



BUILDING BETTER LIVES FOR A SUSTAINABLE FUTURE

UNILEVER FOUNDATION: 2013 UPDATE



FOUNDATION



WFP/Shehab Uddin

UNICEF/Ghana13/Quarmyne

DELIVERING POSITIVE SOCIAL IMPACT BUILDING OUR BUSINESS

I am pleased to share the Unilever Foundation's first annual update.

Unilever has a long, rich history in addressing social issues through our business and brands. However, the world today is facing unprecedented challenges. To unlock human potential and irreversibly reduce poverty, business must play a proactive role in helping improve the quality of life for all and catalyse sustainable economic growth.

At Unilever, we aim to double the size of our business while reducing our environmental footprint and increasing our positive social impact. To help drive the type of transformational change necessary to improve people's lives, we launched the Unilever Foundation in 2012.

The Foundation focuses on a select number of unmet social needs that our business can play a unique role in addressing. Additionally, it is one important action we are taking to meet the Unilever Sustainable Living Plan's ambitious goal of helping more than one billion people improve their health and well-being while creating a sustainable future.

It reinforces my firm conviction of the power of partnerships, and I am honoured to work with some of the best in the field. We have made good progress and could not have achieved as much as we have to date without the drive and dedication of our partners. In the first year, the Foundation positively impacted the lives of more than 14.5 million people¹ via:

- Creating multi-faceted partnerships with five leading global organizations.
- Connecting with consumers on social issues through brands they know and trust.
- Advocating for policies designed to address some of today's global health challenges.
- Providing critical resources in response to emergencies and ongoing community needs.
- Supporting programmes in communities where we live and work.
- Identifying new ways to engage our employees in important social issues.

We have learnt a lot that has helped Unilever's commitment to being a force for good, as building a better society goes hand-in-hand with building a more sustainable business. Now it's time to set the bar even higher.



PAUL POLMAN
Chief Executive Officer, Unilever




PAUL POLMAN, CEO



¹ The number of lives positively impacted is based on actual reported beneficiaries and estimates of planned outcomes by our global and local partners associated with funds disbursed in 2012, as well as Lifebuoy's School of Five programme methodology where applicable.

UNILEVER FOUNDATION MISSION

The Foundation is dedicated to improving the quality of life through the provision of hygiene, sanitation, access to clean drinking water, basic nutrition & enhancing self esteem.




More than 2 million children under five years old die from diarrhoea and acute respiratory infections annually.

HYGIENE




Women earn just 10% of the world's income, yet work two-thirds of the world's working hours.

SELF-ESTEEM



An estimated 2.5 billion people lack access to improved sanitation.

SANITATION



Over one billion people do not have access to safe drinking water.

CLEAN DRINKING WATER



Nearly 870 million people suffer from chronic hunger.

BASIC NUTRITION

OUR APPROACH

The Unilever Foundation's strategic framework is comprised of six pillars designed to deliver positive social value while growing our business.



GLOBAL PARTNERSHIPS



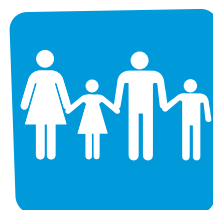
CONNECTING WITH CONSUMERS



ADVOCACY



DISASTER & EMERGENCY RELIEF



LOCAL PROGRAMME SUPPORT



EMPLOYEE ENGAGEMENT

OUR IMPACTS

Together with our global and local partners, we are contributing to improving the quality of life for individuals in need and creating a sustainable future.

More than
14.5 MILLION
lives positively impacted.¹

¹ The number of lives positively impacted is based on actual reported beneficiaries and estimates of planned outcomes by our global and local partners associated with funds disbursed in 2012, as well as Lifebuoy's School of Five programme methodology where applicable.

GLOBAL PARTNERSHIPS

CHANGING BEHAVIOUR, SAVING LIVES

Access to sanitation is a basic human right. However, billions of people lack access to toilets and are forced to defecate in the open, putting them at risk of preventable diseases such as diarrhoea and malnutrition. In addition to improving a child's health, investments in sanitation contribute to girls attending and remaining in school and affords dignity and privacy, particularly for women.

An estimated
2.5 BILLION
people do not have access to improved sanitation;
1 billion of these people practice open defecation.¹

To help address this crisis, the Unilever Foundation is supporting UNICEF's *Community Approaches to Total Sanitation* ('CATS'). CATS aims to eliminate open defecation by changing people's behaviour and promoting demand for sanitation. With our support, UNICEF has implemented and expanded CATS in Gambia, Ghana, Nicaragua, Nigeria, Pakistan, Philippines, South Sudan, Sudan and Vietnam.

The Foundation is also supporting hygiene and sanitation programmes in Brazil, India, Indonesia, Myanmar, South Africa, and Turkey.

UNICEF is also one of our primary partners in times of disaster and emergency relief.



An estimated
600,000
people will be living in open defecation free
communities and nearly
1 MILLION
people will be reached with hygiene programmes
and/or communication.²



PROGRAMME HIGHLIGHTS²

- **1,500 CATS facilitators** have been trained in triggering, a process designed to help families understand the link between open defecation and disease; this has resulted in people constructing their own toilets.
- **549,000 people in 1,079 communities** have been reached through triggering. Of these communities, 523 have achieved open defecation free status ('ODF') with nearly 200,000 people living in ODF environments.
- **Over 14,000 school children** in Nicaragua, South Sudan, Sudan and Vietnam have been reached with programmes that help to ensure safe access to water, sanitation and hygiene in school; work is ongoing to reach an additional 29 schools.
- **Together with Governments and partners**, UNICEF has developed national sanitation policies and guidelines, as well as supported technical capacity for sanitation programming.
- **Nearly 500 business owners, masons and artisans** have received training in sanitation marketing in Gambia, Sudan, Pakistan, Philippines and Vietnam.
- **Nearly 600,000 enrolled school children in India** will be reached with handwashing programmes through a partnership with the government of Madhya Pradesh, Unilever in India, and UNICEF.
- **190,000 children in South Africa** will benefit from hygiene education and/or communications.



¹ WHO/UNICEF Joint Monitoring Programme: Progress on Drinking Water & Sanitation. 2013 Update.

² Figures are based on actual reported beneficiaries and estimates of planned outcomes by UNICEF in conjunction with funds dispersed in 2012.

GLOBAL PARTNERSHIPS



A HOLISTIC APPROACH TO REDUCING HUNGER AND POVERTY

Malnutrition affects millions of children worldwide, robbing them of a bright future. When children chronically lack the right nutrition, the resulting damage to their cognitive and physical development can be irreversible. Malnourished children are more susceptible to illness and are likely to be less productive members of society.

For nearly
870 MILLION
people today - one out of every eight on the planet - hunger is a battle that is being lost and children are among the most affected.¹

The call to action is clear: Investing in nutrition is an investment in the next generation. To help combat malnutrition, the Unilever Foundation is partnering with the World Food Programme ('WFP') through *Project Laser Beam* ('PLB'). This public-private partnership aims to address child malnutrition holistically by tackling both direct and underlying causes. We are also supporting the WFP's school meals programme in a number of countries, including the Philippines and Pakistan, as well as emergency preparedness in Malaysia.

PROGRAMME HIGHLIGHTS²

BANGLADESH

The Unilever Foundation is supporting *PLB* by working with the following partners to improve nutrition, access to clean drinking water and sanitation, hygiene practices, and livelihoods. Across all initiatives we are utilizing our proven Lifebouy handwashing model.

- **WFP:** Providing school meals to more than 100,000 children to improve their nutritional status and encourage regular school attendance.
- **WaterAid:** Helping provide access to safe drinking water, sanitation facilities and hygiene training.
- **BRAC and JITA:** Supporting programmes that uplift more than 3,000 women from poverty through education, skills-based training and micro-financing opportunities.
- **Friendship:** Ensuring that mothers and their children receive family planning education, pre- and post-natal care, and primary health care.

INDONESIA

PLB, with support from the Foundation, has launched an innovative, local food-based school meals programme in cooperation with several other private and public organisations. This programme takes a holistic approach to child malnutrition by:

- Using locally sourced ingredients.
- Cooking with essential micronutrient powders.
- Providing education on nutrition, health and hygiene.

Results indicate that when children receive a hot, nutritious meal every day at school, they are more likely to come to school and are able to concentrate better in class.



GMB Akash

12 MILLION+
school meals distributed.
170,000+
lives improved.²



GMB Akash

¹ Source: State of Food Insecurity in the World, FAO, 2012.

² Figures are based on actual reported beneficiaries and estimates of planned outcomes by the World Food Programme, WaterAid, BRAC, Friendship and JITA in conjunction with funds dispersed in 2012.

GLOBAL PARTNERSHIPS

EVERY ONE CAMPAIGN

To help end the injustice of millions of children dying before they reach their 5th birthday, the Unilever Foundation has made a three-year, €15 million commitment to Save the Children's biggest-ever global campaign, EVERY ONE.

Every year

6.9 MILLION

children die before their 5th birthday, mostly from preventable diseases or simply because they don't have enough food to eat.¹

In addition, the Unilever Foundation has been funding Save the Children's local programmes in Australia, Bolivia, Dominican Republic, Haiti, Italy, Japan, New Zealand and Peru.

As part of on-going work in disaster and emergency response, the Foundation is also supporting Save the Children's Humanitarian Health Workers programme to significantly scale-up frontline health capacity so that many more children's lives can be saved in emergencies.

Lastly, we are supporting Save the Children's emergency work in Myanmar, Somalia and Syria. Unilever is working with Save the Children before, during and after an emergency strikes, making sure children caught up in emergencies can get the urgent care they need.



Over

1 MILLION

people will have access to health workers, basic nutrition and life saving interventions.²



Save the Children®

PROGRAMME HIGHLIGHTS²

The partnership has identified five priority countries based on where the needs are greatest and where Unilever has a presence: Bangladesh, China, Kenya, Nigeria and Pakistan.

The results expected by the end of the first year of our work together include:

- **5,237 health service providers** (e.g. doctors, nurses and community health workers) will be trained to deliver life-saving assistance.
- **558,382 women and children** will directly benefit from health and nutrition services and education resulting from the training we support.
- **200 health clinics** will be improved in Bangladesh, Kenya, Nigeria and Pakistan through provision of equipment and infrastructure enhancements.
- **1.9 million community members** across the five priority countries will benefit indirectly as a result of our support.
- **1.14 million community members** will indirectly benefit from a stronger national health system in Nigeria.
- **Greater advocacy** for improved health and nutrition policies through collaborations with the Governments of Bangladesh, China, Kenya, Nigeria and Pakistan.
- **New research** in Nigeria and Bangladesh to help Governments improve on their health and nutrition service delivery approaches.



¹ Levels & Trends in Child Mortality, Report 2012, UNICEF, et al.

² Figures are based on actual reported beneficiaries and estimates of planned outcomes by Save the Children in conjunction with funds dispersed in 2012.

GLOBAL PARTNERSHIPS

SAVING LIVES THROUGH HANDWASHING & SAFE DRINKING WATER



Diarrhoea and pneumonia are leading causes of death in children under five¹.

Every year, more than

2 MILLION

children do not reach their fifth birthday due to deaths from diarrhoea and pneumonia.¹

More than half of these early child deaths are due to conditions that could be prevented or treated with access to simple, affordable interventions.

Nearly

800 MILLION

people do not have access to safe drinking water.²

The Unilever Foundation and PSI, a global health organisation, are working together to avert these preventable deaths by teaching people about the importance of handwashing and increasing access to clean drinking water in parts of Africa and Asia, respectively. Through our partnership, we are providing funds, expertise and products to help change health and hygiene behaviours of families and children in need while simultaneously working toward Unilever's Sustainable Living Plan targets around handwashing and access to safe, affordable drinking water.



PROGRAMME HIGHLIGHTS³

The Unilever Foundation and PSI have been working with local governments across Kenya, Vietnam, and Zimbabwe – 3 countries where the practice of handwashing with soap is low. By employing Lifebuoy's *School of Five* methodology, we have reached:

- **Over 200,000 children** in 400 schools on how to improve their hygiene behaviours by getting them into the habit of correctly and consistently washing their hands with soap at key occasions during the day.

Additionally, as part of our goal to make safe drinking water available and affordable, the Foundation and PSI have launched *Waterworks™* in Bhopal, India. *Waterworks™* trains women in delivering and teaching families how to use Pureit water purifiers. As a result of our combined efforts:

- **75 women** from the communities have been trained as Waterworkers, in turn, helping to improve their livelihoods.
- **15,000 households** in need have received free Pureit home water purifiers.



1 MILLION+
people will be reached with handwashing
behaviour change programmes and
75,000 PEOPLE
will receive access to free safe drinking water.³

¹ Source: Pneumonia and Diarrhoea. Tackling the Deadliest Diseases for the World's Poorest Children. UNICEF, June 2012.

² Source: World Health Organisation, 2011, Fact Sheet No 178.

³ Figures are based on actual reported beneficiaries and estimates of planned outcomes by PSI in conjunction with funds dispersed in 2012.

GLOBAL PARTNERSHIPS

COMBATING POVERTY, IMPROVING LIVELIHOODS

The Unilever Foundation's partnership with Oxfam is improving lives around the world through support of programmes designed to uplift individuals out of poverty – particularly women – and to deliver good nutrition and clean, safe drinking water.

An estimated
1.2 BILLION
people live in extreme poverty.¹

Our partnership is supporting programmes at a country level designed to deliver positive social impact in one or more areas of shared interest.



More than
500,000
meals have been distributed and tens of thousands of people have been fed via Oxfam's collaboration with local food banks in the UK.²

¹ Source: The Millennium Development Goals Report 2013, United Nations.

² Figures are based on actual reported beneficiaries and estimates of planned outcomes by Oxfam in conjunction with funds disbursed in 2012.



OXFAM

PROGRAMME HIGHLIGHTS²

- **UK:** The partnership is supporting women and their families living on or below the poverty line with basic nutrition.
- **Thailand:** Women in Yala, Narathiwat and Pattani have received education on sustainable agriculture and business to help them improve the productivity of their land and, in turn, their livelihoods.
- **Australia:** Aboriginal and Torres Strait Islander people have received health and healing services to help close the life expectancy gap between indigenous and non-indigenous communities.
- **Cambodia:** Villages are benefiting from building clean water systems and toilets, providing water filters and promoting hygiene - all to help prevent the spread of infectious diseases.
- **Mexico:** A host of initiatives have been launched to improve people's health and well-being around access to safe drinking water, food safety and health promotion. Additionally, resources have been deployed to address food insecurity by helping farmers improve the yields from their crops.
- **Liberia:** Support for the West Africa Emergency Fund and women's agricultural initiative is helping to increase production of local crops and reduce individuals' vulnerability resulting from food shortages and price increases.



CONNECTING WITH CONSUMERS

Many of our brands are committed to investing in critical social issues through product innovations and benefits, behaviour change programmes, and consumer engagement campaigns.

By ensuring greater alignment around issues of importance to our business and engaging our consumers through brands they know and trust, we are able to achieve greater scale and impact in building a better society, while accelerating Unilever's growth. We do this through initiatives that are:

BRAND DRIVEN

- **Domestos**, Unilever's leading toilet hygiene brand, is supporting UNICEF's sanitation programmes for a second consecutive year through its Destroy Germs, Create Smiles campaign.
- **Wall's ice cream**, one of our biggest global brands, launched the Share a Smile, Help a Child campaign to raise awareness and funds for Save the Children's vital work worldwide.
- **Dove**, with its long-standing commitment to real beauty, and the Unilever Foundation, are working with local partners around the world to deliver self-esteem education for young people.

SOCIAL MEDIA DRIVEN

- Though our partnership with PSI and Facebook, individuals can make online contributions to support the provision of safe drinking water and the free distribution of Unilever's **Pureit** water filters.

RETAILER DRIVEN

- **All for One – Against Child Hunger**, a consumer campaign co-created with Coopernic, one of our European retailers, and several Unilever brands, is benefiting the World Food Programme in its fight against malnutrition through school meal programmes.
- **Lipton, Signal, and Domestos** partnered with UNICEF France and two of our retailers, Leclerc and Casino, on a multi-brand retail promotion designed to support a programme that improves access to water and sanitation in schools located in Kenya and UNICEF's *Community Approaches to Total Sanitation*.

3 MILLION
school meals were provided for children thanks to the support of consumers participating in our retail campaign with Coopernic.



THE BUSINESS CASE FOR ENGAGING CONSUMERS IS CLEAR AND COMPELLING AS IT:

- Generates awareness of issues and appeals to consumers' sense of social purpose
- Creates new markets for our brands
- Increases product sales and uplifts brand equity
- Raises funds for our partners' programmes

ADVOCACY

As many of the global health challenges facing society are beyond our control, it's imperative that the private sector engage with governments, NGOs, IGOs, and other stakeholders to drive the type of transformational change needed to make a meaningful difference.

The Unilever Foundation has played an important role in supporting the company's public policy advocacy efforts on global health issues. We have done this by participating in multi-stakeholder dialogues and advocating for change with a range of external partners and stakeholders including:

- Serving as one of the founding members of the **Global Public-Private Partnership for Handwashing**, a coalition of stakeholders committed to supporting universal promotion and practice of proper handwashing.
- Contributing to global initiatives such as the UN Secretary-General's **Every Woman Every Child** movement which aims to save the lives of 16 million women and children by 2015.
- Advocating for Water, Sanitation, and Hygiene policies on Capitol Hill with PSI around **Global Handwashing Day**.
- Uplifting awareness of the global sanitation crisis in support of World Toilet Day through the launch of the first Domestos Toilet Academy, in partnership with the **World Toilet Organization**, as well as advocacy and innovative consumer-based initiatives.
- Supporting global movements such as **Scaling Up Nutrition**, a collective effort with governments, the United Nations, the private sector, NGOs, civil society and others to improve nutrition, with a particular focus on the crucial first 1,000 days of life.
- Raising awareness of the **Children's Rights and Business Principles** which identify actions that businesses should take to respect and support children's rights; the Principles were developed by UNICEF, the UN Global Compact, and Save the Children.



WORKING WITH OTHERS, WE CAN DRIVE SYSTEMIC AND SCALABLE CHANGE AND, IN TURN, CREATE A SUSTAINABLE FUTURE.

DISASTER & EMERGENCY RELIEF

RESPONSE STRATEGY

The Unilever Foundation is committed to helping communities afflicted by natural disasters and other emergencies.

Given the increasing prevalence of these humanitarian crises, the Foundation has developed a robust emergency response strategy to deliver life-saving solutions in areas where we can make the greatest impact in times of need: health and hygiene, basic nutrition, and access to clean drinking water and sanitation. Our 3-pronged strategy focuses on:

- **Preparedness:** Helping communities strengthen their capacity to better prepare in advance of an emergency.
- **Emergency Relief:** Providing basic human needs and life-saving resources such as food and hygiene products immediately following an emergency.
- **Rehabilitation:** Working with communities to help their recovery in the weeks and months following an emergency.

In addition to launching disaster and emergency response pilot programmes with Save the Children, UNICEF and the World Food Programme, we are working with various business functions, brand teams and employees to leverage the full scope of our resources and the positive impacts we can make during such challenging times.



LOCAL PROGRAMME SUPPORT

While the main focus of the Unilever Foundation is on programmes with our global partners, we recognise that some countries have specific requirements optimally addressed by smaller, niche partnerships.

These partnerships deliver programmes aligned with the mission of the Foundation but are tailored to meet specific local requirements. In many instances, such localised partnerships complement the work done by our global partners.

This strategy ensures the Foundation remains focused on our commitment to improving the quality of life by addressing health and well-being while providing tailored support to the local communities we serve.



EMPLOYEE ENGAGEMENT

We recognise the impact our 173,000 employees worldwide can have in helping to address some of the social challenges of our day and the resulting benefits of their involvement to our business.

In 2012, we launched initiatives designed to build awareness of the Unilever Foundation and engage employees. The Foundation Challenge, a company-wide search for six internal ambassadors who would serve as 'champions' for our partnerships, was one of our most successful initiatives engaging employees in nearly 100 countries.

Additionally, Unilever offices around the world activated team-oriented and individual initiatives such as food drives, fundraisers, and volunteer support at youth centres and schools. Together, our small actions made big contributions to the world around us.

Employees in over
100 COUNTRIES
participated in Foundation-related activities in 2012.

Creating opportunities for employees to give back is good for society, our employees, and our business as it:

- Helps to improve the lives of those in need
- Fulfills employees' sense of social purpose
- Strengthens employee pride and creates ambassadors for business critical issues



OTHER INNOVATIVE PARTNERSHIPS

The issues the world is facing require new ways of working. It is unacceptable that millions of children die from preventable diseases and malnutrition, and others lack access to life-saving resources when affordable solutions exist.

To address these issues, we are supporting several innovative initiatives:

- **Millennium Villages Project:** Working with the Earth Institute at Columbia University and Lifebuoy, we are supporting initiatives to improve sanitation and hygiene processes. Together, we aim to decrease the incidence of diarrhoeal diseases, promote gender equality, increase school attendance, enhance communities' productivity and well-being, and improve public policy.
- **Water & Sanitation for the Urban Poor ('WSUP'):** Together with WSUP, we developed the Clean Team, a new business model, offering an innovative sanitation service to urban households located in West Africa. Additionally, we are working with WSUP and Lifebuoy to improve children's handwashing practices in South Asia and Africa.
- **Project Laser Beam:** This public-private partnership between the Unilever Foundation, the World Food Programme, GAIN, Mondelez and DSM takes a holistic approach to addressing child malnutrition by tackling direct and underlying causes through the creation of a replicable and sustainable model piloted in Bangladesh and Indonesia.

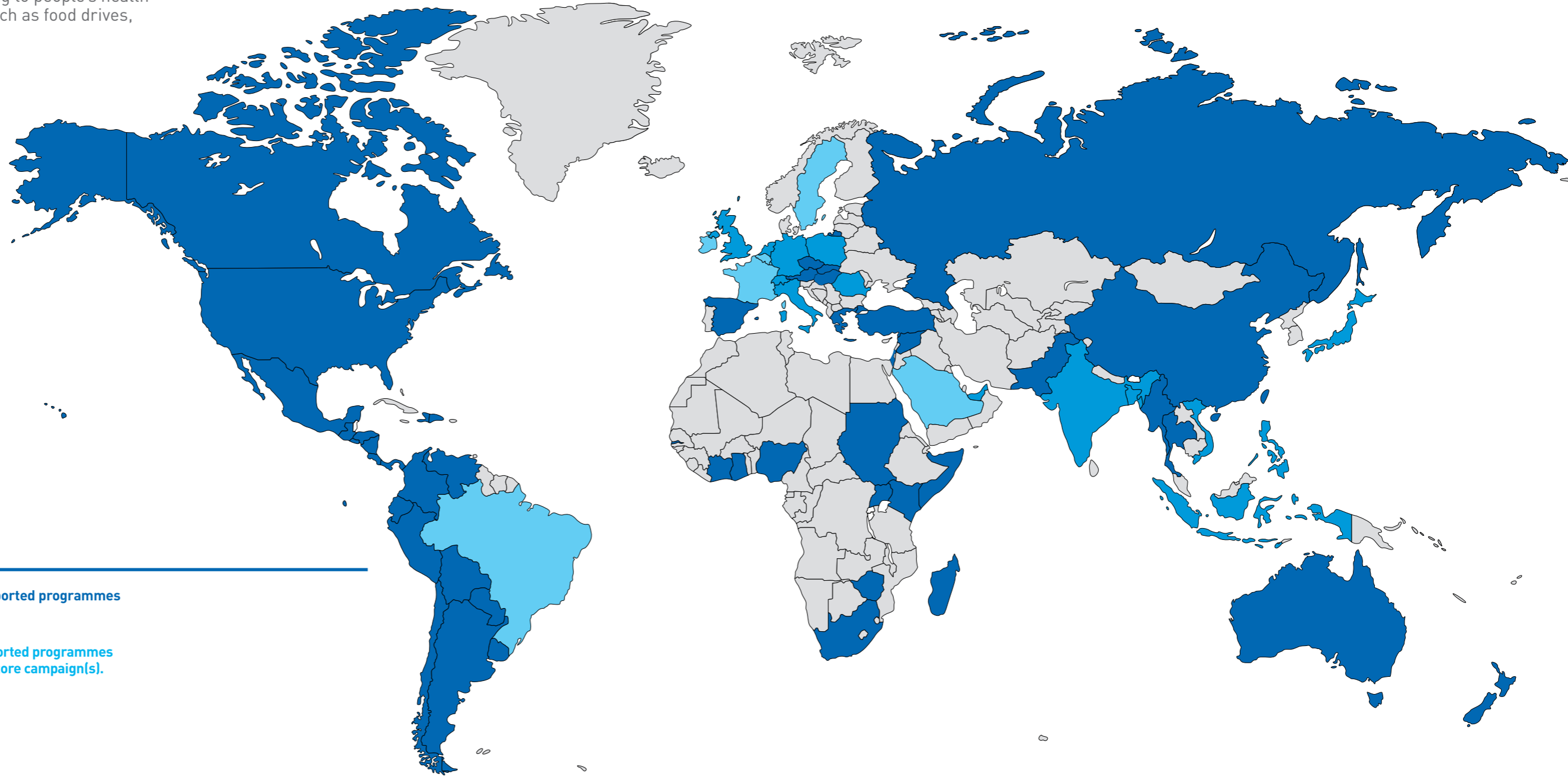
TOGETHER WE ARE HELPING TO PROVIDE INDIVIDUALS IN NEED WITH AFFORDABLE SOLUTIONS, EFFECTIVE PRODUCTS, AND PRACTICAL INFORMATION THROUGH NEW TYPES OF PARTNERSHIPS.



OUR IMPACT WORLDWIDE

The Unilever Foundation is supporting programmes and commercial initiatives that are contributing to our business growth and simultaneously improving people's lives.

In addition to the countries being impacted by our support (as highlighted below), our employees throughout the world are contributing to people's health and well-being through initiatives such as food drives, fundraisers, and volunteer support.



KEY

Dark Blue Activation of Unilever Foundation supported programmes benefiting individuals in country.

Medium Blue Activation of Unilever Foundation supported programmes benefiting individuals in country & in-store campaign(s).

Light Blue In-store campaign(s) only.

COUNTRY LIST

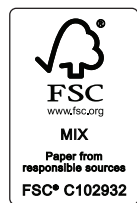
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- New Zealand
- Nicaragua
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- Pakistan
- Panama
- Paraguay
- Peru
- Philippines
- Poland
- Romania
- Russia
- Slovakia
- Somalia
- South Africa
- South Sudan
- Spain
- Sri Lanka
- Sudan
- Syria
- Switzerland
- Sweden
- Thailand
- Turkey
- United Arab Emirates
- United Kingdom
- United States of America
- Uruguay
- Venezuela
- Vietnam
- Zimbabwe



FOUNDATION

Unilever

For more information on the Unilever Foundation, please visit:
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