

INTERVIEW HARISH MANWANI

'We've an and-and agenda of growth and environment'



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A few hours before Unilever president, Asia, Africa, Central and Eastern Europe, and Hindustan Unilever chairman Harish Manwani announced the launch of Unilever Sustainable Living Plan, he spoke to *Hindustan Times* on the issue of sustainability and how it merges with other objectives of India's largest FMCG company. Excerpts:

Business and sustainability? What's going on?

What we're trying to do is to decouple our business growth from our environmental impact. Our firm belief is that you cannot have anything that is sustainable unless you also grow your business. Our economies, our businesses to grow. We need to do it in a way that consumption and businesses are sustainable. In plain English, we are committed to an "and-and" agenda of growing our business and reducing our environmental impact.

Isn't this a territory that has traditionally belonged to the government and NGOs?

Going forward this territory has to belong to everyone. Environment is everyone's responsibility. That's why we are focussing so much on the end use. It is a responsibility of individuals, the government — and companies.

That's the dominant thought. That has never been Unilever's philosophy of doing

business. All that we are doing is making ourselves sharper and more accountable. The fact that for 12 years running Unilever has been No.1 on the Dow Jones Sustainability Index is an important factor. We are the pioneers in efforts to do sustainable farming. We have always believed that our responsibility is towards multiple stakeholders.

Are your shareholders happy and willing to absorb the costs?

Most people look at the sustainability agenda from a cost point of view. They do not look at it from a benefit point of view. There are three distinctive features of our plan. Firstly, it covers all our brands. Our portfolio of large number of brands, besides having an economic benefit, will also have a social mission.

Secondly, we are talking about reducing the environmental impact of Unilever across the value chain. We are saying we are committing ourselves to reducing environmental impact end-to-end from the sourcing of raw materials to the time they are converted into products in our factories to the time we put them in trucks and distribute them and ultimately to the time they are consumed by the consumer. From the sunflower seed is actually harvested to the time to the point when it's consumed and the packet gets thrown out, we are committed to reducing our environmental impact.

That's a pretty large mandate...

If you look Unilever's environmental footprint, a large bulk of it is at the consumer

end. For example, in the water that is used in washing clothes, the soap that is used in bathing, cooking, cleaning. If we can change consumer behaviour and design products in such a way that a small difference can make a big impact, then that is our mission. The biggest leverage is our brands. Two billion people use our brands everyday. In India, 700 million households have an Unilever brands inside their house. Take Surf Excel Easy Wash. It uses two buckets less of water. If every single one our laundry users moves to this, we can save billions of gallons of water.

What about sourcing?

We are now committed that by 2020 all our raw materials will be sourced from sustainable sources. We are setting a standard that allows others to follow. In the end, what is good for communities is always good for shareholders.

Thirdly, we are committing ourselves not only reducing environmental impact, but to a broader social, economic and environmental impact.

Since most of such actions have a cost, can we expect the prices of your products to rise?

You have to look at it rather holistically. There is always a cost of doing business. Then you have to find ways to increase productivity and efficiency to really make sure to continue to deliver not only sustainable growth, but also profitable growth. That's a part and parcel of any company's obligation. Reduced environmental impact can also reduce costs.