MOVING FAST TO A CLEANER CLIMATE

A manager’s guide

How consumer goods companies can tackle climate change

The Coca-Cola Company
Unilever
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From ice cream to beverages, from light bulbs to laundry detergent, the consumer goods sector is large – over a trillion U.S. dollars. Its supply chains often reach back into sensitive areas like agriculture and tropical rainforests and its products touch almost everyone on the planet.

There are three compelling reasons why consumer goods companies should play their part alongside other industries in tackling climate change. First, the sector contributes directly and indirectly to climate change, through the sourcing or production of products and the way the products are used by consumers. Across the value chain, we estimate that emissions in this sector could total as much as five billion tonnes of CO₂.¹

Second, the sector has a depth of expertise in understanding consumers and in inspiring them to change their behaviour. Insights into consumer needs offer the sector the opportunity to reach beyond its own production activities to help consumers mitigate climate change.

Third, the economic health of the consumer goods sector is vulnerable to changing environmental trends. According to a recent study by A.T. Kearney and the World Resources Institute², the impact of more stringent climate change regulations, stricter forest policies, growing water scarcity and a greater consumer demand for green products could lead to a substantial reduction in earnings. The research estimates a reduction of between 13-31% by 2013 and as much as 47% by 2018 for consumer goods companies that do not develop strategies to mitigate the risks posed by environmental pressures.

This document sets out the experience of two companies – The Coca-Cola Company and Unilever – who are using a value chain approach to mitigate their climate change impacts. The process outlined in this report is designed to help small and medium-sized consumer goods companies to reduce climate change by taking a big picture approach to reducing greenhouse gas emissions.
OUR APPROACH ACROSS THE VALUE CHAIN

Understanding the bigger picture...

In order to tackle climate change effectively, companies benefit from having a clear understanding of which parts of their business emit the most greenhouse gases. This is particularly important for consumer goods companies, whose biggest impacts often lie beyond their direct operations: in their supply chains and in the way consumers use their products. In Unilever’s case, for example, direct emissions of greenhouse gases from its own operations total around three million tonnes. But across the lifecycle of its products (when sourcing, distribution and consumer use are included), the figure is over a hundred times greater.

Beyond Unilever’s direct emissions, the big picture shows greenhouse gas emissions at every stage of the value chain – including the sourcing, distribution, consumption and disposal of its products.

... and the important details

As well as seeing the big picture, businesses need to pinpoint their emission reductions where they will have the greatest impact. Take food companies as an example. The agricultural supply chain is a significant source of emissions. But which bit exactly? Land use and land use change? Fertiliser use? Diesel use? Refrigeration?

The value chain for a Coca-Cola beverage

1. Extraction of RawMaterials: Water, Sugar, Citrus, Petrol, Wood
3. Production:Transport, Bottling, Distribution
4. Usage:Refrigeration, Enjoyment
5. End of Life:Recycling, Reuse, Compost, Landfill

Unilever’s operations vs Unilever’s total impact across the value chain

- **Sourcing:** agricultural and chemical raw materials, others, such as services
- **Distribution of products:** from factories to point of sale
- **Unilever operations:** factories, travel and buildings
- **Consumer use and disposal of products:** energy for cooking and to heat water for showering, laundry and dishwashing. Waste disposal

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Taking action inside the company...
The most effective way to reduce emissions may involve changing the way you operate, the kind of products you sell or the way you market them to consumers.

...and working with others...
In most cases, making a big difference means working together with others. Understanding the value chain will help you identify the best ways to work with other businesses involved in sourcing, making, moving and selling your product to reduce emissions.

1. With industry
Creating opportunities for partnership, industry roundtables and new ways of working between industry players and with customers. Successful examples include the ‘Refrigerants, Naturally!’ initiative launched jointly by Unilever, The Coca-Cola Company and McDonald’s, and the roundtables for sustainable palm oil, soy and sugarcane.

2. With consumers
As much as half of consumer goods companies’ contribution to climate change stems from how consumers use and dispose of their products. Changing the products they buy or the way they use them will make a huge difference. Coca-Cola launched the ‘Give it Back’ marketing campaign to remind consumers that Coca-Cola bottles and cans are valuable recyclables.

3. With policy makers
The best value chain approach helps policy makers to develop policies that avoid unintended consequences, such as the problems associated with biofuels in Europe and the U.S.

...can add value all round
The best value chain approaches deliver benefits to everyone involved. Unilever’s Small & Mighty concentrated laundry detergents are a prime example. The new concentrated product uses only a third of the water, a third of the transport and a third of the shelf space that diluted detergents use. They also get clothes clean even at lower temperatures. It’s good for the environment, it’s good for Unilever, it’s good for retailers, and it’s fast becoming a favourite with consumers.
Unilever and Coca-Cola have condensed their experience on driving emissions reductions across their value chains into a seven step process. The steps are outlined below, and the rest of the document will explore each one in more detail.

1. **Engage**
   - The first hurdle is securing internal support. That usually means showing how reducing emissions will improve business performance.

2. **Measure**
   - Measure the greenhouse gas footprint across the lifecycle of your products. This will help you to understand where your biggest impacts lie and will provide a baseline against which to track progress.

3. **Prioritise**
   - Different areas of the value chain will have different levels of impact. Figuring out the products that have the largest footprint will make planning reductions a more effective and straightforward task.

4. **Define Target and Action Plans**
   - Set long-term targets to aim for, and short term goals with clear milestones.

5. **Go Alone or Go Together**
   - Will you have a bigger impact if you reduce emissions on your own or if you partner with other organisations?

6. **Build In, Don’t Bolt On**
   - Make sure you build your emissions reduction programme into core business and performance drivers.

7. **Feed Back and Reward**
   - Companies that are serious about reducing emissions will reward achievements financially.
A new way to wash in Turkey

Unilever’s laundry detergent brand, OMO, has been working across its business to identify and tackle areas with the greatest impact on climate change. This has led them to create a new product and influence both the purchasing decisions and washing habits of consumers.

**Context**

OMO measured its greenhouse gas emissions across the value chain and discovered that the highest impact areas were raw material ingredients and use by consumers. Consumer use was particularly high in Turkey, where pre-washes and hot washes are the norm.

**Challenge**

OMO identified the priority areas for emissions reduction by consumers in Turkey participated in a shift to concentrated powders, overseen by the Soap and Detergent Manufacturers Association (AISE), to convey the environmental benefits of concentrated detergents to consumers in a meaningful way.

Meanwhile Unilever and OMO launched the Cleaner Planet Plan, a communication campaign to Turkish consumers. The aim was to encourage better laundry habits by informing them about the environmental benefits of cool washing, loading the washing machine fully and avoiding pre-washes. As well as leading to direct reductions in energy use (and therefore CO₂ emissions), the campaign provided an effective platform to communicate the additional benefits of using the new concentrated detergents.

**Impact**

The collective move into concentrated detergents was successful: 80% of total sales in laundry detergents in Turkey today come from concentrated products. The transition took place in three months, while similar transitions took several years in some European countries. Over the last year OMO in Turkey has saved CO₂ emissions equivalent to running a dishwasher for nearly two thousand years.

Find out more: www.cleanerplanetplan.com

An innovative new bottle

Coca-Cola’s recent launch of PlantBottle packaging is a key milestone in its ambitious plan to decouple its packaging from fossil fuels and carbon. The material used in this innovative plant-based bottle reduces dependence on non-renewable resources and is completely recyclable. Based on initial lifecycle research, PlantBottle packaging can cut Coca-Cola’s carbon emissions significantly.

**Context**

Packaging is the second largest contributor to greenhouse gas emissions from Coca-Cola’s global franchise system, after refrigeration equipment. Coca-Cola’s value chain approach to reducing waste and carbon in its packaging already includes protecting product quality, efficient design, support for recovery programs, putting recycled material back into the supply chain, and engaging consumers in the values of recycling. PlantBottle is the result of Coca-Cola’s long-term ambition to decouple its bottles from fossil fuels and carbon. By developing renewable resins, Coca-Cola hopes to replace petroleum-based PET plastic bottles in an innovative and sustainable way.

**Challenge**

Until recently, Coca-Cola’s work with plant-based materials showed promise, but the performance of the plant-based bottles across the entire value chain was mixed. The innovations led to challenges around bottle quality, decreasing material efficiency rates, and problems with recyclability. Coca-Cola considered two different ways of overcoming this challenge:

1. **Revolution** – adapt the value chain in order to accommodate a revolutionary plant-based material into a redesigned PET plastic bottle.
2. **Evolution** – continue to develop the sustainability of the existing PET plastic bottle through incremental improvements across the value chain.

Find out more: www.thecoca-colacompany.com/citizenship/packaging

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3 Polyethylene terephthalate (PET) is a type of plastic that is particularly practical for recycling.
1 ENGAGE

What
Identify the stakeholders who have the biggest influence over the success of your future strategy.

Why
Before launching an emissions reduction programme, you must secure the support of the people involved at each stage. Your top managers will be particularly important, but you may also need to engage people outside your organisation who influence or contribute to the way you work.

How
To persuade stakeholders, approach this step in the same way as any commercial challenge:

1. Set out the business case
   • Will consumers or retailers prefer low carbon products?
   • Can you save money through resource efficiency?
   • If you don’t reduce emissions now, will future risks, such as climate change legislation or stricter forestry policies, hit you harder later?
   • Will you face pressure from NGOs or shareholders if you don’t act?

2. Show the big picture
   • Show how taking a value chain approach will help to avoid unintended consequences elsewhere in the lifecycle.

3. Build confidence in the process
   • Set out a simple set of steps.
   • Provide best practice examples from other consumer goods companies.
   • Share your measurement approach.

4. Establish a central cross-functional team
   • Give the team authority to coordinate the programme across different departments.
   • Ensure the team has access to corporate-wide data.
2 MEASURE

What
Measure the greenhouse gas footprint across the value chain of your company’s products.

Why
This will help you to understand where your biggest impacts lie. It will also give you a baseline from which to start tracking improvements.

How
Is there an existing measurement system to follow?
Try to use an existing validated carbon management methodology. The World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) are currently developing a standardised method to measure the footprint of individual products across their whole lifecycle. The UK government’s Carbon Trust has established methodologies for assessing the ‘embedded carbon’ in consumer products.

What do you need to measure?
Keep your measurement process as simple as possible by clearly defining the scope.

What is the best way to measure?
Remember to keep track of your assumptions as you measure. This will help to ensure your data is transparent and to identify any gaps.

Standardise
Establishing a standard way of collecting data for one product will reduce the time and cost needed to map the rest of your products. PepsiCo took several months to footprint its first type of potato chip but only a few weeks to measure the footprint of other types.

Start big
Start by measuring your largest-volume products or those which are likely to have the highest impact.

Scale
Alongside the absolute footprint of a product, look at ‘per consumer use’, such as the amount of CO₂ emitted as a result of the lifecycle emissions of a single dose of shampoo or a single serving of a carbonated drink.

Through a partnership with the UK’s Carbon Trust, The Coca-Cola Company measured the greenhouse gas footprint across the value chain of three of its most popular sparkling beverages in the UK, as shown in the graph above. The measurement reveals where some of the biggest impacts lie.

The Coca-Cola Company-
greenhouse gas footprint of three beverages

<table>
<thead>
<tr>
<th>Beverage</th>
<th>330 mL can</th>
<th>330 mL glass bottle</th>
<th>500 mL plastic bottle</th>
<th>2 ltr plastic bottle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coca-Cola</td>
<td>150</td>
<td>150</td>
<td>200</td>
<td>300</td>
</tr>
<tr>
<td>Diet Coke</td>
<td>100</td>
<td>100</td>
<td>150</td>
<td>250</td>
</tr>
<tr>
<td>Coke Zero</td>
<td>50</td>
<td>50</td>
<td>100</td>
<td>200</td>
</tr>
</tbody>
</table>

On average Coca-Cola has a higher footprint than diet drinks because more emissions are associated with the production of sugar than artificial sweeteners. Packaging accounts for 30-70% of the carbon footprint. The graph also shows how impacts vary between material type and size of pack.
3 PRIORITYSE

What
Use the results of your measurement to prioritise the largest contributors to climate change across your business.

Why
Focus your resources where they are needed most by identifying the areas of your business that account for the most greenhouse gas emissions.

How
Using your impact management

Set out your impacts by product and by lifecycle phase. This will highlight your highest impact products and the stage of their lifecycle at which most emissions are created.

Procter & Gamble took this approach to prioritise where action would have the greatest effect on reducing emissions. Their graph to the right shows the impact of each product category at each stage of their lifecycle.

The graph shows how Procter & Gamble can reduce its impact considerably by focusing its action on just five areas; how laundry, shampoo and liquid dishwashing products are used in the home; and how materials for laundry and diapers are sourced. This dramatically simplifies the task.

You can then interrogate your data further by looking at different variations (such as country, consumer habit, or pack type). This will help to pinpoint gaps and opportunities for action. Differences in consumer habits across the world, for example, could give rise to different solutions.

Using alternative approaches
If you can’t address your biggest impact areas, there are several other strategies which can deliver successful results:

• The quickest
Start by picking the low-hanging fruit. Quick results get people excited about the potential for more ambitious emissions reductions.

• The most achievable
Prioritise achievable strategies by identifying parts of the value chain where you have most influence. For example, one of the biggest sources of emissions for cotton clothing is how it is washed by consumers. But for clothes manufacturers, changing consumer habits is difficult compared to working with their suppliers, where they may achieve tangible success more quickly.

• The most cost effective
Focus efforts on projects with large potential cost savings or which will pay back quickly. Unilever recently redesigned the packaging for Rexona, Axe and Dove deodorant roll-ons. The new designs have reduced plastic by 8%, saving 1,000 tonnes of plastic globally and cut annual energy use by 6 million kilowatt hours.

• The biggest reputation gain
Prioritising high profile initiatives can have a positive effect on corporate reputation.

4 DEFINE TARGET AND ACTION PLANS

What
Set a target for emissions reductions across the value chain, and goals that will help you achieve it.

Why
A target and specific, measureable plan will strengthen commitment to emissions reductions and make individuals accountable for their success. Make sure you also account for future changes in climate and legislation, and identify how best to speed up and scale up your emissions reductions.

How
Targets, goals and indicators
In order to develop an action plan, you will need a vision for what you want to achieve, milestones for getting there, and metrics against which to measure progress.

<table>
<thead>
<tr>
<th>Long term Target</th>
<th>Short term goals</th>
<th>Key Performance Indicators (KPIs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A visionary target is great for inspiring suppliers and employees to drive ambitious plans forward. Validate your target with external stakeholders to ensure that it is credible and will stand the test of scrutiny from the outside world.</td>
<td>The target must be combined with short term, achievable goals that set out how the vision will be achieved.</td>
<td>Make sure your KPIs encompass the functions at the heart of the business – Research and Development, Marketing, Supply Chain – rather than ‘green issues’ being the preserve of the Corporate Social Responsibility department.</td>
</tr>
</tbody>
</table>

Absolute or relative targets
Although a relative target, such as a 20% reduction in the carbon footprint of all new products, is tempting, it doesn’t measure how you will decouple growth in consumption and production from growth in environmental impact.

For this, you will need to set a target for an absolute reduction in greenhouse gas emissions against your baseline. An absolute reduction target means that your emissions are no longer relative to the size of your operations. Even if the business grows, your total emissions must fall. This is a considerable challenge, but should still be specific, measurable and have a time horizon of at least 7-10 years.

Building an action plan

1. Review your business plans for environmental impact
Map out current initiatives, such as innovation, changes in your portfolio mix or sourcing plans that will increase or decrease emissions across your business. This will highlight how much further you need to go to reach the target you have set.

2. Tailor your plan to specific situations
Unilever’s laundry category is spread across several markets around the world. Identifying consumer use as the biggest impact area for laundry products is all very well, but is consumer behaviour the same across all markets?
The graph below from Unilever’s Laundry category shows how per-wash greenhouse gas emissions in Turkey reflect different clothes washing habits (high temperature washing and frequent prewash) than in India (where water is not heated for washing). It means the innovation and marketing activities for Turkey will need to be different from those for India.

Unilever Laundry Category
greenhouse gas emissions footprint
by country

<table>
<thead>
<tr>
<th>Country</th>
<th>Greenhouse gas grams per wash (CO₂ equivalent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turkey</td>
<td>1000 gms</td>
</tr>
<tr>
<td>India</td>
<td>100 gms</td>
</tr>
</tbody>
</table>

The graph below shows the differences in greenhouse gas emissions footprint between Turkey and India.
3. Factor in future trends

The measurement and prioritisation steps give a snapshot of your value chain impacts today, but do not take into account possible future changes. The Unilever Laundry graph suggests the need to factor in future trends: today India’s absolute footprint is low but as more people buy washing machines over the next decade this will change significantly. As well as consumer behaviour, developments in areas like carbon pricing, government regulations and the availability of raw materials can have a profound influence on your business. Your action plan must try to account for them.

4. Develop solutions

Focus your action where it is needed most. Targeted solutions could include product innovation, using different materials, supplier innovation, alterations to manufacturing, or consumer behaviour change programmes. It may even include a whole new business model. Having already developed low-weight, recyclable and even renewable packaging solutions, Coca-Cola created a new recycling business. ‘Coca-Cola Recycling’ is focused on making progress towards its goal of recovering 100% of Coca-Cola’s bottles and cans in the U.S.

5. Prioritise the solutions

Prioritise your solutions according to:

- The potential impact of each solution
- The level of effort required to implement
- The level of feasibility for yourself and your partners
- The degree of relevance to your company, its consumers and stakeholders

6. Speeding up and scaling up

Examine what you can do to implement faster or with greater scale. In 2004 Ben & Jerry’s Ice Cream in Europe launched Caring Dairy, a programme designed to improve the sustainability of dairy farms. It includes working with farmers to cut their fossil fuel energy use and improve their farming processes. The programme has scaled up from eleven to almost 500 farmers in only three years, cutting greenhouse gas emissions from milk production by over 7% and guaranteeing the use of 95% sustainably produced dairy in all their Western European ice cream.

The Coca-Cola Company has developed an energy management system for its coolers and vending machines that delivers energy savings of up to 35%. Over time, the company has placed over 1.6 million of these units on equipment around the world.
5 GO ALONE OR GO TOGETHER

What
Decide whether you can reduce your emissions alone, or whether you will be more effective working in partnership.

Why
Many emissions challenges are too great for one company to tackle alone or cannot be addressed quickly or with scale unless you work with partners.

How
Should you go alone?

<table>
<thead>
<tr>
<th>Deciding factor</th>
<th>Go it alone if…</th>
<th>Go together if…</th>
</tr>
</thead>
<tbody>
<tr>
<td>Track record of innovation</td>
<td>You already have a reputation for disruptive innovation, or you have one that will be game-changing in reducing carbon emissions.</td>
<td>Partnering to develop the technology would deliver greater or faster success and less risk.</td>
</tr>
<tr>
<td>Consumer confidence</td>
<td>You are confident your brand has enough authority and respect in the green space for consumers to trust your own standards.</td>
<td>Your brand is not known for being green, and measures that are not accredited by an independent third party are likely to be seen as greenwash.</td>
</tr>
<tr>
<td>Behaviour change</td>
<td>Minimal behaviour change is required and your message is not contradicted by other competing messages that could confuse consumers.</td>
<td>Significant behaviour change is required and a collective message will drive greater change than several independent ones.</td>
</tr>
</tbody>
</table>

Making the most of going together

- **Measure together**
  A single measurement process eases the burden on suppliers. Collaborative approaches also offer opportunities to share costs, data collection, and best practices.

- **Partner intelligently**
  Partner in ways that will mean emissions reductions accumulate over the lifecycle of a product or across industry sectors. Hydrofluorocarbons (HFCs), often used in refrigeration, are potent greenhouse gases. In 2000 Coca-Cola, Unilever and McDonald's responded to a challenge from Greenpeace to reduce emissions from HFCs, and Carlsberg, IKEA and PepsiCo have since joined the ‘Refrigerants, Naturally!’ partnership. HFC-free refrigeration reduces greenhouse gas emissions by 99% and the aim of the partnership is to work with suppliers to make cleaner technology commercially viable. By the end of 2010, the partnership will have procured over 750,000 units using cleaner refrigerants. The Coca-Cola Company has now committed that 100 percent of its new refrigeration equipment will be HFC-free by 2015.

- **Lead from the front**
  Whether it chooses to partner or not, a company can act as a catalyst which stimulates others to follow. If it pioneers a successful innovation, it can spur on others to adopt it. Unilever launched a concentrated laundry liquid in the mid 1990s but it failed because consumers saw a small bottle that looked overpriced against a much wider range of standard bottles. Unilever tried again in 2005 with All Small & Mighty concentrated liquid. Walmart saw that its shoppers were becoming more interested in ‘greener’ products, and decided to communicate the benefits of the innovation strongly in store. Shoppers were keen to try the new product and the response was so positive that Walmart announced it would only stock concentrated liquids, not standard ones. Over time the U.S. laundry market has been transformed, reducing packaging, water use and energy used in transport across the board.
6 BUILD IN, DON’T BOLT ON

What
Align your action plan with more conventional performance drivers across your company.

Why
If you treat your emissions reduction programme as an add-on to your business, there is a real risk that it will be cut when the company turns its attention to its core activities. It is essential that emissions reductions are embedded into the way your company works.

How
Make it part of core business
Show how your emissions reductions are contributing to more conventional business drivers:

1. Profit
Emissions reduction plans deliver cost savings through efficiency improvements, such as light-weight packaging, and operational improvements, like reducing energy inputs or optimising logistic routes.

2. Payback
Payback on capital investments to reduce greenhouse gases can seem long because it assumes that the cost of emitting carbon is free. Since it is likely that within five years we will be paying for carbon via carbon taxes or trading schemes, then one solution is to follow Shell and the UK Government and integrate ‘shadow pricing’ into investment decision making.

3. Consumer satisfaction
Effective strategies will recognise the potential for emissions reduction to increase consumer trust and brand loyalty. Remember, however, that most consumers are still unwilling to pay more and will not tolerate lower quality in the name of emissions reductions.

4. Product Innovation
Make your product innovations address greenhouse gas emissions effectively:

• Don’t go niche – Innovate on core business rather than creating niche products as the overall impact will be more substantial. Rather than launching an ‘eco’ range, Unilever’s leading tea brand, Lipton, has committed to sourcing all tea for its standard tea bags from Rainforest Alliance Certified plantations.

• Integrate – Put a low carbon lens onto your current innovation programme rather than creating new ‘green activities’.

• From the start – Plan greenhouse gas reduction in at the concept design stage, not as an add-on at the end of a project. The majority of greenhouse gas impact is locked in at the early stages of product design. Coca-Cola has launched a ‘common innovation framework’ which all innovation projects are required to follow. This ensures environmental impacts are considered early in the design process.

• Spread the word – Engage retailers to support communications which will trigger behaviour change.

5. Improving suppliers’ performance
Although it can be tempting to ‘clean up’ a company’s supply chain by dismissing poor performers, this does not necessarily increase global sustainability. Coaching laggards to do better can save you money and make an improvement to the environment. Greenpeace called for Unilever to stop sourcing palm oil from suppliers involved in deforestation. Unilever’s response has not been to exclude these suppliers right away but to work with them, and others in the industry, to improve their performance. Unilever helped to develop the Principles and Criteria for Sustainable Palm Oil Production, launched by the Roundtable on Sustainable Palm Oil in 2005. Of all Certified Sustainable Palm Oil sold in 2008, Unilever bought about 75%.

Make it the way you work
By linking progress in emissions reductions to existing performance drivers, you can make the programme a part of the way your company works.

1. Create ownership
It is vital that the emissions reduction plan is owned by the people that will implement it. Involve employees by forming ‘green teams’, add greenhouse gas reduction to managers’ scorecards and formal work programmes, and train executives on the company’s environmental programme.

2. Break habits
You must embed your greenhouse gas reduction programme into well-established performance drivers. Make sure sustainability targets are not the first to be dropped. You may need to increase incentives to drive a cultural shift that prioritises emissions reduction goals.

3. Periodic revision and continuous learning
Our understanding of the effects of climate change and the regulatory environment are constantly changing. You are never ‘done’ with managing environmental impact. Plan how and when you will review your plans and adapt them to a changing context.
7 FEED BACK AND REWARD

What
Feed back and reward progress towards achieving your emissions reductions targets.

Why
Companies that are serious about reducing emissions will reward achievements financially. The people working on the programme want to know they are making a difference, and want to be rewarded for it.

How

1. Celebrate success
Make sure the whole business is informed and congratulated about achievements you have made in reducing emissions.

• A clear statement from top managers signals the company’s commitment to the programme, and motivates employees and stakeholder involvement.

• Publicising your emissions reductions is a great way to improve the reputation of the programme internally and externally.

2. Reward success
By rewarding high-achievers you not only acknowledge their great work, but also create the incentive for others to follow in their footsteps.

• Reward managers financially on delivery of the environmental programme. The bonus payments of Walmart’s top executives include delivery on sustainability goals.

• Motivate value chain partners by offering incentives and rewards. For example, you could give awards to best-in-class suppliers that they can publicise, or give preferred supplier status or co-branding as motivation for supplier participation and excellence.
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