How we care for the environment
Making a positive contribution

This is an overview of our environmental performance.
For more information about Unilever and the environment see www.unilever.com – environment and society section.
Through consumer use of our products and by investing, training, and innovating we make a positive contribution to society. But our activity goes beyond this. It extends to direct involvement in communities as a concerned corporate citizen. Throughout the world our companies are engaged in a myriad of small and large projects aimed at, for example, raising standards of education, or programmes which improve health, welfare and the environment. (The detail is on our website at www.unilever.com).

Our consumers trust us to supply them with high quality goods that are produced and can be consumed in an environmentally and socially responsible way. We have a clear responsibility to meet the expectation that we should perform successfully as a business and accept responsibility for our actions around the world. This is very much part of the reality of doing business today and we are eager to find profitable solutions to the challenges.

Our environmental impact is most significant in the areas of water use, fisheries and agriculture. In each case, we are working with others in various countries and regions on conservation and sustainability projects – seeking to align our economic goals with the social and environmental consequences of our work.

This environmental performance report and the information we provide on our web pages are a manifestation of our commitment to be open and transparent. You will get a snapshot of our performance from the following pages, but we strongly urge you to look at the detail behind the data and the essential human stories that bring our environmental work to life. You will find that and much more at Unilever.com.

We are particularly pleased that our data reporting – started in 1993 – has improved in terms of its completeness and overall quality, and now demonstrates in hard facts how Unilever companies throughout the world have continuously raised their environmental performance by reducing their overall impact (see page 3).

We have met, or are on track to meet, all but one of our demanding targets set in our Environment Report 1998 (see page 8). In many ways such progress is the easy part. We have now moved on to a far more complex job of making environmental improvements in areas outside manufacturing – working with our product designers, suppliers and customers. In short, this will mean continuing to improve our manufacturing performance, designing environmentally superior products, and working with our suppliers and customers to reduce impacts along the supply chain. We have now widened our environment programme to address these factors.

We have great opportunities here to become more efficient, not only in financial terms but also in the natural resources we use and in those subsequently used by our consumers. If we get this right – as we intend to do – it will be good for the environment and good for our business. Follow our progress on www.unilever.com.
Summary of Unilever manufacturing environmental performance

Improvements in the environmental performance of our manufacturing operations worldwide since 1995 are shown here. The diagram shows percentage improvement since 1996 (our last reported data) and the target reduction for 2004. The actual figures in loads per tonne are in the table. See page 6 for why we use these parameters. Find more data on the detailed data pages at Unilever.com.

Note
Throughout this document, our last reported data (1996) are the baseline for the 1999 targets, and 1999 data are the baseline for 2004 targets.
Unilever manufacturing environmental performance
1995-1999 and targets:
reduction in load/tonne of production

<table>
<thead>
<tr>
<th>Year</th>
<th>COD kg/tonne</th>
<th>Hazardous waste kg/tonne</th>
<th>Non-hazardous waste kg/tonne</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>3.94</td>
<td>0.69</td>
<td>23.68</td>
</tr>
<tr>
<td>1996</td>
<td>3.65</td>
<td>0.96</td>
<td>17.58</td>
</tr>
<tr>
<td>1997</td>
<td>3.23</td>
<td>0.98</td>
<td>17.46</td>
</tr>
<tr>
<td>1998</td>
<td>2.95</td>
<td>0.66</td>
<td>14.86</td>
</tr>
<tr>
<td>1999</td>
<td>2.79</td>
<td>0.62</td>
<td>13.12</td>
</tr>
<tr>
<td>T1999</td>
<td>3.15</td>
<td>0.76</td>
<td>14.83</td>
</tr>
<tr>
<td>T2000</td>
<td>2.54</td>
<td>0.57</td>
<td>11.75</td>
</tr>
<tr>
<td>T2004</td>
<td>2.12</td>
<td>0.44</td>
<td>10.28</td>
</tr>
</tbody>
</table>

HPC factories in the USA contributed to overall reductions by making major improvements in 1999. The number of sites reporting COD has increased to nearly 97% (as % of production).

<table>
<thead>
<tr>
<th>Year</th>
<th>Total water m³/tonne</th>
<th>CO₂ from energy use kg/tonne</th>
<th>Boiler/utilities SOx kg/tonne</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>7.94</td>
<td>247.63</td>
<td>0.68</td>
</tr>
<tr>
<td>1996</td>
<td>7.21</td>
<td>243.61</td>
<td>0.71</td>
</tr>
<tr>
<td>1997</td>
<td>6.79</td>
<td>226.47</td>
<td>0.59</td>
</tr>
<tr>
<td>1998</td>
<td>6.54</td>
<td>217.59</td>
<td>0.55</td>
</tr>
<tr>
<td>1999</td>
<td>6.06</td>
<td>208.49</td>
<td>0.45</td>
</tr>
<tr>
<td>T1999</td>
<td>6.66</td>
<td>227.77</td>
<td>0.65</td>
</tr>
<tr>
<td>T2000</td>
<td>5.79</td>
<td>202.26</td>
<td>0.41</td>
</tr>
<tr>
<td>T2004</td>
<td>5.28</td>
<td>184.76</td>
<td>0.34</td>
</tr>
</tbody>
</table>

Total water m³/tonne

Recycling of edible oil bleaching earth and reducing the amount of liquid effluent taken offsite by tanker have contributed significantly to the falling trend. A better understanding of waste recycling on our plantations has also helped improve measurement and reporting.

Energy conservation programmes by our sites in some countries, such as India, have led to a significant reduction in CO₂ emissions, beating our target figure for 1999. There were also some improvements to the accuracy of measuring and reporting.

Key performance trends

Here are the trends in our key performance parameters. For discussions on the issues and details of the actions we have taken to reduce our impact visit the responding to global issues section at Unilever.com

For more information see the environment section at www.unilever.com
Unilever environmental performance 1995-1999: production tonnage and total loads

<table>
<thead>
<tr>
<th>Year</th>
<th>COD $\times 10^3$ tonnes</th>
<th>Hazardous waste $\times 10^3$ tonnes</th>
<th>Non-hazardous waste $\times 10^3$ tonnes</th>
<th>Total water $\times 10^6$ m$^3$</th>
<th>Energy $\times 10^6$ GJ</th>
<th>CO$_2$ from energy use $\times 10^6$ tonnes</th>
<th>Boiler/utilities SOx $\times 10^3$ tonnes</th>
<th>Production $\times 10^3$ tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>74.8</td>
<td>13.8</td>
<td>484.2</td>
<td>163.2</td>
<td>59.7</td>
<td>5.1</td>
<td>13.0</td>
<td>20,601.3</td>
</tr>
<tr>
<td>1996</td>
<td>74.1</td>
<td>20.7</td>
<td>382.9</td>
<td>160.5</td>
<td>63.0</td>
<td>5.4</td>
<td>14.3</td>
<td>22,294.1</td>
</tr>
<tr>
<td>1997</td>
<td>67.7</td>
<td>21.5</td>
<td>387.7</td>
<td>153.2</td>
<td>60.6</td>
<td>5.4</td>
<td>12.5</td>
<td>22,625.8</td>
</tr>
<tr>
<td>1998</td>
<td>63.0</td>
<td>14.7</td>
<td>331.9</td>
<td>146.3</td>
<td>57.6</td>
<td>4.9</td>
<td>12.1</td>
<td>22,438.3</td>
</tr>
<tr>
<td>1999</td>
<td>61.1</td>
<td>14.0</td>
<td>300.4</td>
<td>138.6</td>
<td>54.9</td>
<td>4.8</td>
<td>10.3</td>
<td>22,897.9</td>
</tr>
</tbody>
</table>

Environmental prosecutions and fines 1995-1999

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of manufacturing sites</th>
<th>Number of sites reporting</th>
<th>Number of fines</th>
<th>Total cost of fines</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>444</td>
<td>400</td>
<td>16</td>
<td>£203,641</td>
</tr>
<tr>
<td>1996</td>
<td>506</td>
<td>457</td>
<td>9</td>
<td>£74,005</td>
</tr>
<tr>
<td>1997</td>
<td>534</td>
<td>502</td>
<td>25</td>
<td>£41,577</td>
</tr>
<tr>
<td>1998</td>
<td>495</td>
<td>473</td>
<td>16</td>
<td>£31,066</td>
</tr>
<tr>
<td>1999</td>
<td>449</td>
<td>449</td>
<td>2</td>
<td>£3,022</td>
</tr>
</tbody>
</table>

After a rise in 1997 (mainly due to multiple prosecutions at two factories), the number of prosecutions and the amount of fines have continued to decrease. Most incidents were relatively minor technical infringements. Our aim remains total compliance.

Environmental impact

Unilever companies have reduced their overall impact on the environment (total loads) while increasing their output (production tonnage).
The parameters we use

**Total COD (Chemical Oxygen Demand, tonnes)**
COD represents the ingredients and product lost from the full manufacturing process, and mainly arises during cleaning operations. COD is widely used by regulatory bodies to control industrial wastewaters, and to calculate the correct level of charges for downstream municipal wastewater treatment, which is designed to remove most of the COD before the wastewater is discharged to the environment. The Unilever COD data represent the load discharged from the factory, and does not make any allowance for the fact that typically between 80% and 90% of this material is removed in municipal wastewater treatment plants. Consequently the COD load which actually reaches the environment, and therefore contributes to nutrification potential, is much lower.

**Total hazardous and non-hazardous waste (tonnes) (reported separately)**
In terms of potential impact on the environment, it is important to distinguish between hazardous and non-hazardous waste. Since there is no common international waste classification, the Unilever data are based on the national legal definitions applicable for each site, and are simply the total mass of material disposed of from the site under each classification.

**Boiler/Utilities SOx (tonnes)**
This air emission parameter is relevant to most sites since almost all have a boiler used for generating steam. In some cases diesel generators are also used onsite for electricity generation. The Unilever data are calculated from the total mass of fuel consumed, and its sulphur content, and are expressed in terms of a mass of sulphur dioxide (SO2). Emissions of SOx contribute to acid rain potential.

**Total energy consumption (GJ or 10^9 Joules)/CO2 from energy use (tonnes)**
Energy consumption per tonne of product is widely used as a manufacturing performance indicator. The global warming potential (expressed as tonnes CO2) has then been calculated from the source energy data using internationally accepted conversion factors derived from the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA).

**Total water consumption (m³)**
Water consumption is also widely used as a measure of manufacturing performance. It is measured universally in Unilever's factories. The Unilever data represent all water consumed and include water used as an ingredient in products as well as uncontaminated cooling water and wastewater.

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Data parameters

Six key environmental performance parameters are used by our manufacturing operations for reporting emissions and setting future reduction targets.

For more information see the environment section at [www.unilever.com](http://www.unilever.com)
Improvements have been achieved by:

- Devolving responsibility for the process to the Business Groups (BGs) and providing training for BG personnel in their new role in terms of collecting and validating the environmental performance data.
- Improving the proforma used for collecting data. This has improved validation and provided greater consistency.
- Faster input of data to our database and providing better reporting tools to the BGs and for external reporting.

For the 1999 data collection exercise this has resulted in all sites reporting – a considerable improvement when compared with our last Report. Except for one parameter, virtually complete reporting of the key parameters was achieved – in excess of 99% based on reported tonnage. Reporting of COD data was slightly lower with 97% coverage being achieved on the same basis. Furthermore, the whole process has been greatly speeded up, allowing for much earlier reporting of the aggregated data.

Quality of our data

Considerable improvements have been made in the collection and validation of the environmental performance data from our sites worldwide over the past two years.

For more information see the environment section at www.unilever.com.
Progress against targets

We have met, or are on target to meet, all but one of the targets set out in Unilever’s Environment Report 1998.

For more information see the environment section at www.unilever.com
Caring for resources

1 Sustainable agriculture
Two-thirds of our raw materials come from agriculture. We are working with a wide group of stakeholders around the world to develop a set of standards for sustainable agriculture. These standards will include and expand on our existing careful practices and we are seeking ways to provide better consumer information about how the ingredients in our products are grown.

2 Fish conservation
We are committed only to buy fish from sustainable stocks by 2005 and we are working with suppliers to meet this target. We have invited suppliers to observe a code developed by the German fish industry that promotes sustainable fishing, and to date some 90% of our suppliers have signed the code. We also work with the Marine Stewardship Council (MSC) to encourage suppliers to move towards certification to MSC standards.

3 Water care
The world’s water systems – a shared resource – are under intense pressure. Consumers need clean water to use our products. Agriculture, which needs water for plants to grow, can also affect water quality as well as availability. Our factories use water for processing, and produce effluent that must be cleaned before it is discharged to rivers and seas. Unilever is working with others to help assure the future availability of clean, potable water. Central to this are projects to recover and conserve natural water resources and partnerships to build and share knowledge about efficient management and protection of water quality.

For greater detail, visit the caring for our resources pages at Unilever.com.

Contributing to a sustainable environment

Many of the issues that affect us are outside our direct control – either at the beginning of the supply chain or at the end. This has led us to focus our improvement efforts on three environmental sustainability initiatives that go beyond our own operations.
Our aims are:

- **Eco-efficiency in the supply chain**
  
  To continually reduce our environmental impact in manufacturing as shown on page 5 and on the detailed data pages at Unilever.com and extend the scope of reported parameters internally and to aspects of the wider supply chain.

- **Eco-efficiency in innovation**
  
  To incorporate eco-efficiency in product design by extending the application of life cycle assessment and developing new tools for use by product developers.

- **Sustainable resource use**
  
  To source all fish from sustainable sources by 2005.
  
  To define standards for sustainable agriculture based on the findings from our pilot projects on peas, spinach, tea, tomatoes and vegetable oil.
  
  To define our water imprint on a regional and product category basis and use this in developing partnership programmes for clean water stewardship.

In addition we will use our environmental management system (EMS) to provide a basis for our sites to gain ISO 14001 certification – with the goal of ensuring our major manufacturing sites achieve this. Furthermore we will extend our EMS to cover all non-manufacturing parts of the operation. As part of this activity we will ensure that all managers nominated as responsible for implementing Unilever environmental standards receive appropriate formal training, and that any new environmental managers receive such training within six months of their appointment.

Our action plan in response to specific environmental themes can be found in the responding to global issues section at Unilever.com.

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**Environment programme – future objectives**

Our environment policy applies to all our operations throughout the world. During 1999 we reviewed our environment strategy and outlined our programme for the next two to three years.
Verifier’s Statement

Enviros Aspinwall has subjected the data contained in this document to an independent assessment. The assessment included visits to 23 operational sites that collectively accounted for 13% of Unilever’s total production tonnage in 1999.

We reviewed the system for collection of data, including the level of compliance with internal reporting guidelines, and have found this system to be robust. The evidence we observed during the site visits corroborates the reported improvements in environmental performance.

Our full statement can be found at Unilever.com.

Mark Line
Projects Director – Reporting and Verification
July 2000

Aspinwall & Company Ltd
Walford Manor
Shrewsbury SY4 2HH
UK

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