integral part of the mission and how we do business.



Type of Impact

We consider sustainability as the impact of our whole company business operation to the community



DEVELOP 360 Degrees ENGAGEMENT MODEL



For Effective Collaboration

Utilize Local wisdom
and deploy field
resource

Infrastructure
Support and Policies

NGO
& Academics

Government

community

MEDIA

Corporate

Promoting program
through news coverage
& media activation

Initial Concept
Leverage
Knowledge &
Best Practice
Program funding

OUR STRATEGIC APPROACH ON COMMUNITY ENGAGEMENT



STRATEGY

1. Relevance
2. Model
3. Partnership
4. Replicate

IMPLEMENT

Think Big, Start Small, Move Fast

SHARE

How we want to leverage or disseminate

FROM

Do
Sustainability

TO

Sustainability
as a Growth
Lever





Improving Health and Wellbeing

BEST PRACTICE – INDONESIA – LIFEBOUY

DRIVING BRAND GROWTH WITH SOCIAL MISSION IN HYGIENE

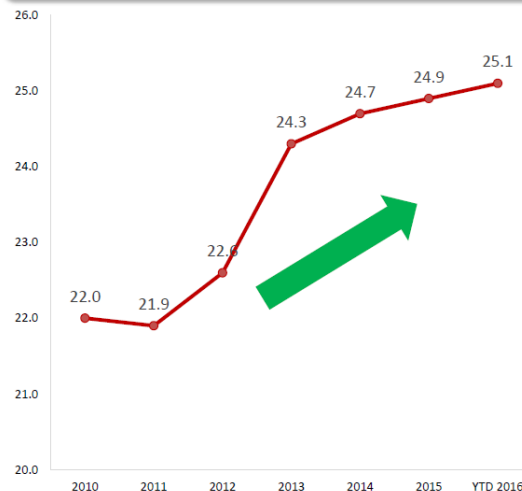


Lifebuoy Social Mission program has already grown from **5 mio** direct contact in 2004 to **70. mio** in 2015, reaching children and mothers. In parallel . The brand has grown consistently in the past 5 years with **17 % CAGR as well as increased profitability** and become no. 1 Skin Cleaning brand in Indonesia

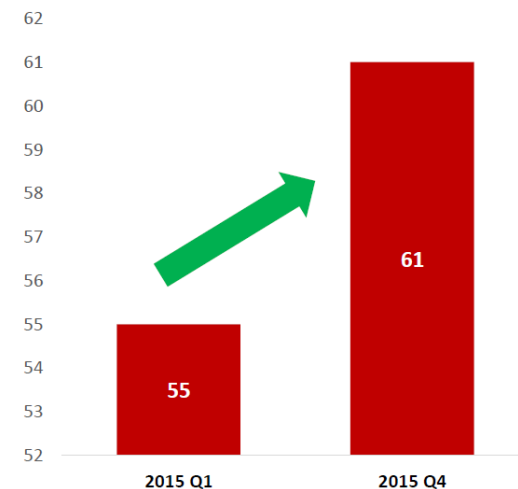


Lifebuoy is gaining share overall and gaining brand equity significantly

Lifebuoy strengthens Market Share year-after-year



Lifebuoy increases brand equity further in 2015



Reducing Environmental Impact



Community Environment and Waste Bank Program

To absorb non organic waste especially post consumer packaging waste



Waste Bank in Jakarta



Community bring their garbage to waste bank



Weighing of garbage



Recording the amount of garbage in individual account



Loading to truck



Making handicraft from recycle material



**Enhancing
Livelihoods**



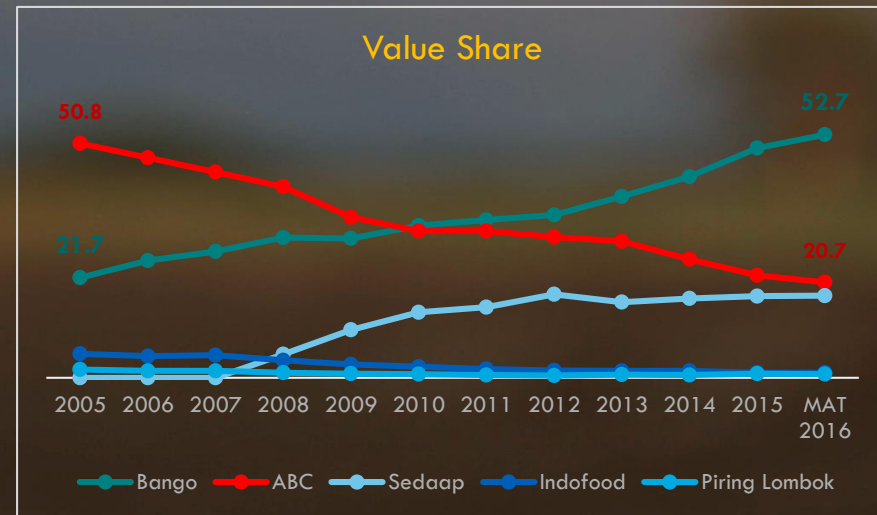
BEST PRACTICE – INDONESIA – BANGO SOY SAUCE

DRIVING BRAND GROWTH WITH SOCIAL MISSION IN LIVELIHOOD



GROWTH ENGINE of UNILEVER INDONESIA FOOD DIVISION:

- No. 1 Soya Sauce Indonesia
- CAGR +35%
- Increased Livelihood of 31,000+ Black Soya Bean and Coconut Sugar farmers and 3,300 women farmers



TRANSPARENCY in sustainability reporting

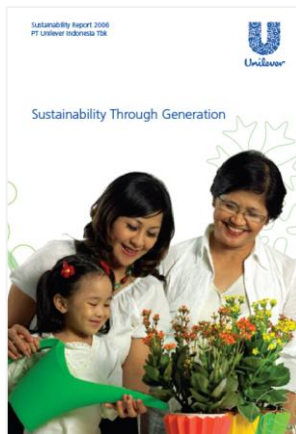


Prior to 2006 :

- Sustainability aspect was only included within Annual Report
- CSR report in 2005

Post 2006 :

- SR every 2 years
- As part of Annual Report



SR 2006



SR 2007 -
2008



SR 2009 -
2010



SR 2011-
2012



SR 2013-
2014

GRI- 3

GRI- G4

Learning from Indonesian Government

COLLABORATIVE EFFORTS ON SDGS



- Target, Policy & Programs
- Data, Indicators Development
- Dissemination, Communication and Advocacy
- Regulation and Budget
- Monitoring, Evaluation and Reporting

**GOVERNMENT
AND
PARLIAMENT**

**EXPERTS
AND
ACADEMIA**

- Capacity Building
- Evaluation
- Policy Paper/Brief, input for Policy Formulation
- Data and Indicators Development

SDGs IN INDONESIA

**PHILANTHROPY AND
BUSINESS**

**CIVIL SOCIETY
AND MEDIA**

- Advocacy within Business Sector
- Program Facilitation (Communications, Capacity Building, Funding collaborations)

- Dissemination and Advocacy
- Program Facilitation
- Advocacy, Awareness and Capacity Building
- Dissemination and Monitoring

MAKING GLOBAL GOALS LOCAL BUSINESS



HOW BUSINESS CONTRIBUTES TO THE SDGs

ACT RESPONSIBLY

UNITED NATIONS GLOBAL COMPACT TEN PRINCIPLES



HUMAN RIGHTS



LABOUR



ENVIRONMENT



ANTI-CORRUPTION



FIND OPPORTUNITIES



WHAT IT TAKES



Source : UN Global Compact

**“Corporate Sustainability
is a company’s delivery of
long term value in
financial, environmental
and social and ethical
terms “**

**“There is no plan B,
because there is no
planet B”**

Ban Ki-Moon, Secretary-General of
The United Nations



Terima Kasih

