



## Media Relations

# Unilever opens brand new Khanyisa factory after spending R1.4 billion

**Boksburg, 2 June 2015:** Earlier today, Paul Polman, CEO of Unilever and the Minister of Trade and Industry, Dr Rob Davies officially opened Unilever's brand new Khanyisa Home Care Factory in Boksburg. This plant forms a massive part of Unilever's R3 billion 'Capacity Transformation Project' investment all in line with Unilever's Sustainable Living Plan (USLP). This is a plan that reduces the carbon footprint and simultaneously tackles current issues in the South African market.

USLP grades investment by the level of impact created by the investment. With Unilever investing R1.4 billion into the Khanyisa factory, there will be significant new skills development due to the state of the art technology proving that South Africa is indeed an investment destination. Impressively, the site will deliver a 50% reduction in the carbon emission footprint and a 70% reduction in our water usage per ton.

Khanyisa is one of several major projects in South Africa and Africa on a whole, as part of an overall strategy to upgrade the supply chain to world class levels. This investment will ensure a 67% increase in production capacity from 90 000 to 150 000 tons annually. The new factory will produce popular brands like Omo, Handy Andy, Domestos, Comfort and Sunlight amongst others.

Sandeep Desai, Vice President of Manufacturing in South and Southern Africa said, "Transforming our production capacity is one of four critical initiatives that we are driving through a project we call 'Yes We Can' to tackle our single biggest inhibitor to growth- supplying demand. The Home Care factory will enable us to better serve our consumer with innovation and green technology whilst simultaneously improving service levels for our customers. Our aim is to have the right stock at the right place in record time matching the quantities expected by the shoppers."

The four critical initiatives for all the projects are varying degrees of:

- Increasing capacity to meet growth ambition
- Improved efficiency to reduce cost

- Improved technology to improve quality
- Improved technology to reduce environmental impact

The brand new factory includes green and world's first technologies – a project that began in 2013 and has finally been completed. According to Paul Polman, Global CEO, Unilever, who is visiting South Africa as Co-Chair of the World Economic Forum on Africa and to launch the company's brightFuture campaign, the new, cutting edge and green technology that has been incorporated in the design of the factory is in line with Unilever's Sustainable Living Plan (USLP) strategy which aims to double the size of the business while reducing the environmental footprint and increasing positive social impact.

Speaking at the launch, the Minister of Trade and Industry, Dr Rob Davies said the Green technology, innovation and energy efficiency are the kind of investments that South Africa welcomes as part of climate change and industrialisation aspirations. He said the success and growth of Unilever's investment projects in the country will continue to communicate the message of South Africa as an ideal location for investment in Africa.

"Our 7th Iteration of IPAP launched on 7th May focuses on upscaling our manufacturing sector, footprint and full scale industrialisation. With the roll out of the Black Industrialist programme, Unilever's investment could play a key role in knowledge sharing, technology and skills transfer to black industrialists in the FMCG, and Chemicals sector thus creating an opportunity for emerging companies to be able to participate in main stream economy," said Davies.

He added that Unilever could work with **the dti** in deepening the supply chain especially with black industrialists through backward linkages in agriculture and the FMCG sector as well as building regional value chains on the African Continent.

The Khanyisa investment is one of many that have been supported by the Department of Trade and Industry's 12-i Tax Allowance Incentive scheme. The 12-i Tax Allowance Incentive scheme is an incentive in place by government to support Greenfield investments (new industrial projects that utilise only new and unused manufacturing assets) and other projects that benefit the planet on a whole.

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### **About Unilever South Africa**

Unilever South Africa (Pty Ltd) is one of the largest FMCG companies in South Africa. The Company is over 100 years old, with brands like Sunlight, OMO, Lux, Knorr, Vaseline, Shield, Sunsilk, Flora etc. that are household names throughout the country. Unilever South Africa has over 3000 employees based

across two offices and five manufacturing locations in South Africa. It is rated as one of South Africa's best employers. For more information visit –[www.unilever.co.za](http://www.unilever.co.za)

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