

UNILEVER SUPPLIERS

A CLOSER LOOK AT BIODIVERSITY

ISSUE 2



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A CLOSER LOOK

AT BIODIVERSITY



Biodiversity is the degree of variation of life. It can mean genetic variation, species variation, or ecosystem variation within an area. Whatever definition we use, it is crucial to the health and productivity of the farms that supply our business.

Without even thinking about it, farmers support our planet's biodiversity; countless species wouldn't exist without agricultural land to give them a home. But some modern farming practices have also contributed to species loss.

It doesn't have to be that way. At Unilever, we believe in valuing and protecting natural capital. And we believe that farming can enrich biodiversity while delivering bigger profits: the two objectives support each other. Plus, good agricultural practices can

improve the delivery of ecosystem services, such as pollination, flood risk reduction or the provision of clean water to local communities. The aim of this booklet is to show how that works in practice, featuring remarkable ways our suppliers are boosting biodiversity and profitability at the same time.

The story doesn't end there. By spreading the word, we want to inspire even more farmers to start their own Biodiversity Action Plans (BAPs). Unilever is there to help with a wealth of resources and expertise. Working together on biodiversity, we can go so much further.

ENDORSEMENT

Janet Wendy Coates Barber is a consultant for Unilever. Over the last twenty years, she has worked on a wide range of biodiversity issues as an independent environmental adviser, with recent times seeing her review the Biodiversity Action Plans created by our suppliers. She currently supports Unilever Tea Tanzania's mission to protect a biodiversity hotspot in the south-west Udzungwa Mountains. Her work here involves monitoring and evaluating the company's on-going efforts to ensure the growing and sourcing of tea meet eleven sustainability indicators.





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Hoping to inspire others, she shares her story here:

"The world's wild animal and plant species and the ecological areas of which they are a part – wetlands, forests, and grasslands for example – cannot survive without the active interest of major companies. About 30% of natural and semi-natural land is developed each year for additional agricultural production. Unilever sources over 6.5 million tons of fruit, vegetables, edible oils, grains and other organic materials from many suppliers in temperate and tropical countries. Over a decade ago, the company took a very progressive position and put sustainable agricultural production at the heart of its business; the company believed it could

not survive long term without supporting sustainable practices in the growing of crops for its products.

A group of which I was one (then called the Unilever Sustainable Agriculture Advisory Board) assembled to discuss a draft Sustainable Agriculture Code (SAC) to be implemented by all agricultural suppliers to the company. It has 11 chapters, including one dedicated to the management and protection of wild animals, plants and habitats in areas where Unilever-sourced crops grow. All suppliers and growers are asked to produce a Biodiversity Action Plan (BAP) for each crop sourced by Unilever. Nearly 15 years on, the company can record many successes in terms of the successful implementation of the SAC



by growers and suppliers from both temperate and tropical countries.

While the biodiversity chapter of the SAC caused some suppliers problems at first, implementing it is often easier than meets the eye.

The scope for a BAP can be from field to landscape level in the growing area of any crop. The ideas behind it often come from farmers and suppliers themselves, based on the wild animals or plants they themselves value or have observed. Expert advice helps a great deal here, whether it comes from government authorities as to species and ecosystem protection laws, or from non-governmental organisations (NGOs) and natural scientists

familiar with the area's key wildlife species, especially those threatened with extinction.

Already suppliers and growers are making good progress in supporting wetland conservation for migratory birds and creating seed-rich field margins for wintering birds. They've also made great strides forward in integrating tea production into tropical forest areas important for rare butterflies, birds, reptiles, amphibians and small mammals. This innovative and valuable work requires a special kind of collaboration between suppliers and growers, on the one hand, and Unilever, on the other. All partners work closely together in the commercial production of natural commodities while at the same time making space for, and enhancing the survival prospects of wild





species – from soil microflora and fauna to large, wide-ranging species like birds of prey, often endangered by hunting and habitat destruction. Unilever shows just how much can be achieved here. There's no doubt the company represents the 'gold standard' for this kind of biodiversity initiative.

There's still plenty of scope to learn from others, though, which is why Unilever also works with the international Sustainable Agriculture Initiative (SAI) platform. This body enables the business to share experience and ideas on the implementation of BAPs with many other global companies.



SAVING BEES

It's a stark fact: the world needs bees for food production but the decline in honey-bee colonies is rapidly becoming a global problem. The last decade has seen a massive fall in the number of bee colonies and wild bee populations in Europe and the US, while the latest UN Environment Programme report has pointed to similar declines in China and Japan. The crisis has now reached Africa too, with the first signs of colony collapse being reported in Egypt.

There's no time to waste. At Unilever, we are taking urgent action with our suppliers to save the bees. The following stories show how much can be achieved with passion, determination and collaboration.



ESG-KRÄUTER GMBH

The rich savoury aromas of our Knorr stocks and soups owe a great deal to the hard work of ESG. Based in Bavaria, Germany, the company works with 100 farmers to supply around 200 tonnes of herbs to Unilever each year.

Determined to do their bit to bring back the bees agriculture desperately needs, ESG planted strips of flowers on their fields, specially chosen to attract bees. To work, the initiative had to support the practical needs of ESG farms, so the flowers were planted on boarded strips that could be planted on different fields each year.

The companies have also diversified into the hotel business – with insects as guests. Its insect hotels provide bees, ladybirds, earworms and many more species with habitats that have become scarce elsewhere: places where they can hibernate, breed and thrive. For example, it's become hard for wild bees to find the sandy slopes they need to build their tube-shaped habitats. But, at ESG's insect hotels, they can check in to tubes made of clay, wood or rushes.



Insect hotels provide bees, ladybirds, earworms and many more species with habitats that have become scarce.



The state's farmers are now seriously concerned about the drop in pollination insects and how it will affect food production.



GRÜNEWALD

Grünewald International is one of Europe's leading groups of fruit-processing companies. They're the people behind some of the fruit that ends up in Unilever brands like Breyers, Wall's and Ben & Jerry's.

One of the businesses in their group, Pomerania Frucht, is now working with farmers in northwestern Poland to help mason bees flourish. These bees are small and harmless, which makes them easy to keep. To thrive, all they need is a simple nesting kit, while farmers don't need the expensive protection equipment usually involved in bee-keeping. At the same time, mason bees are highly effective pollinators, who, in return for the habitat they need, help farmers get higher yields from their orchards. This win-win partnership is now bearing fruit in 22 plantations in the region.

STOCKTON

California has been hit hard by the decline in the bee population. The state's farmers are now seriously concerned about the drop in pollination insects and how it will affect food production. One of Unilever's major tomato suppliers, has taken action on its Homerworth farm by planting California Buckwheat – a perennial woody plant native to the region that is known to attract bees.







It's not just bees that need protection. Every year, species of birds, mammals and insects disappear across the globe, while many more come close to extinction. The loss of a species can have a knock-on effect, disturbing the whole ecosystem it once belonged to. In turn, this can disrupt the balance of nature in the wider world. Because of these serious pressures, it is fantastic to see many of our suppliers taking action to protect rare and vulnerable species.

TRANSA

Tomato paste and powder producer Transa, based in the Spanish region of Extremadura, has become a champion of sustainable growing over the past couple of years. As part of that drive, they've begun looking hard at what they can do to improve biodiversity. To start with, they've decided to carry out a complete and proactive biodiversity plan across two of their farms, working in partnership with NGO SEO Birdlife.

These farms play host to 47 of Extremadura's endangered species, which will be tracked yearly to measure how well the biodiversity plan is working. The project also involves equipping the farms with shelters for reptiles and bats – populations that need special care and attention to return to strength. Bats are natural allies for tomato growers in that they feed on one of their major pests - moths - so there's also a strong commercial reason to support them.

The same goes for insect-eating birds, which are being provided with special nesting boxes. As they thrive, so will the farms, thanks to the way they destroy the larvae of harmful pests. Another species being provided with nesting boxes, a small falcon known as Falco naumanni, keeps rodents under control: another of those natural partnerships in which biodiversity and yield go hand in hand. The project also aims to boost numbers of amphibians and dragonflies by creating special



ponds for them: in turn, they will also keep down some of the insect pests that threaten vields.

In another dimension to its biodiversity efforts, Transa involves and inspires local people and farm workers through open days, educational materials and training.

This is just one example and the partnership with SEO Birdlife has been scaled up so that there are now biodiversity projects with Agraz, Lemon King and Gastouni.



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PROTECTING ECOSYSTEMS

Ecosystems are vital to our well-being and quality of life as they provide us with vital natural "services" such as food, fresh air and clean water. According to the UN, we are exhausting the world's Natural Capital so fast that over 60% of ecosystem services are in decline.

Unilever is amongst the world's largest users of agricultural raw materials. We have a huge responsibility to make sure our sourcing activities replenish rather than drain the environments that support us. That's why we are engaging our suppliers to work with us on protecting ecosystems. The message we want to convey is inspiring from every point of view: looking after our land won't threaten profits, but will help grow them securely into the future.

SVZ

Unilever has partnered with Innocent Drinks with our supplier SVZ, to promote sustainable practices. This is an example of an Ecosystem Service.

SVZ is a major supplier of strawberries to popular smoothie brand Innocent Drinks. These strawberries are grown in Spain – in the Parque Nacional de Doñana which happens to be Europe's biggest strawberry-growing region and the world's second largest.

However, this is not the area's only claim to fame. It is also one of Europe's most important wetland nature reserves, known for its huge variety of permanent and migrating bird species including geese, flamingos and one of the world's largest colonies of Spanish imperial eagles. Both the strawberry growers and these amazing bird species rely on the wetlands – but the water here is limited. The question on the biodiversity agenda is how birds and farmers can thrive here together in the long term.

With support from Unilever, SVZ has risen to the challenge by measuring and tracking the water used for strawberry growing. Farmers across five farms record each time they irrigate, from when they prepare the soil in October through to harvest time at the end of June. The University of Córdoba, another key partner in the project, then takes this data and calculates when and how water is used most efficiently. By identifying optimal irrigation methods, the project will eventually help farms across the region improve their water use and protect the birds also relying on this scarce resource.

LA CESENATE

Based in Italy, in the marshy Mezzano area of the Emilia Romagna region, La Cesenate Conserve Alimentari process tomatoes for Unilever. These tomatoes are grown in farms in the Mezzano Valley, a Special Protection Zone next to the Po Delta Regional Park, forming part of the EU's Natura 2000 network of protected habitats. The value of this terrain is its rich biodiversity, which makes it home to a wide variety of permanent and migrating birds.

The Eurasian Bittern, the Purple Heron, the black-crowned Night Heron and the Eurasian Spoonbill are just a few of the incredible species that live around the wetlands of the Mezzano Valley. However, unless protective action is taken, their survival into the future is at risk.

La Cesenate have recognised the urgency of the situation through workshops with the farmers of the immense ecological value of the land they work on. By encouraging them to adopt biodiversity-friendly practices, the company supports the experts who monitor the Mezzano's species and habitats on an ongoing basis. The final results of the monitoring activity will lead to including 20,000 natural habitats georeferenced in the map.



It was an experiment and we knew it wasn't going to be pefect. Instead, there was just a lot of belief in what we were trying to achieve and the guts to give it a go



LAND USE



One of the keys to building biodiversity in agricultural land is to eliminate the practice of deforestation. The effects of removing forest cover can be devastating: it robs many species of their natural home, making them more vulnerable to hunting in the process. But there's good news. In many farming areas, deforestation isn't necessary at all, as there is already plenty of other land available for agricultural expansion.

The IPPC says that: "Near-term reductions in energy demand are an important element of cost-effective mitigation strategies, provide more flexibility for reducing carbon intensity in the energy supply sector, hedge against related supply-side risks, avoid lock-in to carbon-intensive infrastructures, and are associated with important co-benefits. The most cost-effective mitigation options in

forestry are afforestation, sustainable forest management and reducing deforestation, with large differences in their relative importance across regions; and in agriculture, cropland management, grazing land management, and restoration of organic soils."

Regarding this, our eliminating deforestation strategy addresses sustainable forest management and reducing deforestation. And our sustainable sourcing programme addresses cropland management, grazing land management, and protection (i.e. not restoration) of organic soils.

Action to halt deforestation has also been pulled out as a key priority as part of our Unilever Sustainable Living Plan. You can read more about it here.

KERICHO

Over 10% of Unilever Kericho tea estate in Kenya is covered with indigenous trees, providing a home for many wonderful but fragile species. Nurturing these trees has become a passionate mission for the business, as well as providing wider support to Kenya's forests.

For example, we marked the millennium with the Trees 2000 initiative, which has since contributed over a million trees to the Kenyan landscape. Specifically in Kericho, we have established seven tree nurseries where we grow indigenous seedlings for planting around the estate and surrounding community. The aim is to increase biodiversity and complement existing conservation and environmental protection programmes, designed in partnership with colleagues from Unilever's Sustainable Sourcing Programme. All visitors to the estate are invited to plant a tree, which sends a clear signal that forests are as important to Kericho as tea is itself.

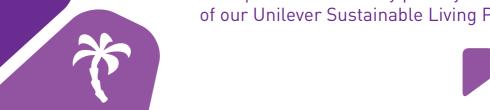
In 2009, Unilever commissioned a study by the National Museums of Kenya to assess the avian diversity on its Kericho tea estates. Over a 22 day period 174 species of birds were recorded, including 9 threatened or scarce species. This compares very favourably with a previous survey in the nearby Mau Forest where only 132 species were found. This confirms that the diverse habitats offered by the tea growing areas, particularly the indigenous riparian strips and forest blocks, can both conserve and enhance biodiversity on the estates.

The Kericho estate also contributes to the conservation of the nearby Mau Forest, which is under threat from human activity and deforestation. Working with local non-profit organisations such as Friends of the Mau Water Shed (FOMAWA) and the South West Mau Forest Trust (SWMFT), we have supplied tree saplings for reforestation projects and helped fund staff to work on forest conservation. In future, Unilever Tea Kenya is planning to take a leading role in the recently launched South West Mau Landscape Program which has been design to conserve and restore parts of the Mau Forest which have been seriously degraded.





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WATER

Water is perhaps the vital resource for effective agriculture. In much of the world, there's too little – and occasionally there's too much – with both situations potentially destroying habitats and species. However, until recently, farmers and producers have overlooked the impact of water challenges on biodiversity. Instead, they've seen water simply as a resource for commercial success.

At Unilever, we are delighted to see suppliers challenge the myth that biodiversity and water efficiency are at odds with profits. Many are saving water while doing even better than before. We applaud and support them every step of the way.

ARDO

Ardo cleans and freezes vegetables for Unilever at a plant in Geer, Belgium. Back in 2011, the business bought a redundant wetlands reservoir nearby, a 40-hectare site visited by over 200 species of birds. As the reservoir was no longer being used (previously it had been owned by a sugar-beet factory and used to purify its process water), it was in danger of drying up – threatening its birdlife as a result.

Our supplier Ardo was not going to let that happen. In partnership with Belgian NGO Natagora, the company started pumping in purified water used in its own nearby plant, saving the habitat for its wonderful birds. Commercially, there was a benefit, too: local farmers supplying Ardo were allowed to use surplus water from the reservoir to irrigate their own fields in the summer months.

It's a great example of how improvements in biodiversity can be achieved by joined-up sustainable thinking, and how the food industry, agriculture and nature conservation organisations can work together to bring about real and positive change.

CEDENCO

In New Zealand we are working on a water project with our supplier Cedenco to reduce the environmental impacts of pumpkin farming in the Tolaga Bay region.

The main aim is to Increase biodiversity by restoring natural habitat through native plantings and to reduce the impacts of our pumpkin farming on water and soil quality by increasing buffer zones around waterways.

The Uawanui Sustainability Project is an environmental sustainability project in Tologa Bay (in Maori known as Uawa) on the East Coast of the North Island, New Zealand.

The project has highlighted a range of sustainability issues the community and stakeholders are now keen to address. There is particular concern to ensure that in the context of 'sustainable futures' focus on all of the various dimensions of wellbeing were addressed in an integrated way; that environmental, economic, social and cultural matters must be considered together.



Agriculture has been an important part of this sustainability discussion in the region. The benefits of agriculture to the region are both social and economic in that the industry creates jobs and income for farmers. However, agriculture is also one of the main contributors to reduced biodiversity due to habitat loses and water and soil quality deterioration. For these reason Cedenco wish to engage with the Uawanui Sustainability Project and commit to a reducing the impacts of its pumpkin farming operation in the region.



The food industry, agriculture and nature conservation organisations can work together to bring about real and positive change.



SMALLHOLDER FARMERS

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When it comes to biodiversity, small is powerful.

Our work with smallholders usually focusses on livelihoods and improving agricultural techniques. One example of how we work with smallholder farmers on biodiversity is by limiting soil erosion which will have positive consequences for ecosystem services. We work closely with suppliers to address issues like this.

Jain irrigation is a top of the class supplier in this area as they have gone beyond the agricultural focus to a stage where they are working on biodiversity. You can see more examples here. <insert link>

JAIN IRRIGATION

Jain Irrigation, a major Unilever supplier in India, trains local farmers in biodiversity as part of a wider programme of training in sustainable agriculture. The farmers receive on-going support and inspiration from 60-specialist outreach advisers, who live nearby in rural areas so aren't just 'airlifted' in and out. With this supplier, we are working with 1,000 smallholder farmers growing onions and bananas.

Biodiversity is an important major part of the training offered – particularly important as many of these small farms are rich in trees like neem, guava and teak, whose lowhanging branches offer a nesting place for birds. Farmers are trained not to cut down these trees and to provide clean water for the birds that nest in their branches. They're encouraged by the results they see: many of the birds turn into valuable allies by eating pests that destroy crops. Meanwhile, the trees they allow to grow on their farms absorb carbon emissions and support their greenhouse-gas reduction targets.



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We hope these stories have inspired you. They show how many of our suppliers and farmers have achieved great results from biodiversity projects, experiencing for themselves the commercial magic that can happen when nature and technology work in partnership on the land.

If you'd like to get involved too, your first step is to identify a local biodiversity issue. Here, your first port-of-call could be the farmers you work with. They know the land so well that they may well have worthwhile suggestions on how to improve its biodiversity value. Local wildlife experts may also have some useful guidance for you. For example, if there is a Nature

Reserve near you, talk to the reserve manager. You could also contact a local or national wildlife protection NGO for further inspiration. Or check your local or national biodiversity priorities on the CBD (Convention on Biological Diversity) website.

At Unilever, we are also here to help - just talk to the people you work with regularly in the business. Alternatively get in touch with us at: sustainable.agriculture@unilever.com.

We look forward to helping you with your biodiversity project as part of our shared journey towards sustainable sourcing.





UNILEVER N.V.

Weena 455, PO Box 760 3000 DK Rotterdam The Netherlands T +31 (0)10 217 4000 F +31 (0)10 217 4798 Commercial Register Rotterdam Number: 24051830

UNILEVER PLC

Unilever House 100 Victoria Embankment London EC4Y 0DY United Kingdom T +44 (0)20 7822 5252 F +44 (0)20 7822 5951

UNILEVER PLC REGISTERED OFFICE

Unilever PLC
Port Sunlight
Wirral
Merseyside CH62 4ZD
United Kingdom
Registered in England and
Wales
Company Number: 41424

