Report On

Extended producers' responsibility (EPR) and its impact on the FMCG industry: Unilever Bangladesh

By

Musawwir Jahan
Student ID: 18204076

An internship report submitted to the BRAC Business School in partial fulfillment of the requirements for the degree of
Bachelor of Business Administration

BRAC Business School
Brac University
December 2024

Declaration

It is hereby declared that

1. The internship report submitted is my own original work while completing degree at Brac University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

Student's Full Name & Signature:

Musawwir Jahan
18204076

Co-supervisor's Full Name & Signature:

Dr. Ekramul Islam
Assistant Professor,
BRAC Business School
BRAC University

Letter of Transmittal

Dr. Syed Mahbubur Rahman

Associate Professor,

BRAC Business School

BRAC University

Merul Badda, Dhaka-1212

Subject: **Submission of Internship Report**

Dear Sir,

It is my pleasure to submit my internship report as a requirement of the BBA program at BRAC University. I aim to provide analysis about the Extended Producers' Responsibility (EPR) and its Impact on the FMCG Industry: Unilever.

During my internship at Unilever Bangladesh Limited, I was assigned to the legal team, where I contributed by conducting research and analysis on EPR regulations, policies, and Unilever's operations in Bangladesh. This experience provided me with valuable insights into the legal framework of EPR and the regulatory authority's legal standings. I have exerted my utmost effort to gather the necessary information, and I have provided comprehensive explanations to ensure your complete understanding.

I hope this report meets your approval.

Sincerely yours,

____

Musawwir Jahan

18204076

BRAC Business School

BRAC University

Date: November 30, 2024

Non-Disclosure Agreement

[This page is for Non-Disclosure Agreement between the Company and The Student]

This agreement is made and entered into by and between Unilever Bangladesh Limited and the undersigned student at Brac University Musawwir Jahan…………………………………….

Acknowledgement

I am very grateful for the opportunity to work as an Intern at Unilever Bangladesh and to be guided under the tutelage of the Legal team. I am very grateful to my supervisor Dr. Syed Mahbubur Rahman, who is currently Associate Professor of BRAC Business School for guiding me to write this report. I would also like to express my gratitude to my line manager, S.O.M Rashedul Quayum, Legal Director and Company Secretary, along with my teammates from the department, for their invaluable support in providing the necessary documents and data to complete my research.

Executive Summary

This internship report gives a detailed account of my experience during my internship with the Legal team at Unilever Bangladesh Limited. It is divided into three parts: an overview of the internship, an analysis of the organization, and a project completed during the internship.

The first chapter covers the details of my internship, including the objectives, outcomes, contributions I made, and the challenges and benefits I experienced. It also includes suggestions for improving future internships at the company based on my observations.

The second chapter provides an in-depth look at Unilever Bangladesh Limited. It describes the company, its management practices, and its financial performance. The financial analysis is done using ratio calculations, and I also review the company's position in the market through industry and competitor analysis.

The third chapter focuses on the project I worked on, which explores Extended Producer Responsibility (EPR) and its impact on the FMCG industry. It discusses the issues with current waste management practices and the legal framework in Bangladesh. It also highlights Unilever's sustainability efforts, especially their waste management initiatives, and how they are addressing these challenges.

Keywords: EPR; Circular Economy; Zero Draft; FMCG Industry; Waste Management;

Sustainability;

Table of Contents

List of Figures

List of Acronyms

EPR	Extended Producer Responsibility
SDG	Sustainable Development Goal
FMCG	Fast-moving Consumer Good
SUP	Single Use Plastic
CE	Circular Economy
PRO	Produce Responsibility Organization
SWM	Solid Waste Management
3R	Reduce Reuse Recycle
DOE	Department of Environment

Chapter 1: Overview of Internship

1.1 Student Information: Name, ID, Program and Major/Specialization

Student Name: Musawwir Jahan

Student ID: 18204076

Program: Bachelors in Business Administration

Major: Finance and Computer Information Management (CIM)

1.2 Internship Information:

1.2.1 Period, Company Name, Department/Division, Address

Internship Period: From 1st April, 2024 to 6th July, 2024

Company's Name: Unilever Bangladesh Limited

Department: Legal Team

Address: Shanta Forum (Level 11 – 15) 187-188/B, Bir Uttam Mir Shawkat Sarak, Dhaka – 1208, Bangladesh

1.2.2 Internship Company Supervisor's Information: Name and Position

Supervisor's Name: S.O.M Rashedul Quayum

Supervisor's Position: Legal Director and Company Secretary

1.2.3 Job Scope – Job Description/Duties/Responsibilities

Conducting research and analysis on EPR regulations, policies, and best practices relevant to Unilever's operations in Bangladesh. Research about the legal framework of whole EPR, also legal standings of the authority. Reading and reviewing documents, case studies, and other relevant materials pertaining to EPR and sustainable waste management practices. Assisting with research projects aimed at evaluating Unilever's compliance with EPR obligations and identifying opportunities for improvement. Being an observer to learn about Unilever's sustainable living plan, with an emphasis on initiatives related to product stewardship and circular economy principles. Organizing and maintaining files, records, and documentation related to the legal team's EPR and sustainability efforts. Collaboration to **‘Proyash’** platform to successfully execute the ‘aware wave’ chain of events held on the occasion of the **world environment day 2024** where the main initiative was to create awareness against plastic pollution.

1.3 Internship Outcomes:

1.3.1 Student’s contribution to the company

During my internship at Unilever Bangladesh Limited, I contributed significantly to the company’s efforts to enhance its compliance with Extended Producer Responsibility (EPR) regulations and support its sustainability initiatives. I conducted extensive research and analysis on EPR regulations, policies, and best practices relevant to Unilever’s operations, focusing on understanding the legal framework and the legal standing of the authorities involved. This research allowed me to support Unilever in navigating the complexities of EPR, contributing to the company’s legal compliance and identifying opportunities for improvement. Additionally, I reviewed various documents, case studies, and materials related to EPR and sustainable waste management, assisting in research projects aimed at evaluating Unilever’s compliance with EPR obligations. These projects helped pinpoint areas where Unilever could strengthen its sustainability initiatives, enhancing the company's accountability in waste management.

I also observed Unilever’s “Sustainable Living Plan,” specifically focusing on product stewardship and circular economy principles. This allowed me to gain valuable insights into the company's commitment to embedding sustainability within its business operations. My contribution extended to organizing and maintaining critical documentation related to EPR and sustainability efforts, ensuring that records were accurately maintained and readily available for future audits or compliance checks. One of the most rewarding aspects of my internship was collaborating on the 'Proyash' platform, where I played an active role in executing the 'Aware Wave' chain of events for World Environment Day 2024. This initiative, aimed at raising awareness about plastic pollution, enabled me to work closely with cross-functional teams, fostering collaboration and communication. Through this experience, I became more aware of the broader environmental challenges while contributing to Unilever's efforts to address plastic pollution. This collaboration not only helped me develop teamwork skills but also supported the company's mission to promote sustainability and reinforce its accountability in implementing EPR measures.

Overall, my internship allowed me to make meaningful contributions to Unilever's sustainability efforts, particularly in the areas of EPR compliance and environmental awareness, while also helping me develop professionally by deepening my understanding of corporate sustainability practices.

1.3.2 Benefits to the student

As a student, my internship at Unilever Bangladesh Limited provided numerous benefits, both academically and professionally. Engaging in research and analysis on Extended Producer Responsibility (EPR) regulations significantly deepened my understanding of sustainability and corporate compliance. This experience enhanced my ability to interpret complex legal frameworks and policies, a skill that is invaluable for my academic studies, especially in finance and corporate governance. Also, collaborating on projects aimed at evaluating Unilever's compliance with EPR obligations allowed me to apply theoretical knowledge to real-world situations, bridging the gap between classroom learning and practical business applications. This hands-on experience honed my critical thinking and problem-solving skills, preparing me for future roles in corporate environments where such skills are essential.

Additionally, my involvement in organizing and maintaining EPR-related documentation improved my attention to detail and organizational skills, which are crucial for success in both academic and professional settings. The opportunity to observe Unilever's "Sustainable Living Plan" expanded my awareness of global sustainability challenges, fostering a more holistic understanding of business practices that prioritize environmental responsibility.

The collaboration on the 'Proyash' platform helped me develop strong teamwork and communication skills, essential traits in any corporate or academic environment. This project, focused on raising awareness of plastic pollution, also heightened my sense of responsibility toward sustainability, a growing concern in today's world. Overall, my internship experience was instrumental in developing both my academic knowledge and professional competencies, making me better prepared for my future career in finance and corporate sustainability.

1.3.3 Problems/Difficulties (faced during the internship period)

- The workload was diverse and complex, requiring constant adaptation and multitasking, which made it challenging to manage tasks effectively.
- Scheduling meetings with senior employees was challenging due to their busy schedules, often delaying project progress.
- Adjusting to a 9-hour workday was physically and mentally exhausting, especially during the initial weeks of the internship.
- Adapting to the professional environment and company culture took time, requiring careful adjustment to Unilever's operational norms.
- Handling instructions from multiple supervisors was difficult at times due to conflicting directions, which created confusion and delays.

- The short internship period felt insufficient to fully explore and capitalize on learning opportunities available within the department.
- Communication with senior colleagues was difficult at times, requiring repeated clarifications due to insufficient guidance on complex tasks.

1.3.4 Recommendations (to the company on future internships)

To address the challenges faced during the internship, several realistic solutions can be implemented to improve the experience for future interns. First, offering a structured orientation and project briefing at the beginning of the internship can help interns quickly adapt to the workload, reducing the overwhelming feeling of complex tasks. Regular check-ins with supervisors can also help interns clarify conflicting instructions and align their priorities. To improve communication with senior employees, setting up a scheduled weekly meeting slot or using collaborative tools like shared calendars would help interns secure time for discussions more efficiently. To ease the adjustment to long work hours, introducing a phased work schedule for the first week could help interns acclimate gradually. Providing dedicated workstations and equipment for interns would minimize disruptions caused by technical issues, allowing them to focus on their tasks without delays. Additionally, allowing interns to take on more creative and meaningful assignments would enhance their engagement and offer a more enriching learning experience.

While working at a prestigious company like Unilever Bangladesh Limited, a key recommendation for future internships would be to create a concise guide outlining essential tasks and responsibilities. This guide could serve as a reference for interns, helping them familiarize themselves with their duties more efficiently. Moreover, offering interns more opportunities for innovation and creativity in their tasks would enrich their experience beyond routine work. This would foster a more holistic and engaging learning environment.

Chapter 2- Organization Part

2.1 Introduction

For more than 50 years, Unilever Bangladesh Limited has been serving the people of Bangladesh (Unilever Bangladesh, 2022, September 21). The company is committed to making sustainable living a part of everyday life to improve the business, reduce its environmental impact, and create a positive social influence (Ikhtder, 2022). Their slogan reflects this commitment: "What is good for Bangladesh is good for Unilever." Due to its focus on ethical and sustainable business, Unilever has been recognized as a leader in sustainability by organizations like the United Nations Global Compact and the Dow Jones Sustainability Index (Shahrukh, 2016). As a branch of Unilever PLC, it has built a strong reputation for offering high-quality products that fulfill the needs of millions of consumers in Bangladesh (Ikhtder, 2022). According to Unilever Bangladesh (2022, September 21), the company also brings innovation and business results to local enterprises.

2.2 Company Overview

2.2.1 History of Unilever

William Hesketh Lever (Strickland, 2024) established Lever Brothers in 1885. Soap production operations were set up by Lever in many countries. In 1917, his business was diversified into the food industry through the purchase of a fish processing plant, an ice cream shop, and a canning factory, which allowed him to explore various food products. In the 1930s, Unilever invested heavily in improving its technology (Faria & Cunha, 2022) and launched new projects to strengthen its work in Latin America. The entrepreneurial spirit of the company's founders, along with their dedication to the communities they serve, is reflected in its culture (Murphy & Murphy, 2018). Unilever was created through the merger of two companies: Margarine Unie, a Dutch margarine producer, and Lever Brothers, a UK-based soap manufacturer (De et al., 2016). According to Faria and Cunha (2022), the merger took place in 1930. Both companies had similar distribution methods, competed for the same raw materials, and produced consumer goods for mass markets in over 40 countries. Margarine Unie's success in the 1920s was fueled by mergers with other margarine companies (Jones & Kraft, 2004).

Various factors have shaped Unilever's growth over the past three centuries, such as technological innovations, wars, economic downturns, and shifting consumer preferences (Strickland, 2024). A consistent goal has been to create products that improve people's lives by making daily tasks easier or promoting healthier, enjoyable eating habits. Over time, Unilever expanded its range to include Personal Care, Home Care, Nutrition, Beauty and Wellness, and Ice Cream products. Many of these businesses have recently grown their presence in global markets, including Asia, Africa, and Europe (Murphy & Murphy, 2018). Additionally, Unilever has strengthened its focus on ethical and environmentally sustainable practices, divesting its food and beverage operations to concentrate on core personal and home care products. It has established itself as a leading global consumer goods company, with well-known brands such as Knorr, Lipton, and Dove, and operates in more than 190 countries (Globaldata.com, 2024). During World War II,

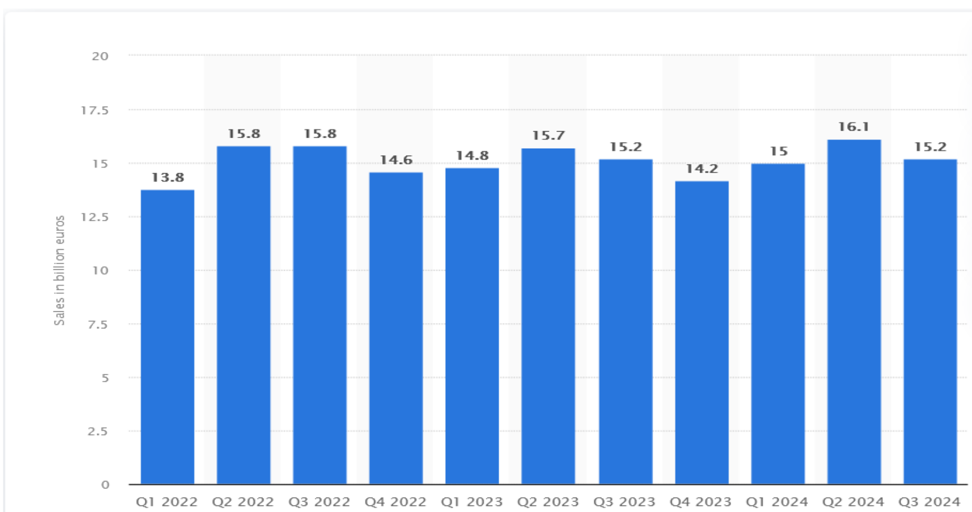


Figure 1 Global sales of Unilever from 2022 to 2024 (Statista, 2024b)

Unilever played a significant role in producing essential goods (Faria & Cunha, 2022).

Unilever's rapid expansion and diversification have been driven by the launch of innovative products and entry into new markets. In the 1980s, Unilever faced increasing pressure to sell off non-core businesses and improve its competitiveness, leading to the sale of several companies (Strickland, 2024). Today, around 150 million people worldwide choose Unilever products daily (Ikhtder, 2022). The company is headquartered in London, UK, and as of 2023, employs over 128,000 people globally (Statista, 2024a). For the six months ending June 30, 2024, Unilever reported revenue of 31.12 billion EUR, a 5.04% increase (Stock Analysis, 2024).

2.2.2 History of UBL (Unilever Bangladesh Limited)

Lever Brothers Bangladesh Ltd., a subsidiary of Unilever, plays a key role in the country's food, beverage, personal care, and home care sectors (Yip & Bank, 2015). Lever Brothers Pakistan Ltd. started its operations on February 25, 1964, in Kalurghat, Chittagong, with a daily production capacity of about 485 metric tonnes of detergent (Asamoah et al., 2021). As noted by Yip and Bink (2015), Unilever and the Pakistani government were the primary shareholders, holding 55% and 40%, respectively. After Bangladesh gained independence, the eastern plant was closed and left unused.

On July 5, 1973, Unilever PLC and the Government of Bangladesh joined forces to form Lever Brothers Bangladesh Ltd. This company was renamed Unilever Bangladesh Limited in 2004 as part of Unilever's global rebranding (Asamoah et al., 2021). Initially, Unilever PLC fully owned the company. In 2020, Unilever Bangladesh acquired 82% of shares in GlaxoSmithKline Bangladesh Limited, a leading nutrition brand (Tuhin, 2020).

Today, Unilever Bangladesh is one of the largest fast-moving consumer goods (FMCG) companies in the country, offering a wide range of food, personal care, and home care products. It boasts a vast network of about 1.3 million retail outlets across accessible and remote areas (Unilever Bangladesh, 2022). Through its suppliers, distributors, and service providers, Unilever Bangladesh indirectly employs around 10,000 people (Tuhin, 2020). Most of its workforce comprises local Bangladeshi employees, while other Unilever subsidiaries globally employ many expatriate Bangladeshis.

2.2.3 Mission and Vision

Unilever’s success in the consumer products industry is driven by its mission and vision statements. These statements reflect the company’s perspective and goals. The mission statement guides how Unilever approaches its target market, while the vision statement shapes its direction for growth and improvement. The vision statement outlines the steps needed for long-term success, keeping the company aligned with global market demands. As one of the top consumer product companies worldwide, Unilever’s mission emphasizes the value and impact of its products on consumers, while its vision highlights its growth and achievements in the global market.

Figure 2 The purpose of Unilever Bangladesh Limited (Unilever PLC, 2021, August 24)

Mission Statement- Unilever's goal is to "impart life energy." The company achieves this by providing hygiene, sanitation, and nutrition products that enhance wellness, beauty, and personal satisfaction.

Unilever's mission emphasizes its dedication to supporting customers in all areas of their lives (Chandra et al., 2024). Key aspects of this mission include:

- Improving the quality of life today.
- Meeting daily needs for nutrition, personal care, and hygiene.
- Promoting well-being, beauty, and better living.

Through its mission to "bring energy to life," Unilever's strategic goals become clear. The value customers expect from its products depends on various factors. The company's purpose outlines where this "energy" is directed. For example, Unilever’s food products are designed to meet customers’ nutritional needs.

Vision Statement- Unilever’s vision statement, “To make sustainability the norm,” clearly sums up the company’s goals. They believe this is the best way to ensure long-term growth. The statement also emphasizes the importance of building lasting relationships with customers. Unilever's vision focuses on:

- Promoting sustainable lifestyles globally.
- Adopting effective strategies for long-term growth.

The vision highlights the importance of sustainable living for everyone. By adapting its products to changing market needs, Unilever has achieved positive results (Märk & Situm, 2024). Its eco-friendly personal care and household products help people meet their sustainability goals (De Arruda Pollice & Scarcella, 2024). The company believes that lasting benefits come from adopting traditional sustainable practices.

Unilever recognizes the role of sustainability and the market factors shaping its industry (Chandra et al., 2024). Its vision reflects a strong commitment to sustainability and guides its corporate social responsibility efforts, especially in the consumer goods sector (Märk & Situm, 2024).

The company is dedicated to helping people reach their full potential. Employee passion plays a key role in driving operational efficiency and growth (Chandra et al., 2024). Unilever’s goals emphasize the importance of adaptation, innovation, and strong leadership (Märk & Situm, 2024). To align its environmental values with business practices, Unilever is working to influence customer behavior positively.

2.2.4 Logo

The Unilever's logo reflects the company’s goals and values (Zinaida & Sulistyanto, 2024). Each symbol in the design carries a specific meaning:

- The sun represents Unilever's commitment to renewable energy and reducing greenhouse gas emissions.

Figure 3 Unilever Logo (Unilever PLC, 2021, August 24)

- The dove symbolizes freedom and confidence.
- The spiral and utensil highlight the focus on creating healthy and appealing food products.
- The plant shows the company’s efforts to reduce its environmental impact.
- The heart signifies a dedication to health and well-being.
- The palm tree reflects Unilever's sense of environmental responsibility.

These symbols showcase Unilever’s focus on sustainability, innovation, and making a positive impact worldwide (Yip & Bank, 2015).

2.2.5 Unilever Brands & Product Offerings

Everyday, over 3.4 billion people worldwide use products from Unilever's extensive range of more than 400 brands (Chandra et al., 2024). While the company boasts a large portfolio, just 30 "Power Brands" account

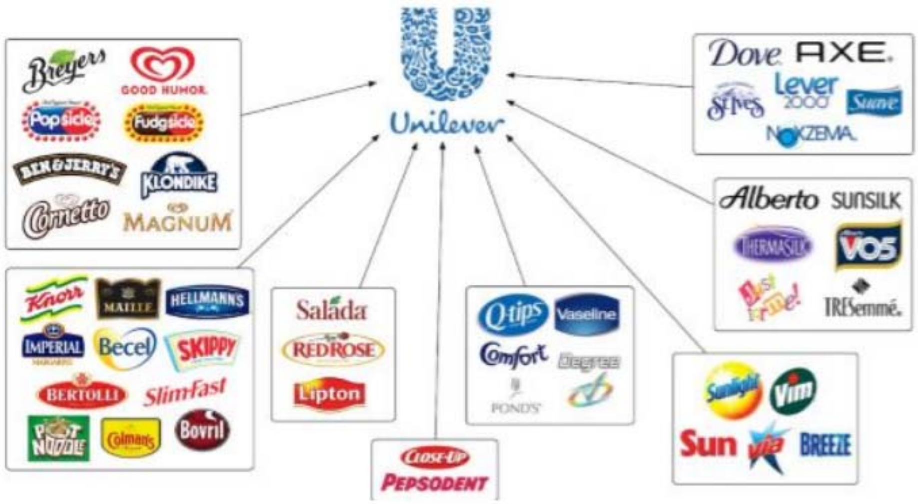


Figure 4 Unilever's Range of Brands (Unilever PLC, 2021, August 24)

for more than 75% of its revenue (Nacchia & Massaro, 2017). These brands fall into four main categories:

- **Personal Care/Beauty & Well-Being**: In 2023, the Personal Care segment earned €13.8 billion, and the Beauty & Wellbeing division contributed €12.5 billion. This category includes brands such as Sunsilk, Axe, Rexona, Dove, and Lifebuoy (De Arruda Pollice & Scarcella, 2024).

- **Home Care**: The Home Care division generated €12.2 billion in 2023 and features products like Domex, Surf, Sunshine, and Rin (Unilever PLC, 2021, August 24).

- **Nutrition**: The Nutrition segment achieved €13.2 billion in sales during 2023, with brands such as Knorr and Horlicks (Unilever PLC, 2021, August 24).

- **Ice Cream**: Ice Cream sales reached €7.9 billion in 2023, with brands like Magnum, Wall's, and Ben & Jerry's (Unilever PLC, 2021, August 24).

2.3 Management Style

2.3.1 Leadership Style

Unilever Bangladesh Ltd.'s daily operations, spanning different business sectors and divisions, are overseen by a director (Shahrukh, 2016). The board of directors has eight members, most of whom are non-executive. The Executive Panel is responsible for corporate governance, and functional departments report directly to the CEO. Employees are expected to take responsibility for their actions, showing the company's focus on ethics and transparency (Unilever Bangladesh, 2022, September 21).

The organisation's financial activities are managed by a centralised finance department with four divisions focused on the company's growth. These teams ensure well-organized management that aligns with Unilever's specific goals and objectives (Rahman, 2024).

This structure indicates that UBL adopts different leadership styles.

2.3.2 Human Resource Planning Overview

Unilever Bangladesh often uses job boards and social media to find candidates. The company focuses on selecting individuals with the right attitude during recruitment (Chowdhury, 2022). Currently, the following departments are hiring:

- Supply Chain
- Human Resources
- Brands & Development
- Finance
- Information Technology
- Customer Development

The selection process depends on the specific role being advertised. Unilever hires candidates from both internal and external sources. In addition to regular hiring, the company offers two special programs:

- **Unilever Leadership Internship Program (ULIP):** Provides internships for advanced graduate students.
- **Unilever Future Leadership Program (UFLP):** A management trainee program designed for future leaders (Shahrukh, 2016).

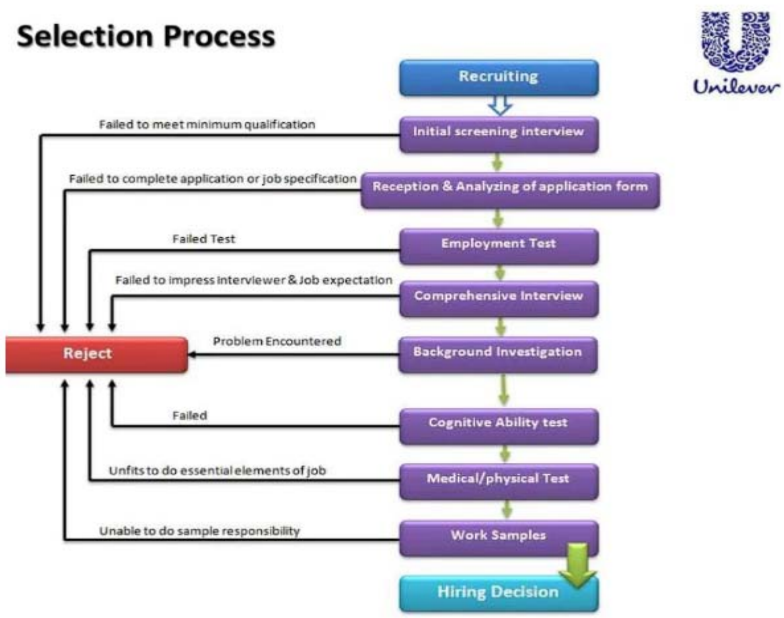


Figure 5 Process of Selection (Unilever Bangladesh, 2022, September 21).

Unilever Bangladesh is a well-known global company that provides opportunities for career growth (Zayed & Nahar, 2019). The company offers attractive benefits to potential employees, such as bonuses, healthcare, and performance-based rewards. Each year, Unilever Bangladesh organizes 12 to 15 training programs, covering both general skill development and customized training to meet specific needs (Chowdhury, 2022).

In addition to leadership and functional training, Unilever offers a wide range of other learning opportunities (Zayed & Nahar, 2019).

Unilever Bangladesh Limited strives to support the balance between employees' professional and personal lives by creating a cohesive experience (Sarwar, 2023). The Prottasha initiative is aimed at increasing employees' independence and effectiveness (Unilever Bangladesh, 2022, September 21). Launched in 2007, the employee self-service platform began with three features: vehicle booking, cash advances, and leave requests. It has now expanded to 13 services. ***Prottasha*** simplifies managing cash advances and absences while improving overall efficiency. By digitizing these processes, Unilever also promotes sustainability, saving up to 800 pages of paper daily (Chowdhury, 2022).

Employee evaluations are tied to annual training goals and include two key components:

- **Job Performance Rating**: Rated on a 5-point scale.
- **Individual Career Development**: Focused on training for long-term growth.

These approaches aim to support employees in maintaining their careers over the long term.

2.4 Marketing Practices

2.4.1 Marketing Strategy, Targeting and Positioning

Unilever Bangladesh Ltd. (UBL) focuses primarily on B2B channels for its marketing strategy (Zaman, 2024). Instead of targeting individual buyers, the company emphasizes working with a network of distributors. These distributors deliver UBL's products to retailers and wholesalers, with the final customer being the end of the supply chain. To promote its products, Unilever organizes various events, activities, and social gatherings as part of its marketing strategy (Atwal & Williams, 2017).

During its initial marketing phase, UBL targeted distribution firms as its main market. Many distributors in Bangladesh purchased products from trusted brands before selling them (Zaman, 2024). Distributors often choose products that are popular with consumers. To attract them, UBL uses a comprehensive marketing strategy (Rabu, 2019). With its vast supplier network and strong purchasing power, Unilever gains a competitive edge and better negotiating power with distributors.

Unilever's target market includes people across different demographics and regions (Atwal & Williams, 2017). The company offers a wide range of high-quality products suitable for all genders and ages (Rabu, 2019). Additionally, it appeals to consumers who value sustainability and ethical practices by focusing on community empowerment and reducing environmental impact. This approach aligns with the preferences of eco-conscious and socially responsible customers.

2.4.2 Product Development & Innovation for Competitive Marketing

Innovation is crucial for fast-moving consumer goods (FMCG) companies like Unilever to meet customer demand for new products and keep enough stock available (Atwal & Williams, 2017). Unilever’s product range is designed to meet the growing needs of society and the industry. Companies often use consumer surveys and work with research and development teams to find ways to improve their operations.

Unilever owns the Sunsilk brand, which addresses various hair care needs. For example, many women around the world wear hijabs to cover their hair, which can lead to specific hair care challenges. To address this, Sunsilk launched Hijab Refresh Shampoo, a product aimed at keeping covered hair healthy and vibrant (Hayati et al., 2020).

Unilever uses different strategies for product development. To meet market needs, it grows its product line through acquisitions and research and development, as seen with UBL’s purchase of GlaxoSmithKline Bangladesh Limited (Zaman, 2024).

2.4.3 Branding and Promotional Strategy

Unilever Bangladesh Limited (UBL) dominates Bangladesh's fast-moving consumer goods market by building strong brands and leveraging advertising strategies (Atwal & Williams, 2017). Its diverse product line attracts various customers, and its effective marketing has significantly increased sales (Chandra et al., 2024). Among its successful brands, Lux uses celebrity endorsements, while Dove highlights everyday individuals. Lux is associated with ultimate beauty, whereas Dove emphasizes natural beauty (Chandra et al., 2024). UBL's focus on product-driven branding distinguishes it across different sectors.

Figure 6 Unilever product marketing (Source: AD Insight Bangladesh)

As Shahrukh (2016) points out, UBL aligns its marketing with national events and festivals. To retain its market dominance, UBL conducts targeted branding and advertising campaigns. Initiatives like BizLearners foster collaboration between Unilever and the youth (Unilever Bangladesh, 2022, September 21). Additionally, UBL engages college students through the SPARKS ambassador program, increasing brand visibility among younger audiences (Chowdhury, 2022). These efforts strengthen brand recognition among current and future buyers. UBL also prioritizes employee health by offering wellness initiatives alongside marketing activities. According to Dhaka Tribune (2024), UBL collaborated with YPSA to launch the AwareWing campaign in response to an environmental crisis.

2.4.5 Marketing Gaps and Critical Issues

Unilever Bangladesh Limited (UBL) rarely acknowledges weaknesses in its marketing strategies. However, Unilever's strong reputation in the region helps ease major concerns. UBL has put in place a solid risk management plan to handle potential risks, despite challenges with competition and environmental factors. It should make improvements to ensure that all advertising campaigns are reviewed fairly and are accessible to everyone. Promotional events play a big role in many of Unilever's activities. The company might also gain from the constant media attention that follows its actions.

2.5 Financial Performance

Ratio analysis allows for a numerical assessment of a company's financial statements (Rashid, 2018). Ratios are based on the current year's data and then compared to past data, other companies, the industry, or the overall economy to measure the company's performance. The following ratios have been calculated to help with the analysis:

- Liquidity Ratio:
    - Current Ratio.
    - Cash Ratio.
- Leverage Ratio:
    - Financial Debt to Total Asset Ratio.
- Profitability Ratio:
    - Net Profit Margin (NPM).
    - Return on Asset (ROA).
- Efficiency Ratio:
    - Stock Turnover Days.
    - Asset Turnover Ratio.

In order to assess the financial performance of Unilever Consumer Care in Bangladesh, a ratio analysis is conducted based on the data presented in the table below:

Ratio	2021	2022	2023
Current Ratio	1.42	1.56	1.88
Cash Ratio	1.19	0.84	1.00
Financial debt to total assets ratio	0.05	0.07	0.05
Net profit margin (NPM)	12.73%	17.82%	24.32%
Return on asset (ROA)	10.91%	15.75%	19.39%
Return on equity (ROE)	35.60%	43.40%	40.80%
Dividend per share (DPS)	44.00	30.00	30.00
Stock turnover days	90	90	90
Asset turnover ratio	85.72%	88.34%	79.75%

Table 1 Financial ratio calculation of three years

Liquidity & Solvency Ratio: Liquidity ratios measure how well a company can pay off its short-term debts. To find the liquidity ratio, you divide the company's total cash by its short-term liabilities (Anan, 2023). This shows how many times the company can cover its short-term debts with the cash it has.

- **Current Ratio:** This ratio is found by dividing a company's total current assets by its total current liabilities. It shows how well a company, like Unilever Consumer Care Limited, can use its current assets to pay off its current liabilities.

Current Ratio = Current Assets / Current Liabilities

Year:	2021	2022	2023
Current Ratio:	1.42 times	1.56 times	1.88 times

In 2023, Unilever Consumer Care Limited had a current ratio of 1.88, meaning its current assets

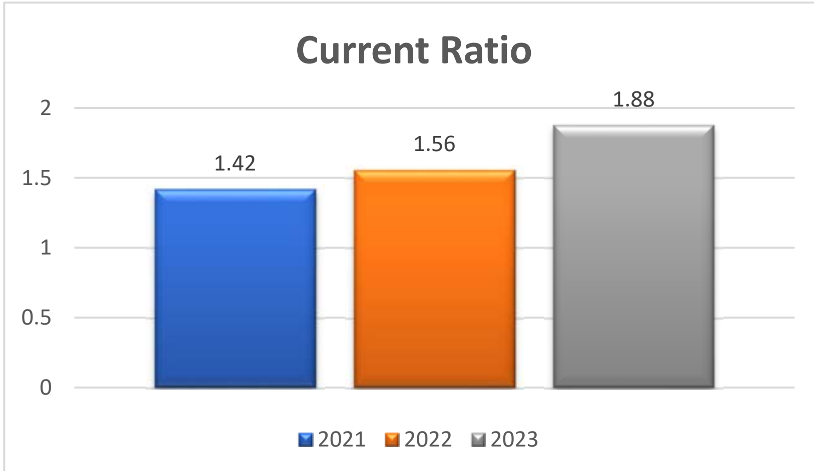


Figure 7 Current ratio

were 1.88 times higher than its current liabilities. This ratio improved from the previous year as both current assets and liabilities grew, but assets increased by a larger amount. This is positive for the company because a higher current ratio helps reduce the risk of financial default.

➢ **<u>Cash Ratio</u>:** This ratio is found by dividing total cash and cash equivalents by total current

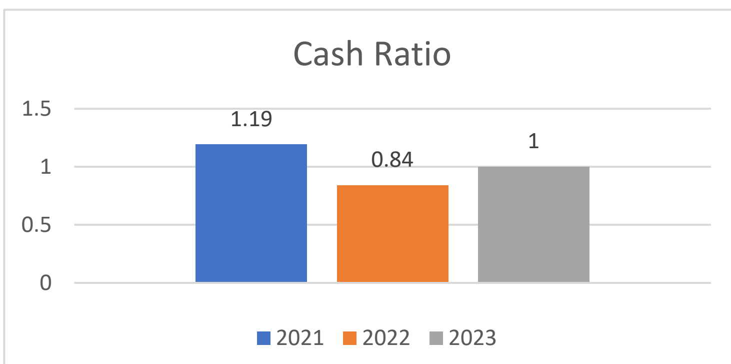


Figure 8 Cash ratio

liabilities. It indicates how well a company, like Unilever Consumer Care Limited, can pay off its current liabilities using its cash and cash equivalents.

Cash Ratio = Cash and cash equivalents / Current Liabilities

Year:	2021	2022	2023
Cash Ratio:	1.19 times	0.84 times	1.00 times

In 2021, Unilever Consumer Care Limited had a cash ratio of 1.19, meaning it had more cash than its short-term debts. A ratio above 1 shows a company has enough cash to cover its debts, while a ratio below 1 means it has more debt than cash.

Leverage ratio: Leverage ratios measure how much an institution relies on borrowed money. They show how the institution funds its operations and whether it can handle its financial responsibilities (Rashid, 2018). These ratios focus on key elements like debt, equity, assets, and interest costs.

- **Financial debt to total assets ratio:** The debt-to-assets ratio shows how much of a company's assets are paid for using borrowed money. It measures financial risk and is calculated by dividing the total debt by the total assets.

Total Debt to Total Asset Ratio = Total Debt / Total Asset

Year:	2021	2022	2023
Total Debt to Total Asset Ratio:	0.05	0.07	0.05

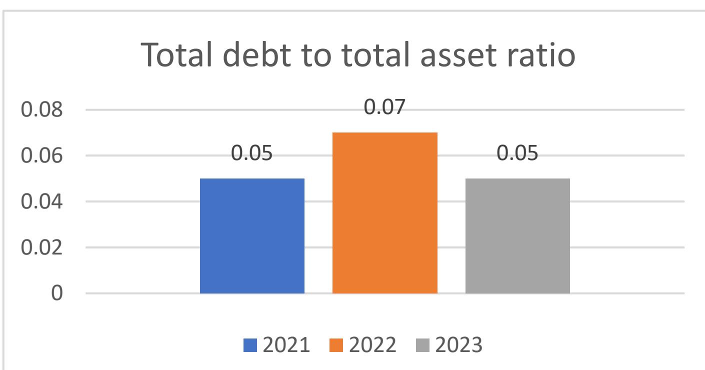


Figure 9 Debt to Asset ratio

The company mainly relies on debt to fund its assets. It collects money from people as deposits and invests it in various sectors. From 2021 to 2023, the ratios were 0.05, 0.07, and 0.05. A higher ratio could mean more risk.

Profitability ratio: Profitability ratios help compare companies within the same industry because profit margins can vary significantly across industries (Rashid, 2018).

- **Net profit margin (NPM):** he Net Profit Margin is a profitability ratio calculated by dividing net profit after tax by revenue or net interest income. It shows how much profit a company earns from each taka of revenue.

Net Profit Margin = Net Profit after Taxation / Net Interest Income

Year:	2021	2022	2023
Net Profit Margin:	12.73%	17.82%	24.32%

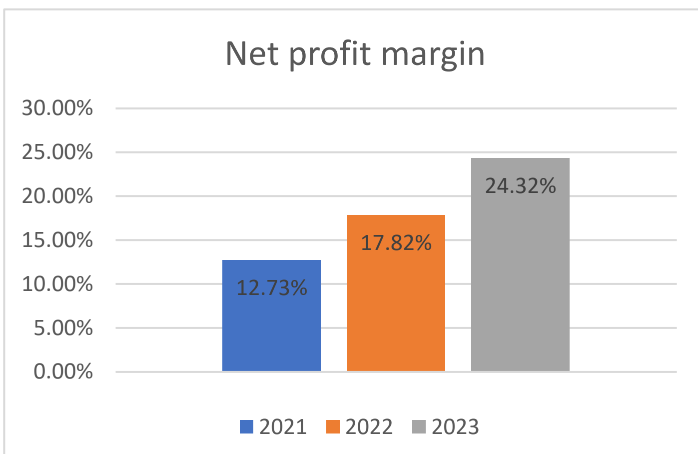


Figure 10 Net Profit Margin

From 2021 to 2023, Unilever Consumer Care Limited's net profit margins were 12.73%, 17.82%, and 24.32%. These figures indicate fluctuations in sales but suggest the company maintains a good profit margin. This is a positive sign, showing that the company has a strong earning rate and a stable financial condition.

Return on asset (ROA): ROA is a profitability ratio that measures how well a company uses its total assets to generate profit. It shows how efficiently the company's management turns assets into earnings (Ahmed et al., 2023).

Return on Assets = Net Profit after Taxation / Total Assets

Year:	**2021**	**2022**	**2023**
ROA:	10.91%	15.75%	19.39%

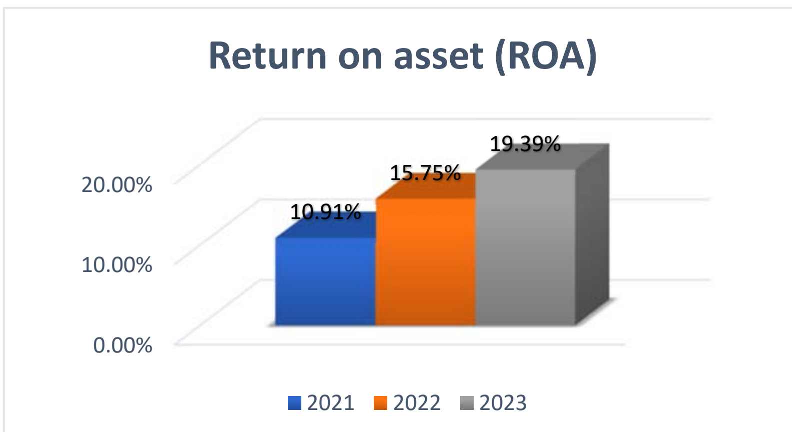


Figure 11 Return on Asset (ROA)

ROA is one of the most commonly used profitability ratios. Unilever Consumer Care Limited operates in the consumer care industry, where most of its assets are tied to consumer-related activities. This contributes to its high net profit and ROA. In 2021, the company had a lower ROA of 10.91% due to a decrease in net profit. However, by 2023, its ROA increased significantly to 19.39%.

Efficiency Ratio: Efficiency ratios evaluate how well a company uses its assets and manages its operations.

- **Stock Turnover Days:** This measures how quickly a company sells its inventory. It is calculated by dividing net sales by the average inventory selling price.

Figure 12 Stock turnover days

Stock Turnover = Net sales / Average inventory selling price

Year:	2021	2022	2023
Stock turnover days:	90 days	90 days	90 days

Unilever Consumer Care Limited maintained consistent stock turnover days of 90 each year. This means the company takes 90 days to turn over its inventory. A lower stock turnover days ratio indicates better efficiency. To improve this, the company could increase the sales price of its inventory.

<u>Asset turnover ratio</u>: he asset turnover ratio measures how effectively a company uses its fixed assets or long-term investments to generate revenue (Rashid, 2018).

Fixed Asset Turnover = Net Sales / Net Assets

Year:	2021	2022	2023
Asset Turnover Ratio:	85.72%	88.34%	79.75%

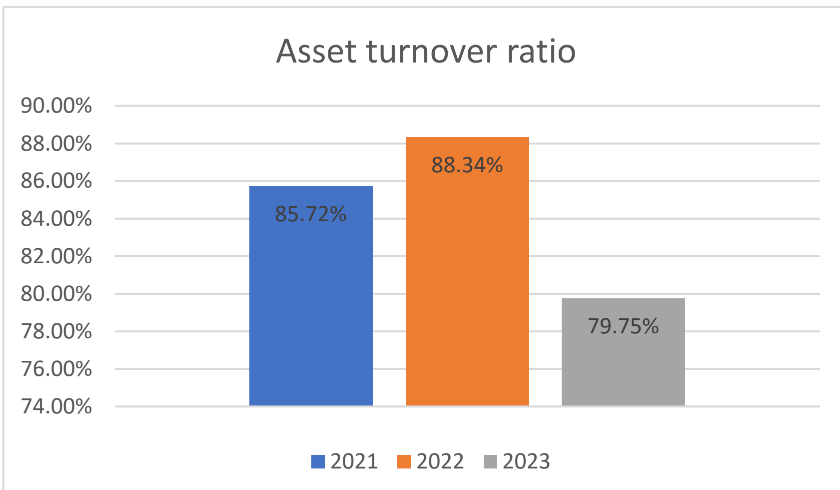


Figure 13 Asset turnover ratio

Analyzing this ratio for Unilever Consumer Care Limited shows a declining trend. From 2021 to 2023, the ratios were 85.72%, 88.34%, and 79.75%, with a slight rise in 2022 before falling again. A lower asset turnover ratio suggests the company is becoming less efficient in using its fixed assets to generate revenue.

<u>Return on equity (ROE)</u>: ROE is a profitability ratio that shows how much profit a company makes compared to its equity. It reflects how efficiently the company's management uses equity to generate profits (Saputra, 2018).

Return on Equity = Net Profit after Taxation / Shareholder Equity

Year:	**2021**	**2022**	**2023**
ROE:	35.60%	43.40%	40.80%

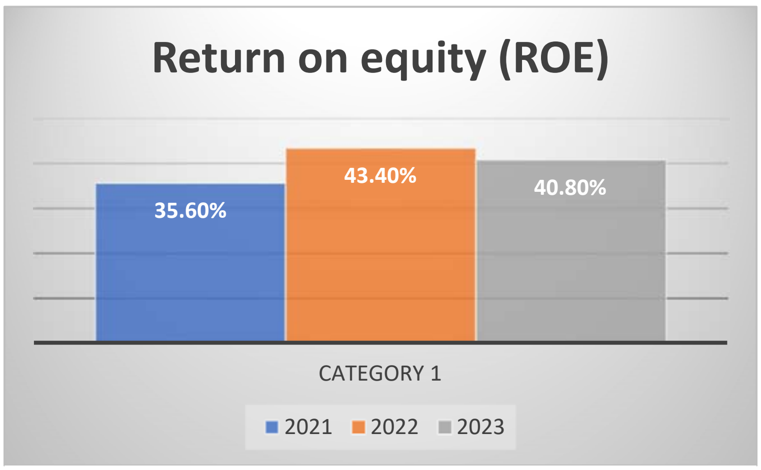


Figure 14 Return on Equity (ROE)

ROE is one of the most commonly used profitability ratios. In the case of Unilever Consumer Care Limited, most of its equity comes from shareholders, which contributes to its high net profit and ROE. The company had a lower ROE in 2021 at 35.60% but a higher ROE in 2022 at 43.40%.

Dividend per share (DPS): DPS is the total amount of dividends paid to each outstanding share of a company. It helps investors know how much income they will earn per share from the company.

Dividend Per Share = Total Dividends Paid / Shares Outstanding

Year:	2021	2022	2023
DPS:	44.00	30.00	30.00

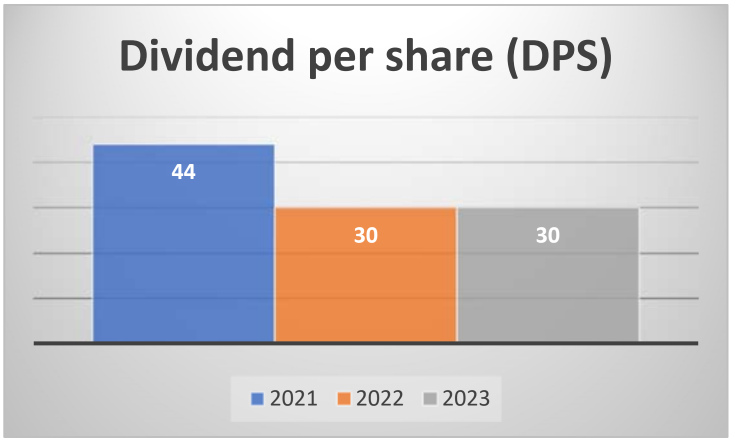


Figure 15 Dividend per share (DPS)

DPS shows the portion of a company's earnings distributed to shareholders. Unilever Consumer Care Limited paid its highest dividend in 2021 at 44.00 Tk, while in 2022 and 2023, the dividend was 30.00 Tk per share.

2.6 Operations Management and Information System Practices

UBL can enhance efficiency and improve the quality of its business processes by successfully implementing projects in information technology and operations management.

2.6.1 Operations Management

Administrative Operation: This part focuses on starting or completing a product within its category. After extensive testing and development, many products are launched. Weather conditions often influence various aspects of the process. The algorithm is tailored to meet the specific needs of each region. For sustainable growth, advanced technology, market research, and competitive analysis are essential. The operations team is committed to achieving their goals and continuously improving efficiency.

Planning and Strategy: They use program data and strategies to drive their growth. At their headquarters, they rely on modern technology and the Internet to analyze data, create plans, and manage projects (Shareef, 2023). These well-designed methods make daily tasks much easier to handle.

Quality Assurance: This stage ensures the final product meets quality standards before packaging. After further research and development, any necessary changes are made. If quality is not ensured, the product risks failing in the market.

2.6.2 Information System Practices

Unilever's success relies on its information technology and system management (Shahrukh, 2016). Information technology manages Unilever’s supply chain and human resources. It connects with consumers, vendors, and suppliers using electronic communication and the internet. The advanced IT system greatly improves the company’s operations. For example, tools like University Private Exchange, GSDN, RFID, and Ariba help improve efficiency (Shareef, 2023).

Digital innovation, such as automated processes and real-time data analysis, improves industrial solutions, streamlines supply chain activities, and ensures a steady flow of products across the value chain (Shahrukh, 2016). The company developed Allobot, a robotic system that boosts supply delivery efficiency and gives priority to certain distributors (Shareef, 2023). Distributors get emails with information about product availability and delivery schedules. The prioritisation feature ensures that important customers get faster service and products. Allobot also helps launch new products and reduces excess stock by keeping inventory moving regularly (Adamides & Karacapilidis, 2020). Before Allobot, this process was manual and time-consuming; now it is more cost-effective and efficient.

2.7 Industry and Competitive Analysis

2.7.1 Porter's Five Forces of Model

Unilever's market operations are influenced by several external factors. Porter's Five Forces Analysis is used to understand these influences.

- **Bargaining Power of Buyers - Moderate**

Unilever, a large consumer goods company, interacts with its customers, affecting their buying decisions. As the number of customers increases, their power to negotiate decreases (Asamoah et al., 2021). Additionally, Unilever offers a variety of products to different customers, which reduces the power of any single customer (Shahrukh, 2016). With many alternative products available, consumers can negotiate better deals based on price and quality.

- **Bargaining Power of Suppliers - Low**

Unilever gets 80% of its key ingredients from a wide network of suppliers (Unilever PLC, 2021, August 24). Suppliers are unlikely to challenge the company, reducing the risk of them taking control of the market (Beal Partyka & Laureano Paiva, 2024). However, fluctuations in global prices for materials like palm oil and packaging can still cause problems.

- **Threat of New Entrants – Low**

Unilever is a well-established company with strong brand recognition in Bangladesh (Sarwar, 2023). High startup costs discourage new competitors from entering the market. There are few financial or regulatory barriers for smaller local companies to compete. Unilever's wide range of subsidiaries and franchises gives it an advantage, helping the company achieve cost savings and operational efficiency (Chandra et al., 2024).

- **Threat of Substitutes - Moderate**

In the fast-moving consumer goods industry, customers have many product choices. However, Unilever's strong brand portfolio (including Lux, Lifebuoy, Dove, etc.) and loyal customers lower the risk of substitutes (Sarwar, 2023). The threat depends on how easily customers can switch to other products. However, some customers may choose cheaper alternatives.

- **Competitive Rivalry - High**

Unilever faces strong competition from other big consumer goods companies like Nestlé, Marico, and P&G (Shakur et al., 2024). This is mainly due to aggressive marketing strategies by these companies. Unilever faces challenges because it doesn't have high switching costs, making it easier for consumers to choose other brands (Murphy & Murphy, 2018).

Nestlé has an advantage with its popular coffee brand, Nescafé, and has succeeded in many market segments, partly due to the costs associated with its Nespresso brand (Shakur et al., 2024). Unilever's Bru coffee brand faces stiff competition from Nescafé (Warrier, 2024, March 15). Unilever's commitment to high-quality standards for Bru can limit its ability to innovate.

2.7.2 SWOT Analysis

According to Shiplov et al. (2019), SWOT analysis is used to assess the internal and external factors that affect a company's strengths and weaknesses.

Strengths: Unilever Bangladesh has a competitive advantage over its main rival, Nestlé, and local brands due to its large distribution networks and flexible pricing strategies (Shahrukh, 2016). The company also has enough funding for research and development, allowing it to create unique and improved products that meet consumer needs. Unilever uses global strategies to appeal to Bangladeshi consumers who want internationally recognized products with a local touch. Additionally, their commitment to the Sustainable Development Goals and adherence to UNDP guidelines set them apart (The Daily Star, 2018, February 4).

Weaknesses: Local brands are more flexible compared to Unilever (Mollik & Ananna, 2024). Numerous local manufacturers can easily replicate or produce their products. Additionally, Unilever's items are generally priced higher and can be easily substituted, particularly in rural Bangladesh, where consumers lean towards traditional and natural options rather than Unilever's products.

Opportunities: As noted by Ahmed (2023), there is a rising number of health-conscious consumers in Bangladesh, which offers Unilever a chance to cater to this demographic with its health-oriented products. To retain its status as a frontrunner in the FMCG sector, Unilever could also aim to increase the accessibility of its global brands in Bangladesh. With the ongoing trend of globalization, there is a growing interest in Western lifestyles, providing Unilever with the opportunity to attract more customers and broaden its market reach.

Threats: Rivals like Marico, Nestlé, and P&G are intensifying competition through aggressive pricing and marketing tactics (Shakur et al., 2024). The recent global economic downturn has resulted in decreased sales for Unilever and other FMCG companies. As consumers are purchasing less while expecting greater value, this could hinder future growth. Additionally, new regulations regarding sustainability, packaging, and transportation may result in increased operating expenses.

2.8 Summary and Conclusions

UBL stands as the top FMCG manufacturer in Bangladesh. The company adopts sustainable business practices to fulfill customer demands, which has contributed to its robust presence with well-known brands across various countries. UBL is dedicated to conducting its business ethically and in a way that respects the environment. Its initiatives to lessen environmental impact, advocate for gender equality, and assist local communities have garnered appreciation from customers. Although facing significant competition, Unilever Bangladesh remains focused on sustaining a strong market presence and enhancing its operations. The company has increased its market share and customer loyalty by emphasizing innovation, delivering high-quality products, and prioritizing the needs of its customers.

UBL has had a significant impact on both the economy and culture of Bangladesh. The company sets an example for other businesses by emphasizing environmental and social responsibility. Through steady revenue growth and a diverse product range, UBL has strengthened its market position and is able to meet a wide variety of customer demands. Its investment in research and development has led to unique products that perform well in the market and drive growth. UBL connects with customers in remote areas through creative marketing and a strong distribution network. As the company grows, its focus on sustainability, environmental conservation, and community development becomes even more important. As a result, Unilever Bangladesh has built a strong brand and improved its market position. The company is a model of ethical business practices, aiming to improve social and environmental conditions while also focusing on profitability. With its strong values and commitment to its customers, Unilever Bangladesh is well-positioned to succeed in the competitive consumer goods market.

2.9 Recommendations

In light of the current insights regarding UBL, here are some recommendations and potential consequences for the company to reflect upon:

Enhancing the Supply Chain: UBL should aim to optimize its supply chain by leveraging technology and fostering closer collaboration with suppliers. This would enhance inventory management, logistics, and create a more dependable and sustainable supply chain.

Digital Transformation: UBL can capitalize on the expanding online market by investing in digital technologies. The company ought to allocate resources towards tools such as data analytics, e-commerce platforms, and digital marketing to streamline operations and connect with customers. Utilizing technologies like Machine Learning (ML) and Artificial Intelligence (AI) could assist in forecasting future market developments. Recruiting AI specialists could enable UBL to pinpoint areas in need of enhancement.

Ongoing Innovation: To remain pertinent in a shifting market and satisfy customer expectations, UBL should emphasize innovation. This involves investing in research and development, investigating new product lines, and rolling out innovative packaging and formulations.

Market Expansion: UBL can experience growth by broadening its product offerings and investigating new market prospects. The company could extend its reach by adapting products and marketing strategies to align with the preferences of various customer segments.

Consumer Awareness: UBL should concentrate on informing and engaging its customers to cultivate brand loyalty and trust. By educating consumers about the advantages of its products, sustainable practices, and responsible consumption, the company can boost its market presence in Bangladesh.

Strengthening Sustainability: UBL ought to further embed environmental responsibility into its business practices. The company needs to initiate programs and form partnerships aimed at minimizing its adverse effects on society and the environment while encouraging ethical purchasing behaviors.

Chapter 3: Project Part

3.1 Introduction

3.1.1 Background Information

Rapid economic growth has led to an immense threefold rise in plastic waste production over 15 years, with only 30% being collected. Much of this waste ends up in landfills, polluting river systems with tens of thousands of tons annually. Certain actions are required to align with Bangladesh's Green Growth Strategy outlined in the government's 2100 Delta Plan. Unilever Bangladesh (UBL) is stepping up its sustainability efforts. Affiliating with UNDP, Local Government Institutes and NGO's UBL is leading a plastic waste collection initiative in Narayanganj, embracing a circular economy model. The goal is to lessen UBL's carbon footprint across the value chain and promote the sustainability inspiring government, businesses, and partners to join the climate action movement. UBL's product brands like Horlicks and Lifebuoy, promotes holistic well-being among millions of Bangladeshis.

Moreover, as a socially responsible entity, Unilever Bangladesh champions equity, diversity, and inclusion initiatives, empowering individuals from all walks of life through programs like Dyuti and Pallydut. In essence. Through collective effort and purposeful action, we're committed to healing our planet, nurturing well-being, and building a more inclusive society for sustainable growth.

3.1.2 Objective

This report aims to investigate how Unilever approaches EPR in the dynamic market of consumer goods, with a particular emphasis on its involvement in promoting sustainability and environmental stewardship. The purpose is to critically asses a wide range of initiatives and practices implemented by Unilever to determine how they are beneficial for reducing the environmental footprint and ensuring responsible consumption patterns. This report will be focused on a comprehensive analysis of strategies, key actions, and collaborations initiated by Unilever to determine the extent of its adherence to EPR concepts and implications in the FMCG industry as a whole. Further, the challenges and obstacles to construct and implement such model will also be included.

Research Question:

1. How do Unilever's efforts in Extended Producer Responsibility (EPR) and sustainability align with broader sustainability goals within the FMCG industry?
2. What are the key challenges in implementing EPR in Bangladesh, and how is Unilever Bangladesh addressing these challenges?
3. What motivates Unilever to adopt Extended Producer Responsibility (EPR) practices, and how do these efforts reflect the company's commitment to sustainability and its core values?

3.2 Significance

The importance of this report is that it addresses the Extended Producer Responsibility policy in alignment with the FMCG market, especially focusing on Unilever Bangladesh Limited. Being part of the global sustainability drive, all operations of UBL are influenced by local market dynamics, regulatory frameworks, and environmental considerations. This report examines how UBL maintains and adapts its sustainability performance in light of various local stakeholders, namely suppliers, consumers, distributors, and the local market regulators.

The report shows how important it is to understand the EPR framework in guiding the company's environmental strategies, especially in terms of how it addresses sustainable waste management and circular economy principles. This research focuses on financial and operational decision-making regarding sustainability and provides comprehensive insight into the adherence of UBL to the EPR regulations.

Furthermore, the report discusses how UBL integrates these strategies into its business model, ensuring product stewardship and reducing plastic pollution, with a focus on initiatives like the 'Proyash'

3.3 Methodology

The research adopts a descriptive design, focusing on evaluating Unilever's strategies in aligning with the EPR policy within the FMCG sector. The study is divided into several parts to achieve its objectives.

Sl. No.	Steps
1	Identification of EPR Policies within FMCG Industry
2	Survey Conduction
3	Evaluation of Unilever's EPR Strategy
4	Sustainability Contributions from the Analysis

Table 2 Methodology of the study

Initially, it involves analyzing available data and insights gathered during the internship to understand how Unilever complies with EPR regulations and sustainability goals. Data was collected through in-depth, unstructured discussions with key personnel, including Rashedul Quayum, Legal Head and Company Secretary, and Abdullah Zobayer, Senior Legal Counsel. These discussions provided qualitative insights into Unilever's EPR strategy, its legal implications, and sustainability efforts.

Additionally, primary data was collected during the AwareWave campaign, where I collaborated as a coordinator with Unilever's volunteering platform, Proyash, on World Environment Day 2024. To analyze the methodology, a survey was conducted with 25 participants: 10 informal local scrap dealers or vendors, 10 NGO workers, and 5 Unilever employees who collaborate the EPR project from Unilever's end. They were asked unstructured questionnaires which focused on assessing participants' roles, challenges, and perspectives regarding plastic waste management, the impact of EPR policies, and Unilever's sustainability efforts through the AwareWave campaign. The data was primarily qualitative, supplemented by quantitative insights drawn from undisclosed company reports and calculations. Furthermore, secondary data was gathered from publicly accessible sources, including articles, annual reports, news platforms, and Unilever's official website.

3.4 Findings and Analysis

3.4.1 EPR and Sustainability: Linking the Circular Economy and SDGs

A. Extended Producer Responsibility (EPR)

Extended Producer Responsibility (EPR) is a policy aimed at improving the environmental impact of products throughout their life cycle. It requires manufacturers to take responsibility for the collection, recycling, and safe disposal of their products (Skowranek, 2023). As defined by the OECD (2024), EPR extends the producer's responsibilities to include the post-consumer stage of a product's life.

To be effective, EPR policies should follow these key principles:

- Deliver strong environmental benefits.
- Be efficient, cost-effective, transparent, and accountable.
- Share financial responsibilities among stakeholders.
- Be convenient for consumers.
- Ensure long-term financial sustainability.
- Enable producers to access materials for closed-loop recycling.
- Promote fairness and social inclusiveness, especially in regions like Bangladesh where the informal sector plays a role.

B. Mechanism

The sustained administration of products at the conclusion of their life cycle is the fundamental principle of Extended Producer Responsibility (EPR). The EPR Policy, which is predicated on plastic waste, would transfer a portion of the responsibility for sustainable end-of-life disposal and waste management from local governments and taxpayers to manufacturers (OECD, 2024). This is a consequence of the growing quantity and intricacy of plastic products. The complicated issue of plastic packaging waste is further exacerbated by the vast quantity of refuse produced by contemporary consumption patterns.

C. Sustainability and the Circular Economy: The Role of EPR

Contemporary environmental management is all about sustainability, which helps primarily in keeping the natural balance while achieving economic growth by those means (World Bank, 2022). A very key concept guiding efforts toward sustainability is the circular economy. This approach, born out of the traditional "take-make-disposal" linear economy, focuses on encouraging the reuse, recycling, and repurposing of resources. Extended Producer Responsibility is the basis of this paradigm, enabling producers to take responsibility for the life cycle of their products, including the waste arising after consumption (OECD, 2024). All these techniques are aimed at reducing environmental impacts, optimizing resource use, and reducing waste. More specifically, they strongly support Sustainable Development Goal 12: Responsible Consumption and Production, complementing global sustainability objectives. In a circular economy,

- Products are designed for durability, reused, refurbished, and recycled, extending their lifecycle.
- Waste is minimized, and resources are continually cycled through the economy.
- Economic value is created from waste through recycling, upcycling and repurposing materials

Waste management is an area where the circular economy creates a new paradigm focused on reducing landfill usage, decreasing pollution, and inducing environmental restoration (Reddy et al., 2023). Waste management, therefore, involves dimensions of environmental sustainability, material recovery, and resource economy far beyond the methods of materials disposal.

EPR-based strategies in waste management provide a way forward for governments and businesses to adopt circularity and lower the environmental impacts flowing from industrial activities (Skowranek, 2023). In effect, this would substantially reduce the burden on public waste management systems as producers take over the responsibility of waste disposal, hence a more sustainable and efficient way of conducting waste management.

One of the systems that take the lead on global activities in sustainability is the United Nations Sustainable Development Goals (SDGs). SDG 12 on Responsible Consumption and Production states that This goal encourages the need for:

- Sustainable development and consumption avoid environmental deterioration because of waste, use, and exploitation of resources.
- Prevention, reduction, reuse, and recycling then help to prevent waste production.
- It is proper to encourage businesses and the community to adopt sustainable practices—practices that can sustain long-term economic and environmental viability.

Evidently, SDG 12 synchronizes with concepts such as circular economy and EPR.

Accesses the majority of targets via Extended Producer Responsibility (EPR) measures, which require companies to implement strategies aligned with the principles of circular economy, thereby reducing the negative environmental impacts of their products. Successful sustainable design enables EPR to bring down the difference between the goals of the environment and the very production techniques. Even proper management of waste could maximize this narrowing.

3.4.2 EPR in Other Countries

EPR policies have been implemented across various countries to tackle plastic pollution (Johannes et al., 2021). Some of them are stated below and how they are implemented:

Germany

Germany was one of the first countries to use an EPR system for exports. The fee-charging technique has changed depending on the system's material types and weights. Companies are expected to pay fees to a PRO of their choice and participate in a central register; these payments will cover the expenses of collecting, sorting, and recycling packaging trash.

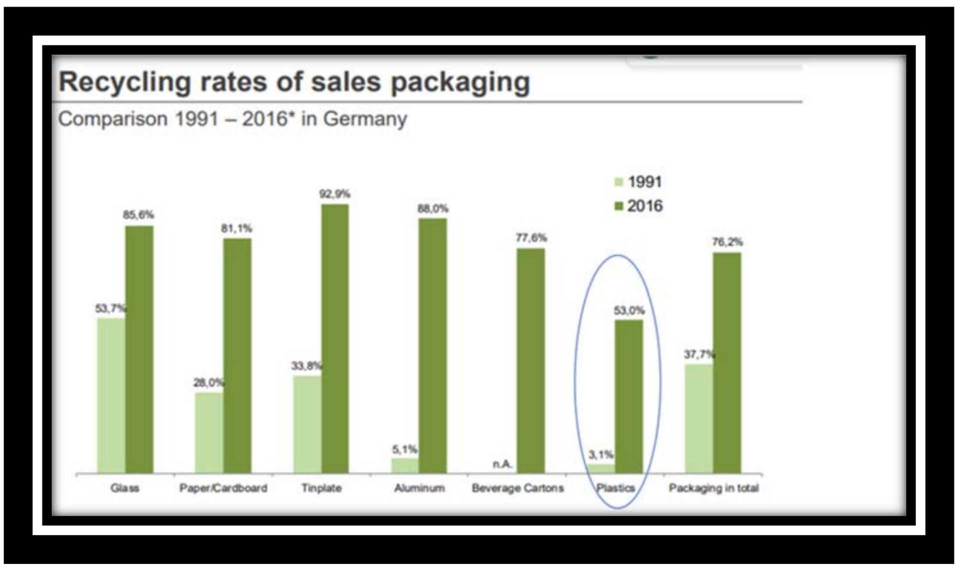


Figure 16 Sales packaging recycling rates in Germany

Japan

Japan's Extended Producer Responsibility (EPR) scheme, the "Producer Responsibility System for Used Beverage Containers," was implemented in 2002. Beverage container manufacturers and importers must fund collection and recycling initiatives. Old beverage containers are collected and recycled by "Soukaishien kikou," or independent administrative organisations. This project has reduced the illegal dispersal of garbage and raised the recycling of outdated beverage containers in Japan.

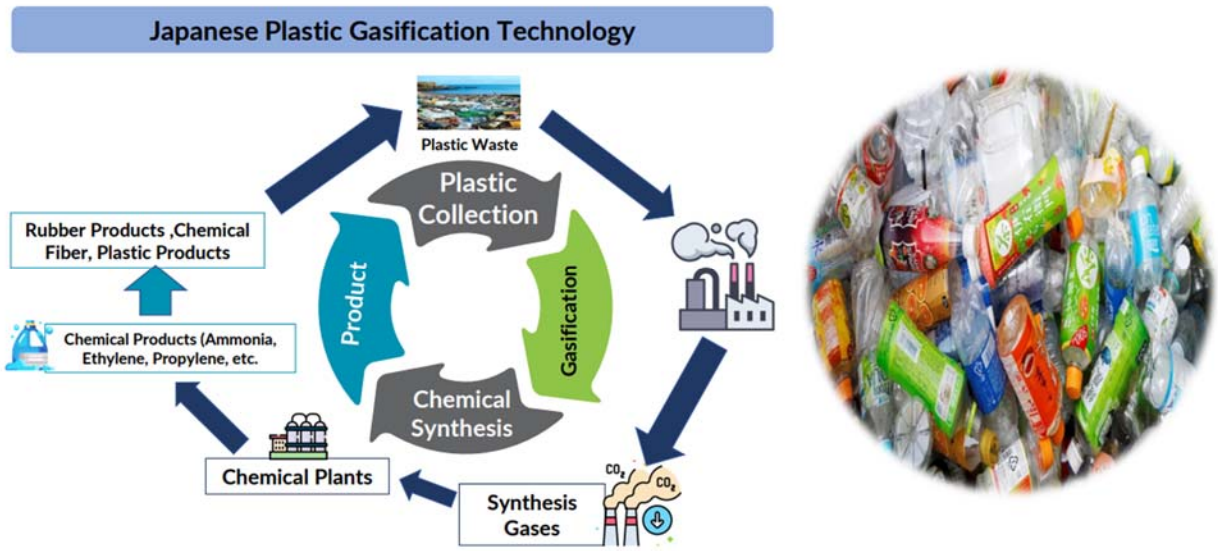


Figure 17 Japnese Plastic Gastification technology

Kenya

The creation of things and packaging should be tailored to reduce waste. Furthermore, processes for post-consumer collection and take-back should be devised, maybe with a mechanism to reimburse deposits. They must implement initiatives to promote a circular economy and other steps to decrease the negative effect of their products on people and the environment and keep customers informed about the number of items they release to the market.

Portugal

In Portugal's packaging systems, producer fees support the net costs related to packaging waste disposal since Green Dot payments include all expenses.

Figure 18 Coverage of Green Dot system

3.4.3 Waste Management in Bangladesh: Current State and Challenges

i. Current Waste Management in Bangladesh

In Bangladesh, the plastic waste management process starts with manufacturers using both virgin and recycled resins to produce plastic goods. Consumers generate post-consumer plastic waste, which is collected

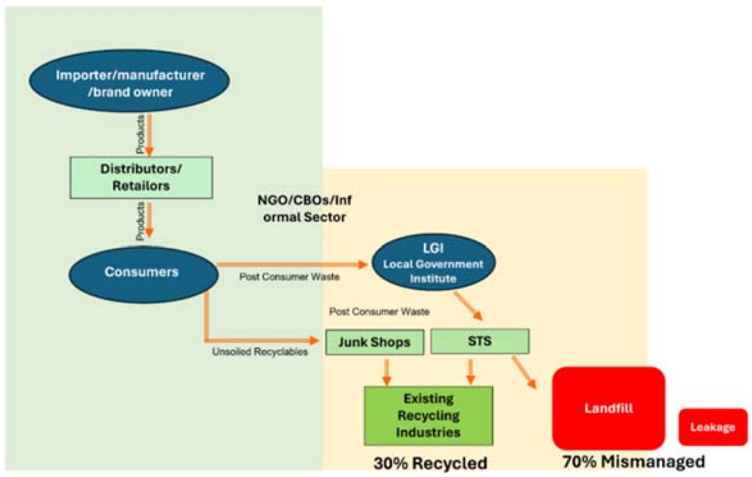


Figure 19 Current plastic flow in Bangladesh

by waste collectors and transferred to secondary stations. However, illegal dumping and improper disposal are significant challenges, leading to substantial leakage of plastic waste into unauthorized locations or landfills. The collected plastic waste is either sold to junk shops or sent for recycling, where it undergoes sorting, cleaning, and transformation into pellets for reuse. According to a 2021 World Bank report, only 30% of plastic waste is recycled, while the remaining 70% is improperly managed.

Only 30% of these plastics are recycled in Bangladesh, and the other 70% are in disarray.

Current waste management challenges are stated below:

- **Limited Capacity for Recycling:** Although Bangladesh boasts one of the highest global recycling rates, it remains inadequate to recycle high-value materials domestically. This is concerning due to the expanding middle class and the anticipated rise in per capita package consumption. The quantity of approved recyclers is inadequate relative to the volume of plastic waste produced.

- **Challenges in Packaging:** Value Products: The majority of materials disposed of in municipal

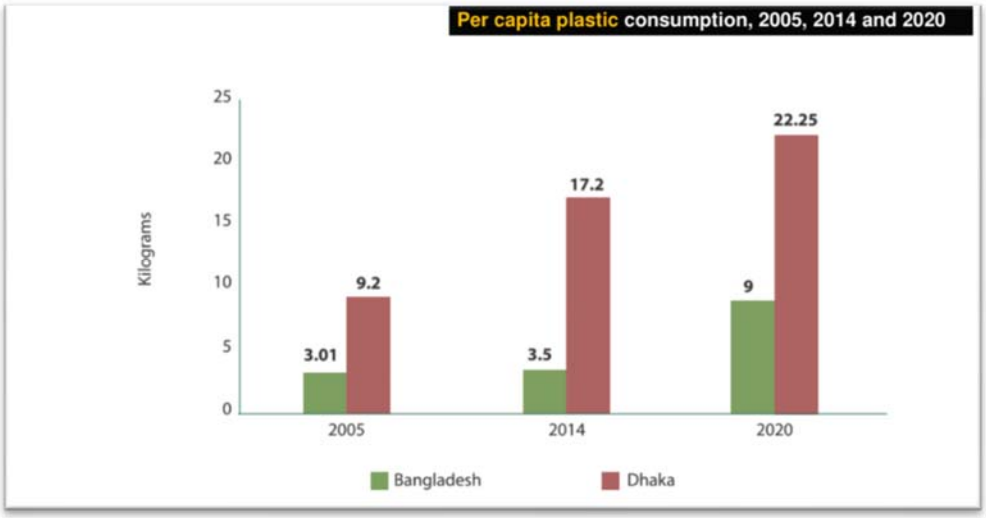


Figure 20 Bangladesh vs Dhaka per capita plastic consumption

landfills are non-recyclable and possess minimal economic value. This includes malleable materials like sachets and composites, along with their packaging. The lack of an adequate recycling and separation process for these items results in environmental pollution, landfilling, and the risk of contamination of marine environments. Nationally, there is a deficiency of adequate sanitary landfills and alternative disposal methods.

- **Disparities in the Management of Packaging Waste by Region:** Bangladesh exhibits notable regional disparities in the management of packaging waste, especially when comparing rural and urban settings. Although certain metropolitan areas have established effective waste segregation and collection systems, both rural and urban regions persist in facing challenges related to garbage collection management, leading to illegal dumping and open incineration practices. An adaptive approach tailored to the specific needs of each site is essential for an effective, sustainable waste management plan, as it guides expenditures and activities appropriately.

ii. Tackling Plastic Waste Crisis with Circular Solutions

Bangladesh's rapid urbanization has resulted in greater pollution and greater use of plastic. The average urban resident's plastic use will increase from 3.0 kg in 2005 to 9.0 kg in 2020. Compared to 2005, the use of LDPE packaging increased fivefold in 2020. Of the 977,000 tons of plastic used in 2020, only 31% were recycled.

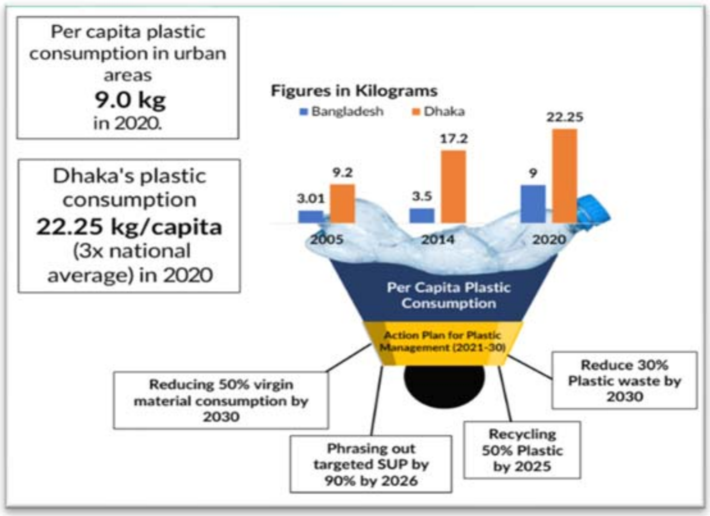


Figure 21 Per capita plastic consumption

Dhaka, being the largest urban center, constantly produces large quantities of plastic waste, mostly comprising single-use plastics (SUP), which are piling up in landfills and water bodies, rivers notwithstanding. Primarily, substandard infrastructure for recycling most of the plastic waste ends up being either burned or sent to landfills.

The adoption of a circular economy presents a strategic pathway for effective plastic waste mitigation in Bangladesh. Three important Rs are part of this system: reduce, reuse, and recycle; each signals the importance of reduction of waste generation at source, innovative approaches to reusing, and increasing infrastructure for recycling. It covers design for longer lifecycles of products, increases collection capacity for plastic waste, and technology used in sorting and recycling. Yet, other problems persist, such as a lack of public awareness of plastic waste separation, illegal waste collector companies, and weak government policies in waste management. Plastic waste in Bangladesh needs to be dealt with through a multisectoral approach involving government agencies, the corporate sector, and civil society, among others.

3.4.4. Legal Stands and Directions from Govt regarding EPR

a) **Policy Framework for Waste Management**

The National Coordination Committee (NCC) oversees waste management across many bodies in accordance with the SWMR-2021. Local governments must create effective solid waste management policies that adhere to the "3R" concept of reduce, reuse, and recycle. The Eighth Five-Year Plan stresses the management of plastic pollution via Extended Producer Responsibility (EPR). The Bangladesh High Court has banned single-use plastic goods in hotels and motels. The 8th Five-Year Plan aims to improve urban solid waste management. The Bangladesh Perspective Plan for 2041 emphasizes microplastic reduction and waste management initiatives.

b) **Legal Entities and Responsibilities in Environmental Management**

- **Department of Environment**

The Department of the Environment (DoE) implements environmental legislation and sets standards for Extended Producer Responsibility (EPR). Capacity growth will be emphasised through the compilation of a list of obligated enterprises and their associated products. A database will be established to record essential statistics regarding these enterprises, including capacity and recovery rates. The Department of Energy will initiate the Environmental Protection Regulation process in collaboration with pertinent authorities, enabling it to identify and regulate environmentally harmful practices. The EPR system has been designed for three years to identify potential small- and medium-sized enterprises (SMEs). The Department of Energy may engage third-party organization to execute certain administrative functions and, if required, levy fines.

- **The National Coordination Committee (NCC):**

The NCC intends to establish a legislative framework for Extended Producer Responsibility (EPR), establish defined compliance objectives, provide funding, and assist local government units in the development of training programs and Materials Recovery Facilities. EPR plans will be disclosed annually, DoE reports will be scrutinized, joint ventures will be disclosed to LGI, and funding will be allocated for research on the utilization of plastic waste.

- **Local Government Institute**

LGI is responsible for recruiting personnel for joint ventures with PRO to implement Extended Producer Responsibility, devise a solid waste management plan, priorities decomposition, biogas generation, refuse-derived fuel, and biodegradable fertilizers, and elevate public awareness.

3.4.5 EPR Implementation Bangladesh

I. EPR Proposal for Bangladesh

The EPR proposal for Bangladesh suggests a framework where producers and other stakeholders are responsible for ensuring that their plastic products are either reused, recycled or disposed of after use. This approach is meant to cut the biggest pollution source in the nation as plastic trash finds its way into landfills and marine environments. The Bangladeshi EPR proposes several components:

- **Producer Responsibility**: Producers will have to arrange for their products to be gathered and placed once again in use. This might include starting projects for recycle-ability or supporting campaigns for take-back.
- **Regulatory Framework**: The proposal includes recommendations for new government regulations to collect and recycle plastic goods and penalties for those who do not comply.

- **Collaboration with Stakeholders:** A cooperative plan should include municipal authorities, waste management companies, civic societies, and others. Working with other businesses and Material Recovery Facilities (MRFs) will allow producers to ensure suitable waste disposal.

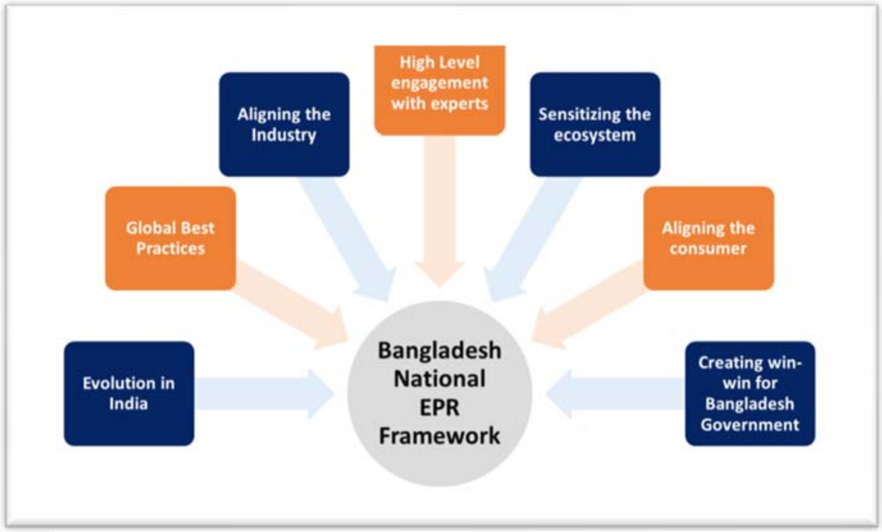


Figure 22 National EPR Framework of Bangladesh

- **Public Awareness Campaign:** The EPR system is defined by public awareness campaigns highlighting the importance of recycling and appropriate consumer disposal techniques. Developing a circular economy and affecting consumer behaviour will rely greatly on public actions.
- **Incentivizing Recycling**: While manufacturers anticipated providing the infrastructure required for garbage gathering and processing, EPR would provide financial incentives for recycling. Good recycling will help the system reduce the effect of plastic waste on the surrounding area.
- **Integrating Circular Economy**: The ultimate goal of EPR is to build a circular economy wherein plastics are recycled, utilised once more, and then put back into manufacture rather than disposal. This will reduce the need for raw plastic materials and decrease waste and energy use.
- **Clear Targets and Reporting:** Recycled product developers will have to meet certain criteria regarding the rates of manufacturing these items, waste reduction, and recycling. Regular reporting promises transparency and accountability.

II. Zero Draft EPR Policy in Bangladesh

The Zero Draft of the Extended Producer Responsibility (EPR) Policy in Bangladesh, which is expected to be finalized by 2024, presents a comprehensive framework for implementing EPR. The draft proposes several key actions:

- The proposal would give manufacturers legal responsibilities, guaranteeing their desire to reduce plastic waste. It also deals with the fines for non-compliance.
- The proposal calls for sorting, recycling, and gathering plastic garbage under the direction of infrastructure design. This will mean expenditures in public and commercial sectors of waste management facilities.
- The policy distributes certain responsibilities among other local administrations, companies, and the Department of Environment (DoE). It also underlines the need for global collaboration based on best practices and waste management depending on them.

III. National Action Plan for Plastic Management

The Bangladesh government has launched a national action plan to tackle plastic waste, focusing on the control and regulation of plastic production and usage. Under the Bangladesh Environment Conservation Act, 2002 (Amended), the Ministry of Environment, Forest, and Climate Change (MoEFCC) has the authority to regulate polythene products, including single-use plastics. Violators face fines or imprisonment. As part of the initiative, single-use plastic bags were banned from October 1, and government offices stopped using single-use plastic bottles, promoting reusable alternatives.

A circular issued on August 28 identified 17 plastic materials as single-use plastics, which will be phased out gradually. The Department of Environment (DoE) is intensifying enforcement efforts starting November 1 by seizing single-use plastic bags and shutting down production across the country.

A study revealed that Bangladesh generates approximately 87,000 tons of single-use plastics annually, with 96% discarded as waste. The government is also working under the Solid Waste Management Rules, 2021, and the Mandatory Jute Packaging Act, 2010, to reduce plastic usage and promote biodegradable alternatives. Despite these efforts, the widespread plastic contamination has led to microplastics being found in fish and agricultural produce, impacting food chains. (Abusiddique, 2024)

The plastic management policy has clear milestones for successful implementation in Bangladesh. Among the key milestones are:

- Policy aims to reduce the production of single-hand plastic significantly by imposing restrictions and encouraging alternative uses like biodegradable materials
- Improving the recycling rate of a target is set to significantly increase the recycling rate of plastic waste, possibly reaching 50% or more by 2030.
- Infrastructure will improve plastic waste collection and processing, ensuring that a large amount is recycled or reused.

IV. Circular economy: Solution to BD plastic pollution

A **circular economy** offers an effective framework to address plastic pollution by focusing on minimizing waste and optimizing resource use. Unlike the traditional linear economy that follows a "take-make-dispose" model, a circular economy ensures that plastic materials are reused, recycled, and repurposed at every stage of their lifecycle, reducing environmental impact.

In Bangladesh, plastic waste has become a growing concern due to increased consumption of single-use plastics and inadequate waste management systems. The adoption of circular economy principles can help tackle these issues by addressing the entire plastic value chain—from design and production to consumption and disposal. A circular economy in Bangladesh minimizes plastic waste by encouraging efficient product design, recycling, and reuse, ensuring only essential and recyclable plastics are produced. It transforms waste into valuable resources, such as fuel or raw materials, reducing environmental pollution while generating economic benefits. By aligning with the National 3R Strategy, it fosters sustainable waste management, lowers emissions, and conserves natural resources.

The circular economy clearly justifies the Dutch case of EPR in Bangladesh. From this angle, plastic rubbish is more valuable as a resource than a hazard. With product design for recycling and investment in supporting infrastructure for waste gathering and recycling, Bangladesh would reduce its impact and be on the way toward a more sustainable economy.

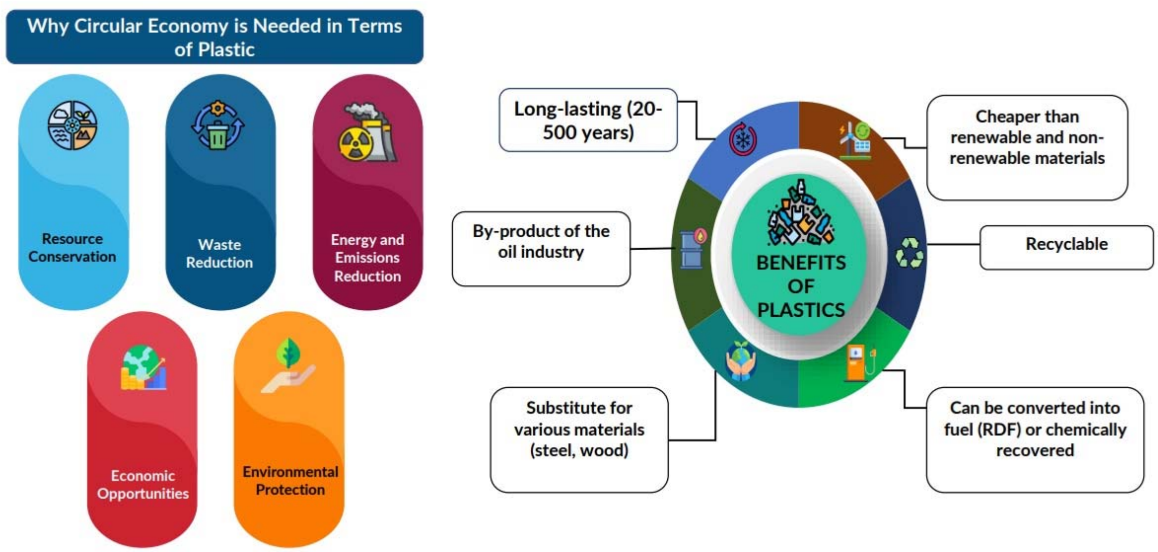


Figure 23 Circular economy for plastic

A circular economy saves not only new resources, reduces waste, and contributes to ecologically sound products but also promises Bangladesh an opportunity now to address not only plastic waste but also economic growth in the waste management and recycling sectors through green jobs.

3.4.6 Unilever Sustainable Practice

- **Sustainability Goal**

Unilever is very dedicated to its environmental programs. It wants to improve society through its sustainability targets, which should contribute significantly to addressing some major social and environmental problems, such as waste reduction, equitable access to resources, and climate change. Their highlighted sustainable plans are:

Figure 24 Unilever's Sustainability Goal

- Unilever aims to net zero emissions by 2039 with a focus on reducing greenhouse emissions across the supply chain
- Reducing waste and increasing material recyclability and reuse will help the company to enter the circular economy.
- Targeting half of consumption by 2025, Unilever's environmental projects largely aim to lower single-use plastic (SUP).

These targets, especially SDG 13 on climate action and SDG 12 on responsible consumption and production, show increased dedication to helping fulfil the Sustainable Development Goals (SDGs).

❖ EPR Implementation in Unilever

Unilever strongly advocates for Extended Producer Responsibility (EPR) as a key solution to address packaging waste. EPR systems require companies like Unilever to pay for the collection and processing of packaging waste, helping to close the recycling gap and drive investment into waste management and packaging innovation. Unilever supports well-designed EPR schemes, whether voluntary or mandated, that ensure transparency and accountability in the packaging value chain. The company actively supports EPR policies through partnerships, such as with the Ellen MacArthur Foundation, and endorses the Consumer Goods Forum's position on the optimal design of EPR schemes to ensure environmental impact and social inclusivity.

Unilever's statement on EPR outlines a theoretical approach to meeting EPR obligations in key markets to reduce environmental impacts associated with packaging and waste. Around 40% of all plastic produced is used for packaging, much of it used only once and thrown away. But, when it comes to packaging, Unilever is particularly in favor of EPR legislative frameworks that encourage recycling and waste reduction. By 2025, they want to stride in making all of their packaging material recyclable, reused and compositable where key goals are:

- Reduce the usage of single-use plastic
- Increased recycled content in packaging materials
- Collaboration with governments and industry groups to improve waste management systems
- Development of new waste collection models, including partnerships with waste management firms

Key Design Parameters of EPR by Unilever

The following aspects of EPR design reflect critical components of optimal EPR but are not exhaustive.

Collection for Recycling Targets: The overall goal should be realistic, measurable, and cost-effective while aiming for strong environmental performance. EPR programs need to balance the amount of material collected for recycling with the associated costs. In advanced markets, a 50-60% recycling rate is a good starting point for EPR, and some areas have achieved this cost-effectively. Over time, higher rates of 60-80% may be possible, but increasing collection may become more expensive depending on factors like population density. Specific recycling targets for different materials, like various types of plastic, should be set based on local waste conditions and market demand. Targets should be reviewed regularly, considering past achievements and improvements in technology and organization. Clear and reliable data, along with proper monitoring and reporting, are essential for measuring performance against these targets.

Scope of Covered Materials: All types of packaging materials (like plastics, paper, glass, and metals) should be collected for recycling. At first, the focus might need to be on specific materials, but there should be a clear plan to eventually include all types. Producers would pay fees to support the system, and investments might be needed to improve its efficiency. Since different materials have different recycling costs and values, each material's cost should be covered by the producers using it. Once the system is running, the materials accepted should stay the same across the area, with clear labels on packages to guide consumers on what to recycle. The program should only deal with packaging waste from consumers, not other types of waste.

Program Management: Managing an Extended Producer Responsibility (EPR) program should align with how financial responsibilities are assigned. If industries are tasked with meeting recovery targets and covering costs, they should have enough control over the process to monitor progress, ensure compliance, and create efficient systems for recycling and environmental improvement.

When starting an EPR program, it should be run by a professional Producer Responsibility Organization (PRO) that operates as a non-profit and covers the entire region. This ensures broader coverage. The PRO creates and carries out a plan to meet program goals, working with other stakeholders. These plans typically span 5 to 7 years to give clarity and confidence to all involved. Once the plan is approved, the PRO sets producer fees, updates recycling systems, manages funding and payments for collection and sorting costs, tracks performance, and sells recycled materials.

As the program grows, the market for EPR services can open to new players, encouraging better efficiency and innovation.

Definition of Included Costs: Producers should be financially responsible only for specific activities, limited to a fair share of the costs for collecting and sorting post-consumer materials. The collection and sorting of materials from industrial, commercial, and institutional (ICI) sources should be handled separately by those generators, as they involve additional complexity and inefficiencies that are outside the scope of the EPR program.

Consumer awareness: Raising consumer awareness and investing in education helps increase the amount and quality of materials being recycled, which enhances the environmental impact and makes an EPR program more cost-effective.

Distribution of Cost: The costs of collection and sorting should be shared among producers, municipalities, and possibly other players in the value chain. This approach, known as broad distribution or shared financial responsibility, ensures that no single company or group bears all the costs. Instead, all key stakeholders contribute their fair share, helping to reduce the financial burden on everyone involved.

Material Revenue: Money earned from selling collected materials should go back into the system to reduce the cost of collection. The fees that producers pay should match the real costs of collecting and sorting materials, along with the income earned from selling those materials. These costs and revenues should be assigned to specific material types to avoid one material subsidizing another. Since costs and market values change over time, the fees should usually be updated yearly. Producers should also have fair priority to buy recycled materials to support closed-loop recycling.

Incentives for Sustainability: EPR fees should be based on the costs of collecting and sorting materials, as well as the revenue they generate. This encourages companies to design products that are easier to recycle and to use materials with high market demand. The program and its fee system should also be designed carefully to avoid negative environmental effects, and reusable packaging might be excluded from the program entirely.

❖ **Sustainability Initiatives at Unilever**

Beginning several projects to reach its sustainability targets, Unilever has focused on lowering plastic waste, improving recyclability, and thus supporting a circular economy. Supported by significant projects below, data helps us to attain these goals:

- From 2018 levels, Unilever cut plastic packaging waste by 19%.
- Right now, their whole range of products consists of 62% recyclable plastic packaging.

- In its packaging, Unilever uses more plant-based materials and endorses substitutes such as paper-based packaging and reusable product solutions.

Figure 25 Dirt is Good campaign

On World Environment Day 2021, Unilever Bangladesh's Surf Excel launched its "Dirt is Good" campaign, partnering with Footsteps to engage students in environmental protection through tree planting activities. Children were provided with plants, pots, soil, and child-friendly guidelines, encouraging them to adopt positive habits. The campaign was a success, reaching 2.5 million people digitally and receiving coverage from over 40 media outlets, inspiring the next generation to take steps toward environmental regeneration.

❖ **Plastic Waste Management Project:**

1. **Building Circular Cities:**

Unilever Bangladesh partnered with UNDP Bangladesh to support Narayanganj City Corporation (NCC) in better managing plastic waste, to launch a three-year project titled "Plastic Waste Management: Building Circular Cities." The project focuses on creating a circular economy for plastic waste, particularly addressing Single-Use Plastics (SUP), which account for 40-50% of NCC's total plastic but have low recycling rates. Plastic waste is now collected from all 27 NCC wards, with 1200 street cleaners engaged and 113 Waste Pickers (WPs) trained to segment plastics during collection. By December 31, 2021, the project had collected 17 tons of SUP and flexible plastic waste from households and the environment. The project also tested three models for plastic waste collection, including the "Waste Picker Model," where waste pickers working under a Cleaning Service Organization (CSO) collected plastic waste separately from NCC households.

2. **Street Cleaner Model:**

Unilever Bangladesh involves partnering with Narayanganj City Corporation (NCC) to engage street cleaners in plastic waste collection, particularly targeting Single-Use Plastics (SUP) and flexible packaging found on streets and in drains. These street cleaners are trained to collect and segregate plastic waste, handing it over to designated points for recycling. To encourage participation, street cleaners receive monetary incentives based on the amount of plastic waste, especially problematic items like polythene shopping bags, they collect. This model helps improve plastic segregation at the source and promotes better waste management practices in the community.

3. **Feriwala Model (Informal scrap collector):**

Unilever Bangladesh involves working with informal scrap collectors, known as "feriwalas," to improve plastic waste collection. These feriwalas are trained to collect and segregate Single-Use Plastics (SUP) and Multilayer Plastics (MLP) from households, landfills, and other sources. The project equips 100 feriwalas in Narayanganj City Corporation (NCC) to enhance their capacity and formalize their role in the recycling chain. This model aims to close the loop by ensuring collected plastics are handed over to recycling facilities, promoting sustainable plastic waste management. By integrating feriwalas into the formal waste management system, Unilever Bangladesh strengthens the informal sector's contribution to long-term environmental goals.

4. AwareWave Program:

Figure 26 AwareWave Programme

Unilever Bangladesh launched through the Proyash platform, aims to educate school students in Dhaka and Chattogram about the dangers of plastic pollution. It focuses on promoting sustainable practices such as waste segregation and recycling while inspiring students to take active roles in reducing plastic waste in their communities. By empowering the next generation, AwareWave encourages students to lead efforts in combating plastic pollution and fostering environmental responsibility.

❖ <u>Unilever's FMCG Approach to SDG Achievement</u>

Unilever's environmental policies fit very well with broader Fast- Moving Consumer Goods (FMCG) business objectives. Unilever's global strategy, the "Sustainable Living Plan," builds on the founder's original Purpose, adapting it to address current societal challenges while aligning with 14 of the 17 Sustainable Development Goals (SDGs). These SDGs are integrated into three strategic areas, with each brand responsible for addressing one or more of them through its Purpose strategy, which encompasses financial, social, and environmental elements. This Purpose strategy serves as the foundation for managerial actions (Activism) within each brand's business model, guiding the brand's activities and strategic imperatives. The Purpose elements are crucial in shaping the strategic direction and decisions made by managers working within the brand's framework.

Unilever Bangladesh aligns its operations with the global Compass commitments by integrating sustainability into its business and driving behavior change through purposeful brands. In 2021, the company

Figure 27 Unilever's sustainable living plan strategy

invested over BDT 430 million in 11 SDG agendas, focusing on areas like Zero Hunger, Good Health, and Clean Water. It also worked towards a net-zero emissions future by innovating lower-carbon products and transitioning to renewable energy, while ensuring a sustainable supply chain. Through initiatives like plastic waste collection and energy-saving efforts, Unilever continues to lead in sustainable business practices, contributing to environmental and societal well-being.

The FMCG industry is under more and more pressure to change its business model to be more environmentally friendly. Unilever is improving its quality in several significant spheres:

- As a founding member of the Circular Economy 100 (CE100), Unilever aims to bring together creators of the circular economy from many different sectors. This cooperation enhances waste management practices throughout the business, including packaging.
- Big FMCGs like Unilever have joined the New Plastics Economy Global Commitment and pledged to have 100% of their plastic packaging recyclable or reused by 2025.

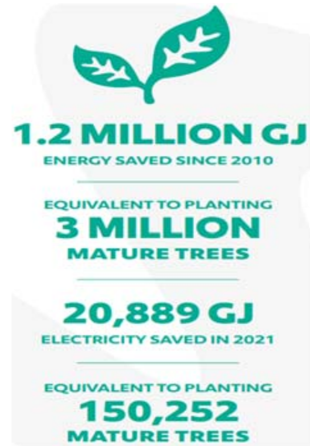
- Working with organisations like the Ellen MacArthur Foundation, Unilever seeks to inspire a worldwide transformation toward a circular economy and structural reform in the worldwide management of plastic waste.

Their commitment to EPR and reducing plastic waste motivates others at Unilever to follow and provide an excellent example for the FMCG industry. The company's operations suggest that large sustainability projects might be implemented into corporate models and simultaneously satisfy consumer demand for environmentally friendly products and environmental challenges.

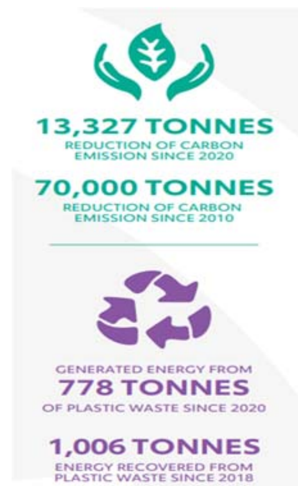
❖ **Contribution of Unilever's sustainable initiatives**

Unilever is committed to achieving its sustainability goals by embedding them into its core business operations. Over the years, the company has focused on driving sustainable practices across energy use, water conservation, and sourcing materials responsibly. In addition to environmental efforts, Unilever has launched several social initiatives to improve health, hygiene, and sanitation, while also promoting gender equality and empowering local communities. The company continues to innovate and collaborate with partners to deliver impactful change and contribute to a sustainable future.

a) **Net-Zero Emissions:** Unilever has made significant strides in climate action by targeting net-zero carbon emissions across its operations and value chain. The company has focused on improving energy efficiency through modern equipment and energy recovery from thermal losses, leading to a 23% reduction in energy consumption and a 20% decrease in CO_2 emissions at its Kalurghat factory. Over the past decade, Unilever has saved approximately 1.2 million GJ of energy and reduced CO_2 emissions by nearly 70,000 tons, equivalent to planting 3 million mature trees. These sustainable initiatives highlight Unilever's commitment to reducing its environmental impact and advancing climate action.



b) **Carbon and Energy Initiatives:** Unilever has made significant strides in reducing its carbon footprint, including stopping the use of direct coal for thermal energy in early 2020 and reducing its global manufacturing carbon footprint by two-thirds since 2008. Since 2020, the company has eliminated 13,327 tons of carbon from its manufacturing processes and recovered energy from 1,006 tonsof plastic waste produced at its sites. As part of its commitment to carbon neutrality by 2030, Unilever is pioneering Carbon Capture technology, which captures excess CO_2 emissions, potentially turning them into energy. These initiatives are key to Unilever's continued progress in achieving a more sustainable and carbon-neutral future.



c) **Water Stewardship and Nature Regeneration:** Unilever has taken significant steps to protect and regenerate nature, particularly through water conservation and the use of sustainable alternatives in its products. In 2021, the company reduced water usage in its manufacturing sites by 206 million liters and has continually optimized its operations to minimize water consumption. Unilever also invested BDT 274 million to upgrade its Effluent Treatment Plant (ETP), enhancing wastewater recycling and reuse to 78%. Through these initiatives, Unilever is working towards a future where water resources are preserved and accessible to all.

d) **Zero-Waste and Plastic Reduction Initiatives:** Unilever Bangladesh has been running a zero-landfill waste operations scheme since 2014, ensuring that all non-hazardous waste produced during manufacturing is either reused, recycled, or co-processed. In the last two years, 780 tons of plastic waste from the Kalurghat Factory (KGF) were sent to LafargeHolcim's Geocycle for energy recovery. As part of its commitment to reducing plastic waste, Unilever Bangladesh has re-engineered its packaging, reducing 250 tons of plastic in 2021 alone. Currently, 75% of the plastics used in product packaging are recyclable, with a goal to achieve 100% recyclable packaging by 2022.

Unilever has implemented a comprehensive waste management system, ensuring that non-hazardous waste is kept out of landfills. This is achieved through dedicated collection and storage points that facilitate waste segregation at various sites. Employees involved in waste management are trained to create detailed action plans focused on reuse, recycling, or recovery. Successful approaches are then shared and adopted across

Unilever’s global sites. Extending the zero-waste mindset beyond factories, Unilever also applies this strategy to its offices, distribution centers, and warehouses, further contributing to its sustainability goals.

In 2023, the Unilever Group disposed of approximately 4.86 thousand metric tons of waste generated from

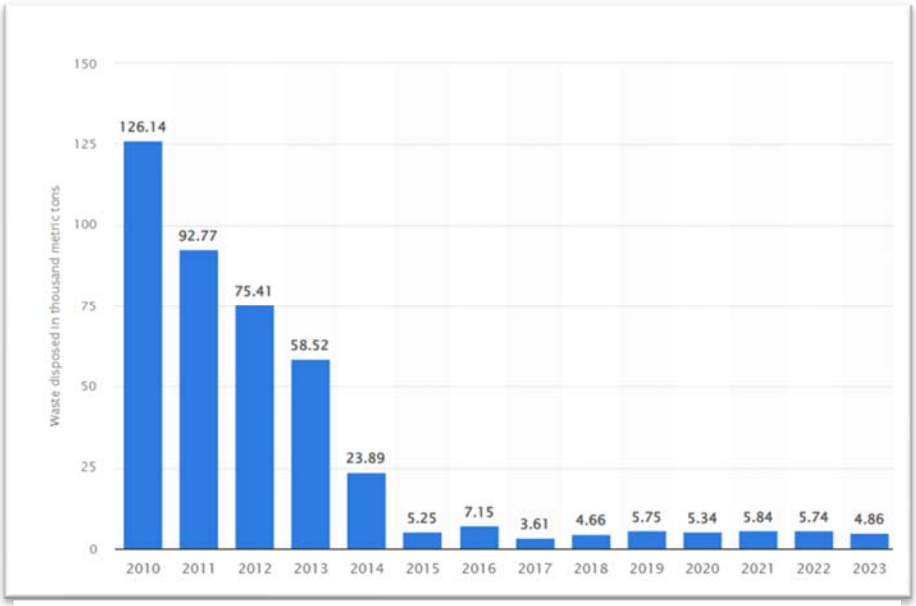


Figure 28 Unilever's manufacturing waste production rate

its manufacturing operations worldwide, an almost 12% reduction relative to the prior year. For over a decade, Unilever has consistently reduced its yearly waste production. Under its waste-free world effort, the organization seeks to diminish food waste in its operations by 50% by 2025 and to cut its use of virgin plastic.

3.5 Summary and Conclusion

Unilever is actively addressing the plastic waste challenge in Bangladesh, despite the country's significant barriers in waste management. The company is committed to reducing plastic waste by focusing on enhancing recyclability and promoting the use of plant-based materials. Unilever is also exploring alternative packaging solutions, such as paper-based materials and reusable options, to support a circular economy. These efforts are aligned with Unilever’s broader sustainability goals, aiming to reduce environmental impact and contribute to solving plastic waste management issues in Bangladesh, even in the face of infrastructural and technological challenges.

3.6 Recommendations

- Good implementation of concepts connected with the circular economy relies on the expansion of companies aimed at the "4Rs: Reduce, Reuse, Recycle, Recover." These businesses support eco-friendly practices in many different fields to help cut waste.
- Circularity helps to produce new, higher-value products from plastic waste, promoting financial and environmental sustainability. This suggests the construction of recently developed upcycling plastic material processing facilities.
- Adoption of circular practices could help increase employment, notably in sectors related to material recovery, recycling, and sustainable product creation. In countries like Bangladesh, these opportunities might be significant in allowing ecologically friendly economic growth and reduced dependence on plastics generated from fossil fuels.
- Tight regulations on single-use plastics serve to lessen the overly heavy reliance on throwaway plastics. This isolates ecosystems from rubbish created by useless plastic.
- Policies should encourage the use of recycled products along with suitable waste separation, therefore inspiring suitable waste management and recycling. These kinds of operations guarantee efficient waste management and integration of obtained resources into new manufacturing techniques.
- The official policy should recognize the major contribution the underground market makes to recycling and waste gathering. Considering the operations of unofficial waste managers, this might involve developing rules suited for national sustainability goals or offering incentives.
- Infrastructure policies, consistent waste management practices, and infrastructure policies for various regions boost economies of scale and efficiency when applied. This would boost recycling rates and assist in regulating plastic waste.

References

- Adamides, E., & Karacapilidis, N. (2020). Information technology for supporting the development and maintenance of open innovation capabilities. *Journal of Innovation & Knowledge*, *5*(1), 29–38. https://doi.org/10.1016/j.jik.2018.07.001
- Ahmed, I. (2023). *The concept of well-being and the rise of wellness industry*. The Financial Express. https://today.thefinancialexpress.com.bd/30th-anniversary-issue-2/the-concept-of-well-being-and-the-rise-of-wellness-industry-1700903810
- Ahmed, S., Bu, Z., & Ye, X. (2023). Product market competition, labor mobility, and the cross-section of stock returns. *The Review of Asset Pricing Studies*. https://doi.org/10.1093/rapstu/raad001
- Anan, M. (2023). Ratio liquidity, solvency and profitability analysis (case study of pt sucofindo Persero Medan). *Jurnal Riset Akuntansi & Keuangan*, 109–119. https://doi.org/10.54367/jrak.v9i1.2459
- Asamoah, D., Nuertey, D., Agyei-Owusu, B., & Akyeh, J. (2021). The effect of supply chain responsiveness on customer development. *International Journal of Logistics Management*, *32*(4), 1190–1213. https://doi.org/10.1108/ijlm-03-2020-0133
- Atwal, G., & Williams, A. (2017). Luxury brand marketing-the experience is everything! In *Advances in luxury brand management*. Palgrave Macmillan.
- Beal Partyka, R., & Laureano Paiva, E. (2024). Bridging the gap: state-of-the-art on vertical integration. *RAUSP Management Journal*, *59*(3), 229–255. https://doi.org/10.1108/rausp-03-2023-0041
- Chandra, K., Margaretha, F., Purba, Y. E., & Nalurita, F. (2024). The Effect of Leverage on Company Value in Consumer Goods Industry Companies. In *International Conference on Entrepreneurship, Leadership and Business Innovation* (pp. 380–387). Atlantis Press.

- Chowdhury, M. R. (2022). Facilitating the talent pipeline-a practical experience from Unilever Bangladesh Limited. Department of Business and Technology Management (BTM). In *Islamic University of Technology (IUT), Board Bazar, Gazipur-1704*.
- De Arruda Pollice, F. F., & Scarcelli, M. (2024). Purchasing and Supply Management Journey into Unilever's Circular Economy Strategy. In *A Systemic Transition to Circular Economy: Business and Technology Perspectives* (pp. 161–173). Springer International Publishing.
- De, B., Magalhães, R., Brito, S., Rosário, M., De Oliveira, M., & Moreira, A. (2016). *Centralization of supply chain management operations: The case of unilever ultralogistik dissertation master in management*.
- Dhaka Tribune. (2024). *Unilever Bangladesh's campaign educates youth on plastic pollution*. Dhakatribune.com. https://www.dhakatribune.com/business/348490/unilever-bangladesh%E2%80%99s-campaign-educates-youth-on
- Faria, A., & Cunha, J. F. (2022). Decolonizing business history: the case of Unilever historiography. *Cadernos EBAPE. BR*, *20*, 118–134.
- Globaldata.com. (2024). *Unilever Plc company profile - overview*. Globaldata.com. https://www.globaldata.com/company-profile/unilever-plc-gd33882/
- Hayati, K. R., Afdholy, N., & Nashahta, T. B. A. (2020). Advertisements and Representation of Muslimah Beauty: Sunsilk Hijab Shampoo (International Product) and Sariayu Hijab Shampoo (Local Product). *International Joint Conference on Science and Technology*, *1*, 113–118.
- Ikhtder, M. D. (2022). *An execution plan by Unilever Bangladesh for competitive success in Soap Market*.
- Jones, G., & Kraft, A. (2004). Corporate venturing: the origins of Unilever's pregnancy test. *Business History*, *46*(1), 100–122. https://doi.org/10.1080/00076790412331270139

- Märk, S., & Situm, M. (2024). Long-term guidance in flux: The evolving significance of mission and vision in strategic management. In *Family Business Transformation* (pp. 1–16). De Gruyter.
- Mollik, M. A., & Ananna, A. K. (2024). *The impact of globalization on technology-oriented small and medium-sized enterprises (SMEs) in the Bangladeshi market*.
- Murphy, P. E., & Murphy, C. E. (2018). Sustainable Living: Unilever. In *Palgrave Studies in Sustainable Business In Association with Future Earth* (pp. 263–286). Springer International Publishing.
- Nacchia, F., & Massaro, V. (2017). *A joint linguistic-marketing analysis of brand and product names: the case of Unilever* [Data set]. University of Salento.
- Park, Y. W., & Hong, P. (2024). *Cosmetics Marketing Strategy in the Era of the Digital Ecosystem*. Springer Books.
- Rabu, R. J. (2019). *The study of the shopper marketing activation process of Unilever Bangladesh Limited*.
- Rahman, S. (2024). *The Shift from Transactional to Transformational Leadership Style in Bangladeshi Companies*.
- Rashid, C. A. (2018). Efficiency of financial ratios analysis for evaluating companies’ liquidity. *International Journal of Social Sciences & Educational Studies*, *4*(4).
- Saputra, F. (2018). Return on Equity (ROE) and Price Earning Ratio (PER) on Stock Prices of Coal Companies in the Indonesia Stock Exchange (IDX) Period. *Dinasti International Journal of Economics*, *3*(1), 82–94.
- Sarwar, O. (2023). *An analysis on the impact of employee branding activities: a perspectives from Unilever Bangladesh Limited*.
- Shahrukh, R. (2016). *An analysis of retail merchandising activities of Unilever Bangladesh Limited*.

- Shakur, M. S., Lubaba, M., Debnath, B., Bari, A. B. M. M., & Rahman, M. A. (2024). Exploring the challenges of industry 4.0 adoption in the FMCG sector: Implications for resilient supply chain in emerging economy. *Logistics*, *8*(1), 27. https://doi.org/10.3390/logistics8010027
- Shareef, T. (2023). *A study of why Unilever Bangladesh Ltd. is switching from the existing Management Information System (MIS)-matrix to a new*.
- Shipilov, N. Y., Sevastopol State University, Ocherednikova, O. S., & Sevastopol State University. (2019). SWOT analysis in strategic planning at agricultural enterprises of the Republic of Crimea. *Economic Analysis Theory and Practice*, *18*(4), 696–713. https://doi.org/10.24891/ea.18.4.696
- Statista. (2024a). *Unilever: number of employees 2023*. Statista. https://www.statista.com/statistics/254366/total-number-of-unilever-employees-worldwide/
- Statista. (2024b). *Unilever: quarterly sales worldwide Q1 2022 - Q3 2024*. Statista. https://www.statista.com/statistics/1381490/unilever-s-quarterly-sales-globally/
- Stock Analysis. (2024). *Unilever revenue*. Stock Analysis. https://stockanalysis.com/quote/lon/ULVR/revenue/
- Strickland, J. (2024). A cinematic soap opera: The development of cinematography as an advertising and promotional tool in Lever Brothers Limited. *Business History*, *66*(1), 136–156. https://doi.org/10.1080/00076791.2021.1909573
- The Daily Star. (2018, February 9). *MoU signed between UNDP, Unilever for SDGs*. The Daily Star. https://www.thedailystar.net/country/memorandum-of-understanding-mou-signed-between-united-nations-development-programme-undp-and-unilever-for-sustainable-development-goals-1532335
- Tuhin, A. H. (2020, June 28). *Unilever acquires 82% stake of GSK Bangladesh*. The Business Standard. https://www.tbsnews.net/companies/unilever-acquires-82-stake-gsk-bangladesh-99277

- Unilever Bangladesh. (2022, September 21). *Unilever Bangladesh*. Unilever, P L C; Unilever PLC. https://www.unilever.com.bd/
- Unilever P L C. (2021, August 24). *Brands*. Unilever; Unilever PLC. https://www.unilever.com/brands/
- Warrier, A. S. (2024, March 15). *The unlikely upstart challenging Nescafé, Bru's hold over instant coffee*. The Ken. https://the-ken.com/story/the-unlikely-upstart-challenging-nescafe-brus-hold-over-instant-coffee/
- Yip, G., & Bink, A. (2015). *Organizational Structures in Global Account Management. Handbook of Strategic Account Management*.
- Zaman, J. (2024). *Effectiveness of television advertisement in promoting fast moving consumer goods in Bangladesh-A Case study on unilever Bangladesh Limited (Doctoral dissertation)*.
- Zayed, N. M., & Nahar, S. (2019). An analysis of the impact of remuneration on employee motivation: A case study on Unilever, Bangladesh. *International Journal of Family Business and Management*, *3*(2), 1–5. https://doi.org/10.15226/2577-7815/3/2/00128
- Zinaida, R. S., & Sulistyanto, A. D. (2024). Strategic Communication And Corporate Branding: A Study Of Unilever Indonesia. *JHSS (JOURNAL OF HUMANITIES AND SOCIAL STUDIES)*, *8*(2), 402–407.
- Abusiddique. (2024, October 6). Bangladesh's new government implements strong measures to eliminate single-use plastic. Mongabay Environmental News. https://news.mongabay.com/2024/10/bangladeshs-new-government-implements-strong-measures-to-eliminate-single-use-plastic/

Appendix

Particulars	2023	2022	2021
Income Statement			
Revenue	3,954,241	4,098,606	4,143,597
Cost of Sales	2,261,670	2,150,164	2,222,975
Gross Profit	**1,692,571**	**1,948,442**	**1,920,622**
Operating Expenses	624,892	972,344	1,187,377
Profit from operations	**1,067,679**	**976,098**	**733,245**
Net finance income	168,306	50,633	16,288
Other income/(expense)	14,029	2,563	4,835
Profit before WPPF & taxation	**1,250,014**	**1,029,294**	**754,368**
Contribution to WPPF	62,501	51,465	37,718
Profit before tax	**1,187,513**	**977,829**	**716,650**
Income tax expenses	225,945	247,343	189,029
Profit from continuing operations	**961,568**	**730,486**	**527,621**
Profit/(Loss) from discontinued operation	-	-	-
Profit after tax	**961,568**	**730,486**	**527,621**
Cash flow statement			
Opening cash and cash equivalent	**2,296,256**	**3,760,268**	**3,697,148**
Cash flow from operating activities	490,183	362,654	622,174
Cash flow from investing activities	1,910	(1,204,755)	49,378
Cash flow from financing activities	(354,871)	(621,911)	(608,432)
Other	-	-	-
Closing cash and cash equivalent	2,433,478	2,296,256	3,760,268

Particulars	2023	2022	2021
Balance Sheet			
Property, plant and equipment	111,229	62,222	68,890
Right-of-use asset	239,280	309,487	239,011
Intangible assets	-	-	-
Advances, deposits and prepayments	1,762	2,242	3,358
Deferred tax asset	12,703	15,861	24,738
Retirement benefit assets	-	-	-
Non-Current Asset	**364,974**	**389,812**	**335,997**
Inventory	567,678	539,484	556,148
Trade and other receivable	77,824	79,619	154,744
Advances, deposits and prepayments	114,202	84,194	26,768
Cash and cash equivalent	2,433,478	2,296,256	3,760,268
Short term Investments	1,400,000	1,250,000	-
Current tax assets	-	-	-
Current assets directly related with discontinued operation	-	-	-
Current Asset	**4,593,182**	**4,249,553**	**4,497,928**
Total Assets	**4,958,156**	**4,639,365**	**4,833,925**
Share capital	192,744	120,465	120,465
Reserves	5,166	5,166	9,997
Retained earning	2,157,593	1,555,989	1,349,826
Shareholders' Equity	**2,355,503**	**1,681,620**	**1,480,288**
Lease obligation	165,525	237,620	190,542
Non-current liabilities	**165,525**	**237,620**	**190,542**
Trade and other payable	2,299,038	2,522,867	3,003,842
Current tax liabilities	50,357	91,039	54,338
Unclaimed dividend payable	1,546	2,118	2,201
Lease obligation	71,146	66,367	61,030
Liabilities directly associated with discontinued operation	-	-	-
Defined benefit liabilities	-	13,080	10,610
Advance from customer	15,041	24,654	31,074
Current liabilities	**2,437,128**	**2,720,125**	**3,163,095**
Total equity and liabilities	**4,958,156**	**4,639,365**	**4,833,924**