

**UNILEVER: COMMUNICATION ON PROGRESS 2013 – UN Global Compact Advanced level self-assessment**

<b>Implementing the Ten Principles into Strategies &amp; Operations</b>				
<b>GC Scope or Principle</b>	<b>Criteria for GC Advanced Level</b>	<b>Unilever Approach</b>	<b>Where To Find Out More</b>	<b>Reference to GRI Indicators</b>
<b>Scope:</b> Implementing the Ten Principles into Strategies & Operations	<b>Criterion 1:</b> The COP describes mainstreaming into corporate functions and business units	<p>Our commitment to responsible business is embedded into our business agenda through our Purpose and Vision, articulated in our Code of Business Principles and carried out through the Unilever Sustainable Living Plan.</p> <p>Our management structures to help us fulfil our commitment are integrated into our organisational framework:</p>	<p><a href="#">Unilever's Code of Business Principles</a></p> <p><a href="#">Our Principles</a></p> <p><a href="#">Our Strategy</a></p> <p><a href="#">Our Governance</a></p>	4.8
	<b>Criterion 2:</b> The COP describes value chain implementation	<p>Our Plan spans our entire portfolio of brands, all countries in which we sell our products and it applies across the whole value chain – from the sourcing of raw materials to our factories and the way consumers use our products.</p> <p>Our Responsible Sourcing Policy (RSP) embodies our commitment to conduct business with integrity, openness, and respect for universal human rights and core labour principles throughout our operations. It advocates a “beyond compliance approach to our extended supply chain”.</p>	<p><a href="#">Unilever Sustainable Living Plan Summary</a></p> <p><a href="#">Advancing Human Rights Across Our Operations</a></p> <p><a href="#">Advancing Human Rights With Suppliers</a></p> <p><a href="#">Unilever's Responsible Sourcing Policy</a></p>	

Human Rights Management Policies & Procedures				
GC Scope or Principle	Criteria for GC Advanced Level	Unilever Approach	Where To Find Out More	Reference to GRI Indicators
<p><b>Principle 1:</b> Businesses should support and respect the protection of internationally proclaimed human rights.</p> <p><b>Principle 2:</b> Businesses should make sure that they are not complicit in human rights abuses</p>	<p><b>Criterion 3:</b> The COP describes robust commitments, strategies or policies in the area of human rights</p>	<p>We are committed to driving fairness in the workplace by further building human rights across our operations, and advancing human rights in our extended supply chain, developing a continuous improvement roadmap and promoting best practice.</p> <p>Our approach is to uphold and promote human rights in three ways:</p> <ol style="list-style-type: none"> <li>1. In our operations by upholding our values and standards</li> <li>2. In our relationships with our suppliers and other business partners, and</li> <li>3. By working through external initiatives, such as the UNGC.</li> </ol>	<p><a href="#">Advancing Human Rights Across Our Operations</a></p> <p><a href="#">Working with Others</a></p> <p><a href="#">Our Principles</a></p> <p><a href="#">Our Strategy</a></p> <p><a href="#">Responsible Sourcing Policy</a></p> <p><a href="#">Values &amp; Standards</a></p>	<p>HR1, HR2, HR3, HR5, HR6, HR7</p>
	<p><b>Criterion 4:</b> The COP describes effective management systems to integrate the human rights principles</p>	<p>Our Responsible Sourcing Policy sets mandatory requirements on human and labour rights for our suppliers and includes a continuous improvement ladder. Mandatory requirements are the entry level for doing business, then advancing to good/best practice over time – from doing no harm to doing good. New focus areas include women, land rights and strengthened grievance mechanisms.</p> <p>The Board of Unilever is responsible for ensuring adherence to these commitments and our senior management has responsibility for overseeing their implementation and ensuring that any breaches of our Code of Business Principles are investigated.</p>	<p><a href="#">Advancing Human Rights With Suppliers</a></p> <p><a href="#">Stakeholder Concerns on Human Rights</a></p> <p><a href="#">Enhancing Livelihoods</a></p> <p><a href="#">Oxfam report - Labour Rights in Unilever's Supply Chain</a></p> <p><a href="#">Professor John Ruggie's view on Unilever's approach to human rights.</a></p>	
	<p><b>Criterion 5:</b> The COP describes effective monitoring and evaluation mechanisms of human rights integration</p>	<p>We undertake impact assessments for high risk commodities/countries and take proactive steps to identify activities that may cause/contribute to negative human rights impacts.</p> <p>We have established benchmarks for best practice/capacity building in the extended supply chain on grievance mechanisms/employment practices, including protecting vulnerable workers.</p> <p>We are working with a leading human rights organisation to pilot a UNGC reporting and assurance framework.</p>		

**Labour Management Policies & Procedures**

GC Scope or Principle	Criteria for GC Advanced Level	Unilever Approach	Where To Find Out More	Reference to GRI Indicators
<p><b>Principle 3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p> <p><b>Principle 4:</b> The elimination of all forms of forced and compulsory labour.</p> <p><b>Principle 5:</b> The effective abolition of child labour.</p> <p><b>Principle 6:</b> The elimination of discrimination in respect of employment and occupation</p>	<p><b>Criterion 6:</b> The COP describes robust commitments, strategies or policies in the area of labour</p>	<p>Our Respect, Dignity &amp; Fair Treatment Code Policy sets out our commitment to human and labour rights and specifically to treat our employees and business partners with dignity, integrity and fairness.</p> <p>We have committed to creating a framework for fair compensation, and help employees take action to improve their health (physical and mental), nutrition and well-being. We will reduce workplace injuries and accidents in our factories and offices.</p> <p>We respect the dignity of the individual and the right of employees to freedom of association.</p> <p>Our Code of Business Principles states that “We will not use any form of forced, compulsory or child labour”. Our internal Social Impact Hub gives guidance on issues including identifying and preventing forced and compulsory labour.</p>	<p><a href="#">Our Principles</a></p> <p><a href="#">Advancing Human Rights Across Our Operations</a></p> <p><a href="#">Unilever’s Code of Business Principles</a></p> <p><a href="#">Fairness in the workplace</a></p> <p><a href="#">Working With Others</a></p> <p><a href="#">Advancing Human Rights With Suppliers</a></p> <p><a href="#">Upholding Diversity</a></p> <p><a href="#">Responsible Sourcing Policy</a></p> <p><a href="#">Responding to Stakeholder Concerns on Human Rights</a></p> <p><a href="#">Employee Health, Nutrition &amp; Well-being</a></p> <p><a href="#">Employee Safety</a></p> <p><a href="#">Developing &amp; Engaging our People</a></p> <p><a href="#">Values &amp; Standards</a></p>	<p>HR4, HR5, HR6, HR7</p>
	<p><b>Criterion 7:</b> The COP describes effective management systems to integrate the labour principles</p>	<p>We live by the principles of diversity and inclusion and work to embed these firmly into our day-to-day business decisions via our talent management and people processes.</p>		
	<p><b>Criterion 8:</b> The COP describes effective monitoring and evaluation mechanisms of labour principles integration</p>	<p>Employees can report concerns to their Line Manager, local Code Officer, or a member of their local Code Committee. We have a web-based reporting process for both employees and suppliers, in addition to existing telephone and email reporting systems. Alternatively, they can use the confidential ‘Code Support Line’ (whistleblowing line) using the telephone or internet. All reported breaches of the Code of Business Principles are monitored and dealt with by our local business leaders at country level.</p>		

## Environmental Management Policies & Procedures

GC Scope or Principle	Criteria for GC Advanced Level	Unilever Approach	Where To Find Out More	Reference to GRI Indicators
<p><b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges.</p> <p><b>Principle 8:</b> Businesses should undertake initiatives to promote greater environmental responsibility.</p>	<p><b>Criterion 9:</b> The COP describes robust commitments, strategies or policies in the area of environmental stewardship</p>	<p>Through our Unilever Sustainable Living Plan we aim to grow our business while reducing our environmental footprint by half. This covers our entire value chain from the sourcing of raw materials through to consumer use and disposal.</p> <p>Our approach has five aspects:</p> <ol style="list-style-type: none"> <li>1. Working to eliminate deforestation</li> <li>2. Championing sustainable agriculture and the development of smallholder farmers</li> <li>3. Leveraging our brands and innovation to help consumers live well - by using less water, less energy and recycling more</li> <li>4. Shaping our manufacturing and distribution operations to be more eco-efficient</li> <li>5. Advocating for ambitious public policy to tackle climate change.</li> </ol>	<p><a href="#">Unilever's Code of Business Principles</a></p> <p><a href="#">Our Approach to Sustainability</a></p> <p><a href="#">Our Strategy</a></p> <p><a href="#">Sustainable Living Plan Summary</a></p> <p><a href="#">Greenhouse Gases</a></p> <p><a href="#">Water</a></p> <p><a href="#">Waste</a></p> <p><a href="#">Sustainable Sourcing</a></p>	<p>4.11, EN1-EN29</p>
<p><b>Principle 9:</b> Businesses should encourage the development and diffusion of environmentally friendly technologies.</p>	<p><b>Criterion 10:</b> The COP describes effective management systems to integrate the environmental principles</p>	<p>Our environmental management system (EMS) underpins our environment strategy. All Unilever companies must comply with the Unilever standards for occupational safety and health and environmental care (SHE).</p> <p>Based on ISO 14001, our environmental management systems are designed to achieve continuous improvement.</p>	<p><a href="#">Environmental Management System</a></p> <p><a href="#">Reducing GHG in Consumer Use</a></p> <p><a href="#">Our Metrics</a></p>	
	<p><b>Criterion 11:</b> The COP describes effective monitoring and evaluation mechanisms for environmental stewardship</p>	<p>We have developed a set of metrics to assess our environmental impacts across the value chain covering: greenhouse gas (GHG) emissions, water, waste and sustainable sourcing.</p> <p>We also deliver tools, techniques and awareness, and share best practice directly with the people responsible for reducing the environmental impact of our manufacturing operations.</p> <p>Environmental auditing programmes have been implemented within each region to help sites achieve continuous improvement in environmental performance.</p>	<p><a href="#">Lifecycle Assessments</a></p> <p><a href="#">Eco-efficiency in Manufacturing</a></p>	

Anti-Corruption Management Policies & Procedures				
GC Scope or Principle	Criteria for GC Advanced Level	Unilever Approach	Where To Find Out More	Reference to GRI Indicators
<p><b>Principle 10:</b> Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p><b>Criterion 12:</b> The COP describes robust commitments, strategies or policies in the area of anti-corruption</p>	<p>Unilever’s Code of Business Principles and Code Policies put our zero-tolerance attitude toward corruption into practice and they are mandatory. We operate with a broad definition of corruption which includes fraud and financial misrepresentation, conflicts of interest, bribery, anti-trust activity, misuse of information and misrepresentation of the company or its assets.</p>	<p><a href="#">Our Principles</a></p> <p><a href="#">Values &amp; Standards</a></p> <p><a href="#">Reporting on breaches</a></p>	<p>SO2, SO3, SO4</p>
	<p><b>Criterion 13:</b> The COP describes effective management systems to integrate the anti-corruption principle</p>	<p>All our managers and non-management employees are required to complete a training module on Anti-Bribery and related Code Policies (Avoiding Conflicts of Interest, Gifts &amp; Entertainment and Political Activities &amp; Political Donations).</p>		
	<p><b>Criterion 14:</b> The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption</p>	<p>We encourage both our employees and our business partners to speak up and bring to our attention any breach of our Code. A 24-hour toll-free ‘ethics hotline’ number is available in countries for individuals who wish to raise concerns in relation to the Code, on an anonymous basis if they wish (where local laws allow).</p> <p>All reported breaches are monitored and dealt with by our local business leaders at country level. They are supported by our Head of Risk and Compliance and the Global Code and Policy Committee.</p>		

Taking Action in Support of Broader UN Goals and Issues				
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<b>Scope:</b> Taking Action in Support of Broader UN Goals and Issues	<b>Criterion 15:</b> The COP describes core business contributions to UN goals and issues	<p>We are a founding signatory to the Global Compact and are committed to upholding its Principles across our business. In 2010 we joined the UN Global Compact LEAD and in 2012 our CEO, Paul Polman, joined the Board of the UN Global Compact.</p> <p>We are also members of the Global Compact's Human Rights Working Group, the Food and Agriculture Business Principles Working Group, the UN Sustainable Development Solutions Network, the CEO Water Mandate and the Caring for Climate Initiative. We are current members of 14 Global Compact local networks in a number of countries.</p> <p>In July 2013 we endorsed the Women's Empowerment Principles, a collaboration between the UN Global Compact and UN Women. We have also given our support to the Business for Peace Platform and to an open letter to academic institutions in support of the incorporation of business and human rights topics in management education.</p>	<p><a href="#">Working With Others</a></p> <p><a href="#">Unilever Foundation</a></p> <p><a href="#">The 'Power of Partnerships' video – produced by Unilever as an input to the UN Secretary-General's High-level Panel on the Post-2015 Development Agenda</a></p> <p><a href="#">Engaging With Stakeholders</a></p> <p><a href="#">Public Policy &amp; Advocacy</a></p> <p><a href="#">Combating Deforestation</a></p>	4.11, EN1-EN29
	<b>Criterion 16:</b> The COP describes strategic social investments and philanthropy	<p>The Unilever Foundation partners with five leading global organisations – Oxfam, Population Services International (PSI), Save the Children, UNICEF and the World Food Programme. The Foundation's mission is to improve quality of life through the provision of hygiene, sanitation, access to clean drinking water, basic nutrition and enhancing self-esteem.</p>		
	<b>Criterion 17:</b> The COP describes advocacy and public policy engagement	<p>We believe that Unilever should play an active role in shaping legislation and regulations that enhance positive social and environmental outcomes. We have an advocacy team that works together with other stakeholders to bring about changes in public policy in key areas of health and sustainability.</p>		

	<b>Criterion 18:</b> The COP describes partnerships and collective action	We actively engage with governments and regulators to help create an environment that can help us achieve the commitments set out in the Unilever Sustainable Living Plan. The private sector, governments and NGOs can achieve a lot more if they work together in partnerships.		
<b>Corporate Sustainability Governance and Leadership</b>				
<b>GC Scope or Principle</b>	<b>Criteria for GC Advanced Level</b>	<b>Unilever Approach</b>	<b>Where To Find Out More</b>	<b>Reference to GRI Indicators</b>
<b>Scope:</b> Corporate Sustainability Governance and Leadership	<b>Criterion 19:</b> The COP describes CEO commitment and leadership	The Unilever Leadership Executive (ULE) led by our Chief Executive Officer, monitor implementation and delivery of the Unilever Sustainable Living Plan.	<a href="#">Sustainable Living</a> <a href="#">Our Approach to Sustainability Our Governance</a> <a href="#">Engaging with stakeholders</a> <a href="#">Responding to Stakeholder Concerns on Human Rights</a>	1.1, 4.1, 4.12, 4.15-17
	<b>Criterion 20:</b> The COP describes Board adoption and oversight	Governance of our conduct as a responsible corporate citizen is provided by our Board's Corporate Responsibility Committee. This governance structure is supported by a small sustainable business team at our corporate headquarters in London, led by our Chief Sustainability Officer, who supports our Corporate Responsibility Committee and sits on both the Unilever Sustainable Living Plan Steering Team and the Unilever Sustainable Development Group.		
	<b>Criterion 21:</b> The COP describes stakeholder engagement	<p>Engaging with stakeholders is essential in building our reputation, developing long-term relationships and helping to understand stakeholder concerns and expectations. It informs our decision-making, strengthens our relationships and helps us deliver our commitments and succeed as a business.</p> <p>We seek to actively engage with governments, intergovernmental organisations, regulators, customers,</p>		



		<p>suppliers, investors, civil society organisations, academics and individual concerned citizens to create an environment that is supportive of solutions in the face of the big sustainability challenges.</p> <p>The variety of our relationships means we engage in different ways, depending on the nature of the interest, the relevance to the business and the most practical way to meet stakeholders' specific needs and expectations.</p>		
<b>Annex: Business for Peace*</b>				
<b>GC Scope or Principle</b>	<b>Criteria for GC Advanced Level</b>	<b>Unilever Approach</b>	<b>Where To Find Out More</b>	<b>Reference to GRI Indicators</b>
<b>Scope:</b> Business for Peace	<b>Annex 1:</b> The COP describes policies and practices related to the company's core business operations in high-risk or conflict-affected areas	<p>A study by SOMO in 2010 looked at the working conditions at Kericho, a 8,250 hectare estate in Kenya, where Unilever has been growing tea since 1924, and included in its report allegations of sexual harassment of female workers.</p> <p>In response to the SOMO report Unilever introduced a range of measures to provide greater protection, including widespread labour rights training; appointment of a female Welfare Manager and four assistants; creation of a Dignity Enhancement Committee; and a new team to independently assess the quality of picked tea.</p>	<p><a href="#">Kericho tea estates: working conditions</a></p> <p><a href="#">Our Principles</a></p> <p><a href="#">About the Unilever Foundation</a></p>	
	<b>Annex 2:</b> The COP describes policies and practices related to the company's government relations in high-risk or conflict-affected areas	<p>Unilever neither supports political parties nor contributes to the funds of groups whose activities are calculated to promote party interests. We prohibit participation in the activities of political parties for business purposes.</p>		



	<p><b>Annex 3:</b> The COP describes local stakeholder engagement and strategic social investment activities of the company in high-risk or conflict-affected areas</p>	<p>The Unilever Foundation takes a targeted approach to its social investments in order to create the type of change that is needed to improve the quality of people's lives. The Foundation also supports other organisations and partners in over 50 countries by providing direct funding, expertise, products and employee support to help address country-specific needs primarily aligned with the Foundation's mission.</p>		
<p>*<i>Business for Peace Brochure</i> (2013) aims to expand and deepen private sector action in support of peace - in the workplace, marketplace and local communities. Assists companies in implementing responsible business practices aligned with the Global Compact ten Principles in conflict-affected and high-risk areas and catalyse action to advance peace.</p>				