

How Unilever applies LCA/LCM in a business context

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Bath, July 2008

**Safety & Environmental
Assurance Centre**



How we are organised

Unilever ← SEAC

Household and personal care

Categories

Categories

Brands

Brands

Brands



Signal



Dove



SUNSILK



Comfort



Food

Categories

Categories

Brands

Brands

Brands



HELLMANN'S



Unilever and sustainability



Changes in the World Around Us

Climate Change



Soil Degradation



Water Scarcity



Biodiesel



Draught



Declining Oil Reserves



Consumer Concerns

Global Warming



Greenhouse Gases



Natural Disasters



Rainforest Destruction



Health Epidemics



Mass Migration of People



Chemicals in products; how / where they're made

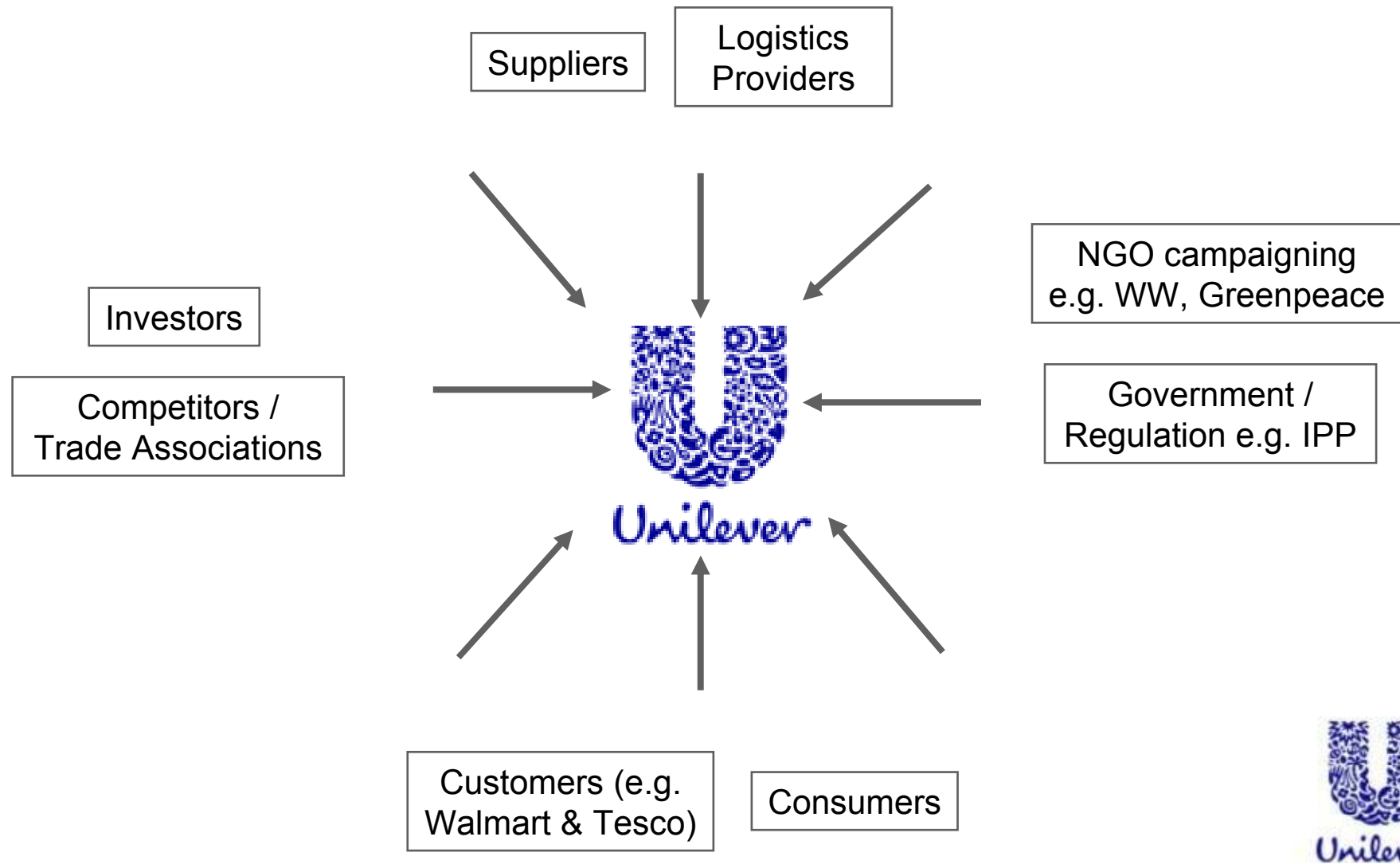


Gap between Rich & Poor



Unilever

Our external drivers




The Unilever Mission



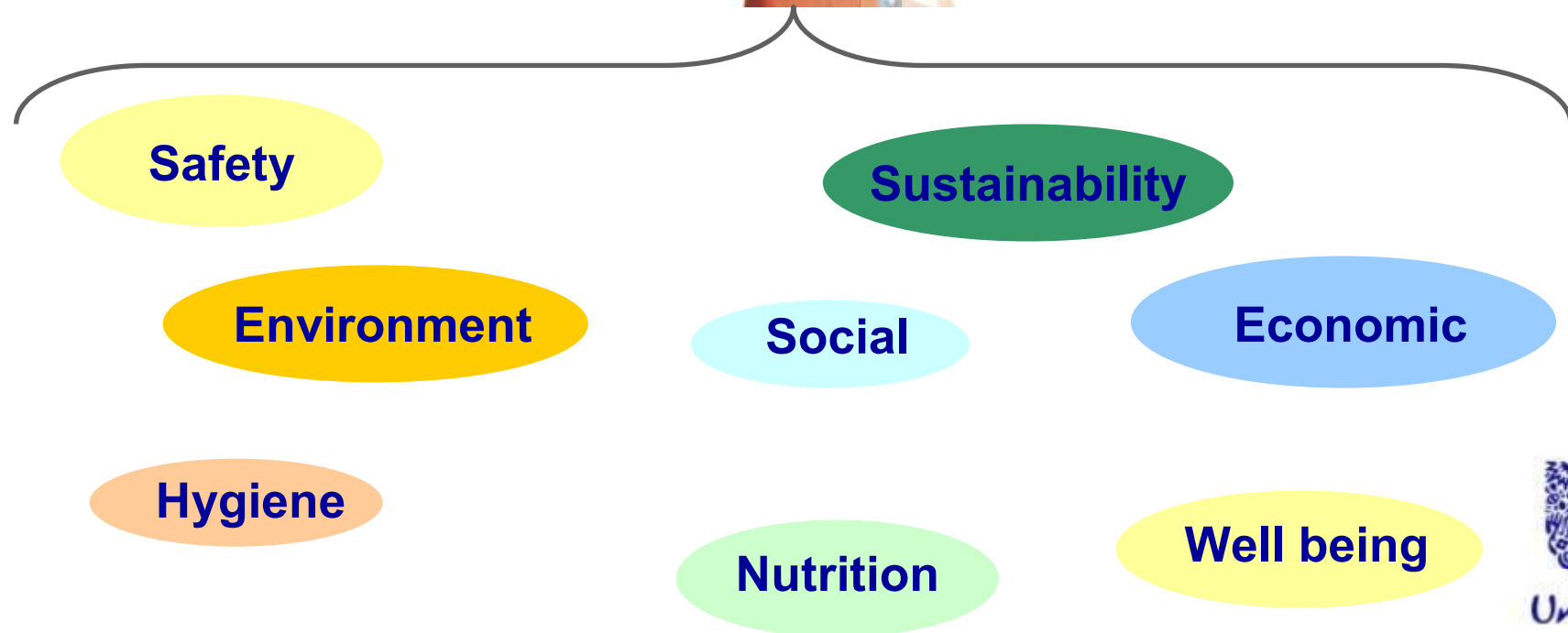
"To make cleanliness commonplace; to lessen work for women; to foster health and contribute to personal attractiveness, that life may be more enjoyable and rewarding for the people who use our products".

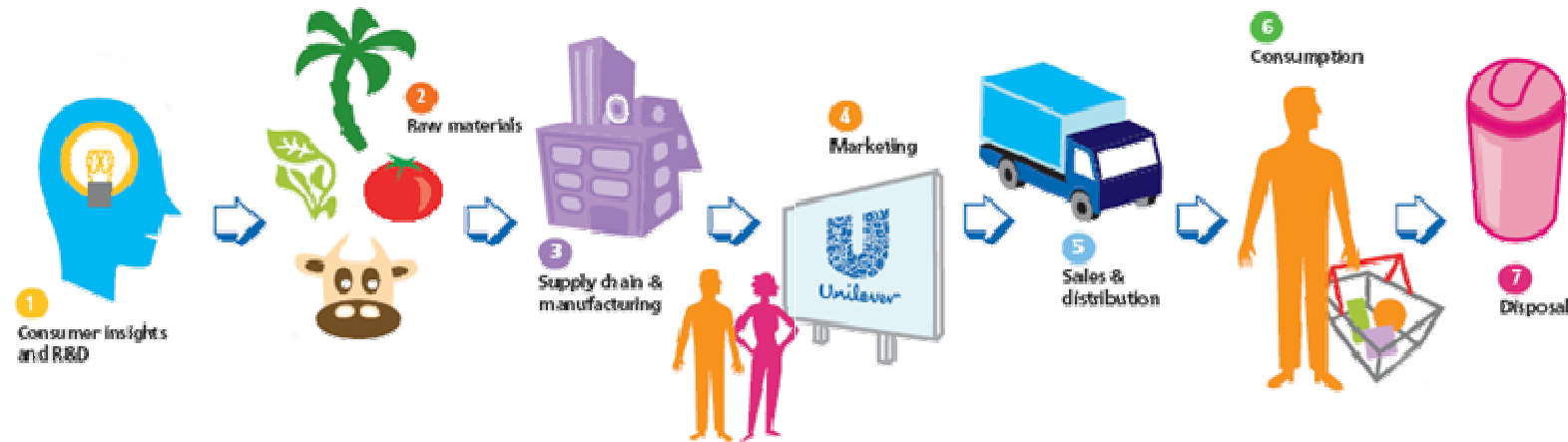
William Hesketh Lever, 1890

A woman with curly hair, wearing a denim jacket, is smiling and holding a large blue sign. The sign contains the text: "Unilever's mission is to add Vitality to life. We meet everyday needs for nutrition, hygiene and personal care with brands that help people feel good, look good and get more out of life." At the bottom right of the image, there are decorative icons of a heart and a hand holding a heart.

Unilever's mission is to add Vitality to life. We meet everyday needs for nutrition, hygiene and personal care with brands that help people feel good, look good and get more out of life.

Where does sustainability sit?





Social:

- Search for fulfilment & well-being
- Animal Testing
- Labour issues/human rights
- Women's issues
- Diversity/equal rights
- Hunger/malnutrition
- Wars/security/terrorism
- Health, illness and disease
- Loss of natural habits
- Obesity and weight
- Chemicals in the body
- Natural/organic
- Product safety
- Good causes/charity fundraising Ethical behavior /Responsible marketing
- Disaster relief/social migration

Economic:

- air trade/wages/pricing
- Poverty reduction/wealth creation/ wealth disparity
- Economic migration
- Developing local communities e.g. education, infrastructure
- Employment
- Transparency/corruption
- Cost of consumption e.g. taxes/congestion charges on CO2 emissions or high fuel costs
- Cost of recycling

Environment:

- Water usage
- Sustainability
- Ingredients/chemicals
- Climate change/CO2 emissions/pollution
- Energy use
- Transport/ food miles
- Genetic modification
- Excess packaging
- Deforestation/Biodiversity
- Recycling/Reuse
- Waste/ Land fill/ Biodegradability
- Pollution



LCA/LCM in Unilever



Unilever LCA Studies

■ Household & Personal Care

- Laundry
- Dishwash
- Wipes
- Deodorants
- Toothpaste
- Shampoo
- Soap
- Shower Gel

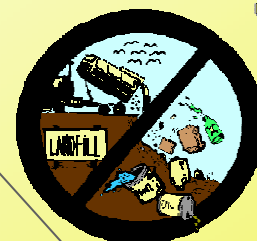
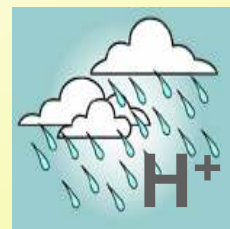
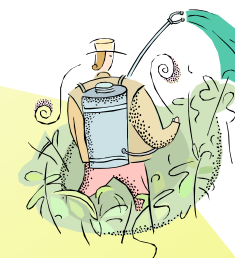
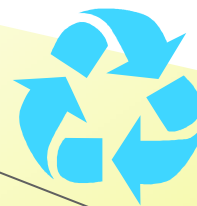
■ Foods

- Ice Cream
- Frozen Peas & Spinach
- Tomato Sauces
- Margarine
- Tea
- Savoury
- Dressings



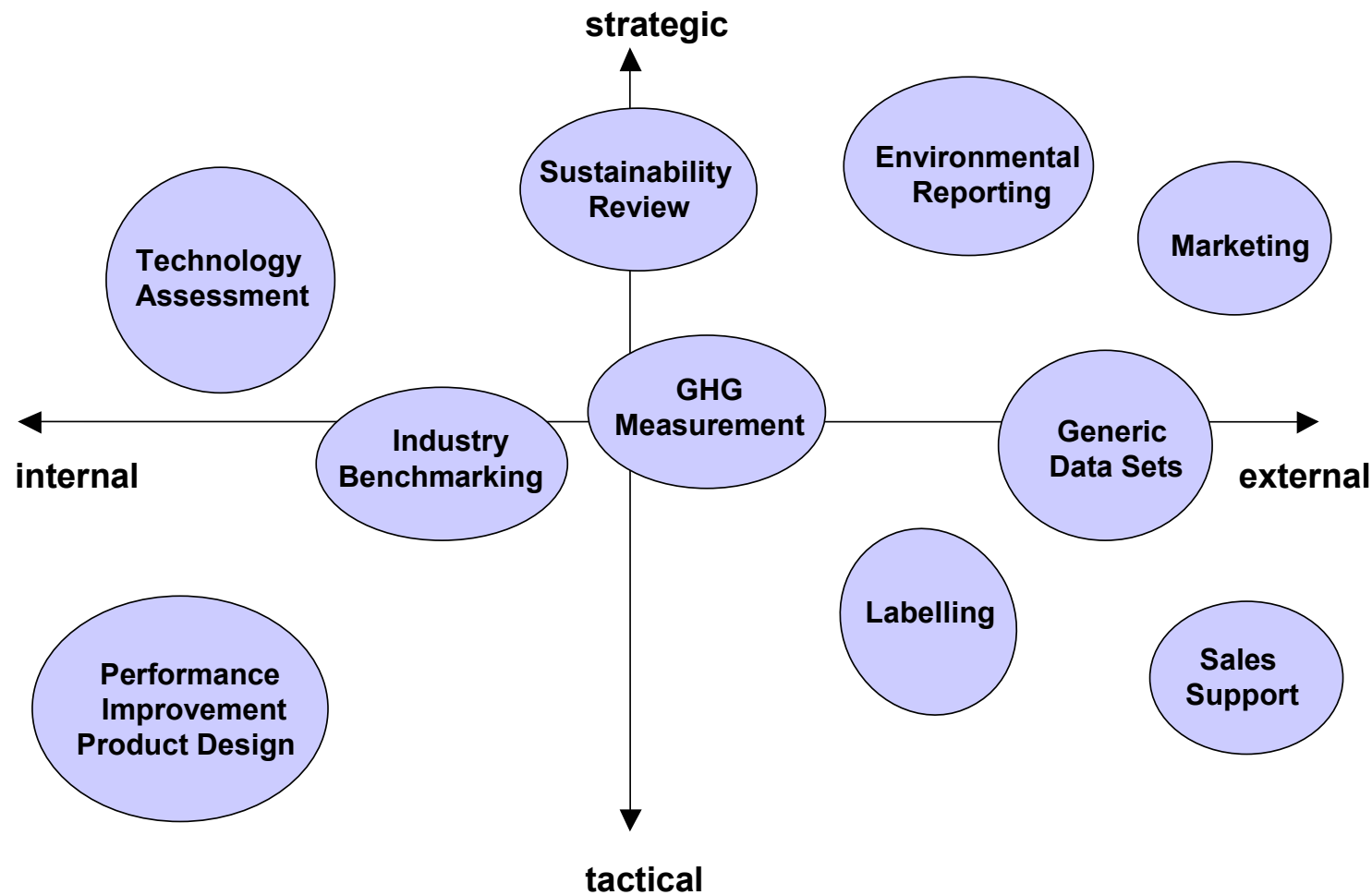
The Life Cycle Focus

expanding to include aspects



Unilever

Applications of LCM



LCA/LCM in Innovation

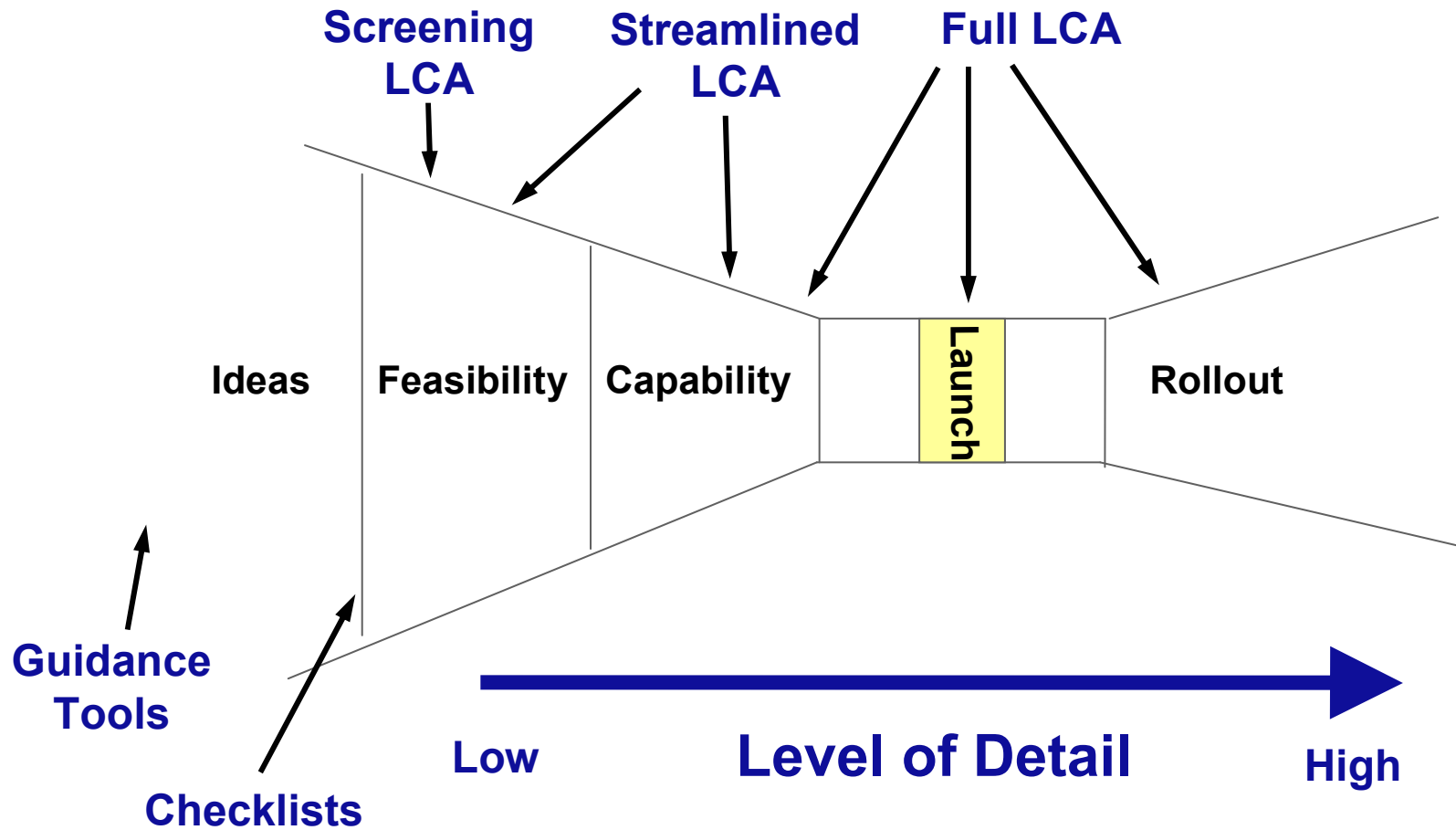
Facts

Unilever wants to reduce the Greenhouse Gas impact per tonne of production by 25 % by 2012.

It is assumed that about 80% of all environmental effects associated with a product are determined in the design phase of development (UBA, 2000)



LCA as an Innovation Support Tool



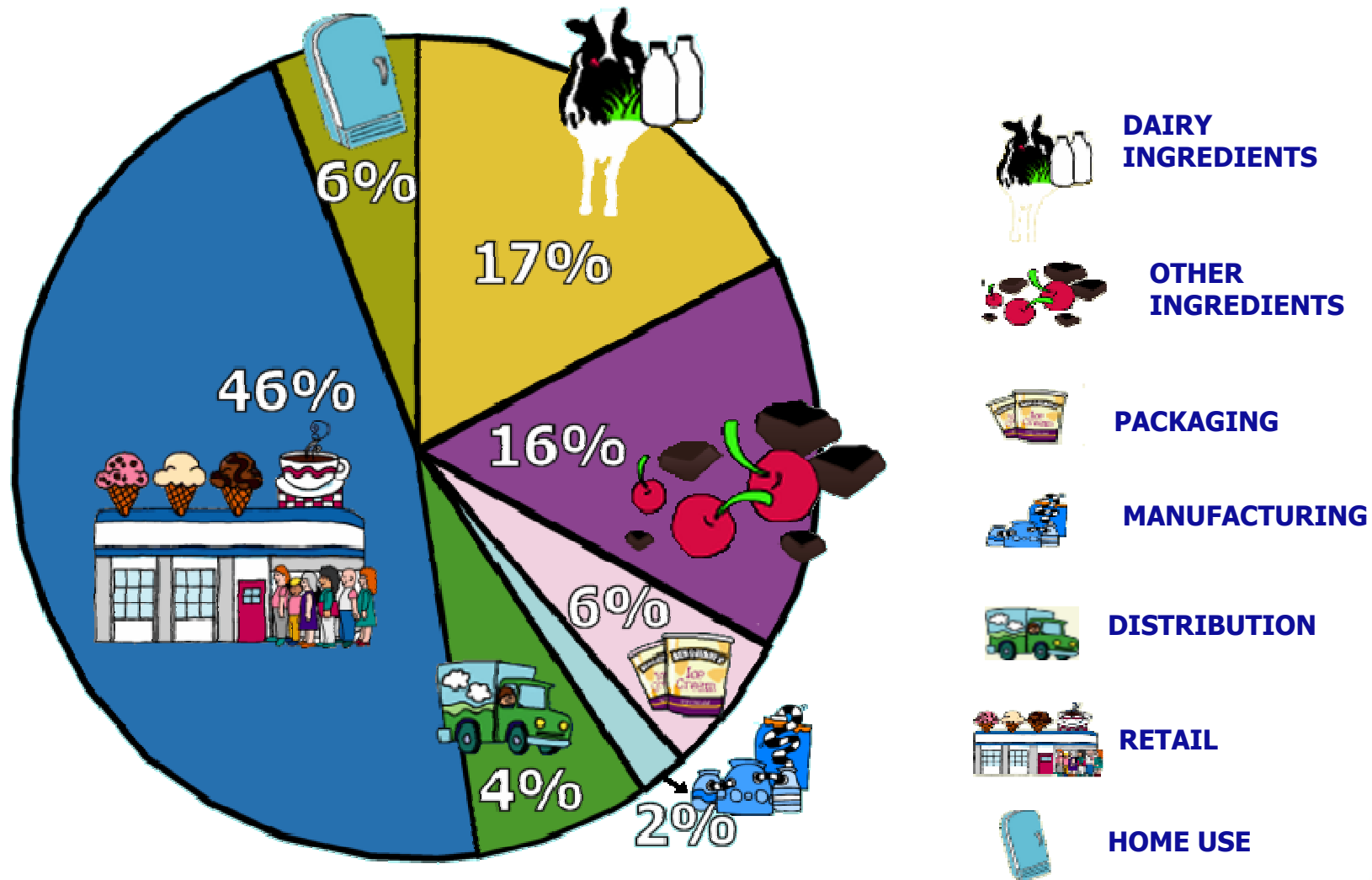
LCA in the Innovation Process

- Product/Process Comparisons
 - assess product/process options and improvements
 - explore design alternatives (e.g. materials, recycling, in-use habits, disposal, etc.)
- Category Assessments
 - improve understanding of product environmental performance
 - identify “hot-spots”

LCA as guidance and in decision support!



Example ice cream



Common issues when conducting LCAs

- Data availability and relevance
- Scale of operation/complexity
- Timing/cost
- Often applied post-product development

LCA/LCM for strategic decisions

Brand imprint

BI is a tool designed to gain deeper insights on the SEE forces that can fuel or present barriers to brand growth.



LCA in Communication



Communicating Environmental Performance

- We use life cycle approaches to communicate environmental information to key stakeholders (e.g. NGOs, legislators, customers)
 - to support product launches (used both defensively and promotionally)
 - to assist lobbying activities
 - to inform the public

Current LCA challenges for Unilever

- Land issue (biodiversity, soil degradation...)
 - Food
 - biofuels
 - bioplastics
- 'Carbon neutral', offsetting
 - System boundaries in biotic systems
- Data availability (literature and site specific)
- Labelling
 - Carbon labelling in the UK (Tesco)
- B 2 B tool
 - Wal-Mart packaging scorecard (US)





Thank you for listening!

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Reference

UBA Umweltbundesamt (German federal Environmental Agency) (Ed.) (2000) “How to do EcoDesign?”, a guide for environmentally and economically sound design, Verlag form.

In Commission of the European Communities (2003)
Proposal for a Directive of the European parliament and of the council on establishing a framework for the setting of Eco-design requirements for Energy-Using Products and amending Council Directive 92/42/EEC, Brussels