



## United Nations Global Compact index 2012

Human rights			
UNGC principles	Unilever approach	Where to find out more	Cross-reference to GRI indicators
<p>1. Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p>2. make sure that they are not complicit in human rights abuses.</p>	<p>Our Code of Business Principles states: <b><i>“We conduct our operations with honesty, integrity and openness, and with respect for the human rights and interests of our employees.”</i></b></p> <p>In line with the UN Guiding Principles on Business and Human Rights, we base our human rights commitment and policy on the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work.</p> <p>Our approach is to uphold and promote human rights in three ways:</p> <ul style="list-style-type: none"> <li>• in our operations by upholding our values and standards</li> <li>• in our relationships with our suppliers</li> <li>• by working through external initiatives, such as the United Nations Global Compact.</li> </ul> <p>Our Code of Business Principles sets out our commitment to human rights. The Unilever Board is responsible for ensuring the Code is applied</p>	<p><a href="#">Our principles</a></p> <p><a href="#">Values &amp; standards</a></p> <p><a href="#">Respecting Human Rights</a></p> <p><a href="#">Human Rights &amp; Labour Rights</a></p> <p><a href="#">Unilever's Supplier Code</a></p> <p><a href="#">Working with others</a></p>	<p>HR1, HR2, HR3, HR5, HR6, HR7</p> <p>HR1, HR2, HR5, HR6, HR7</p>



	<p>throughout Unilever while day-to-day responsibility for implementation rests with senior management around the world.</p> <p>A framework of 24 policies underpins the Code and has been communicated to all senior managers globally. Two of the policies are dedicated to human rights matters. One, for our employees, is called 'Respect, Dignity &amp; Fair treatment', the other for suppliers is called 'Responsible Sourcing'.</p> <p>Our commitment to human rights is also reflected in the way we work with our business partners and suppliers. Unilever's Supplier Code makes clear the standards we expect our business partners to adhere to. It contains 11 principles covering business integrity and responsibilities relating to employees, consumers and the environment. Four of its principles address human rights, stating that there shall be:</p> <ul style="list-style-type: none"><li>• respect for human rights, and no employee shall suffer harassment, physical or mental punishment, or other forms of abuse</li><li>• no use of forced or compulsory labour, and employees shall be free to leave employment after reasonable notice</li><li>• no use of child labour, and specifically there will be compliance with relevant International Labour Organization (ILO) standards</li><li>• respect for the right of employees to freedom of association and recognition of employees' rights to collective bargaining, where allowable by law.</li></ul> <p>We have communicated Unilever's Supplier Code to all our current suppliers of 'production items' (ie the raw materials and packaging we use</p>		
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	<p>to make our products) to gain their assurance that they adhere to its principles. We follow up with those suppliers we have prioritised with a more detailed assessment and a programme of audits.</p> <p>In June 2012, we held a human rights workshop for managers from several functions across our business which further informed our strategic approach.</p> <p>We appointed a Global Vice President for Social Impact in January 2013 to lead the continued implementation of the UN Protect, Respect and Remedy Framework and the Guiding Principles on Business and Human Rights. This new Global Vice President will lead the development of the Enhancing livelihoods commitment of the Unilever Sustainable Living Plan, with a special focus on the impact on women and workers through our value chain. She will also chair an internal cross-functional human rights working group.</p> <p>In April 2013 we held a global 'Winning with Integrity' week which included interviews and a survey on human rights and an article on the importance of our suppliers operating to our standards of behaviour.</p>		
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Labour standards			
UNGC principles	Unilever approach	Where to find out more	Cross-reference to GRI indicators
<p>3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p>	<p>Our Code of Business Principles states: <b><i>“Unilever is committed to diversity in a working environment where there is mutual trust and respect. We will not use any form of forced, compulsory or child labour. We respect the dignity of the individual and the right of employees to freedom of association.”</i></b></p> <p>Labour rights are integral parts of human rights. In 2009, Unilever started to increase its dialogue with key stakeholders on the issue of labour rights which is continuing. For example, we engaged with organisations such as the OECD, ILO, UN Global Compact and the International Union of Food Workers on how we could bring greater clarity on the responsibilities of companies. At present 80% of our employees (blue-collar) in manufacturing are unionised.</p>	<p><a href="#">Our principles</a></p> <p><a href="#">Respecting human rights</a></p> <p><a href="#">Human Rights &amp; Labour Rights</a></p> <p><a href="#">Promoting diversity</a></p>	HR5
<p>4. the elimination of all forms of forced and compulsory labour;</p>	<p>The section of our Code of Business Principles dealing with employees clearly states our opposition to forced and child labour and sets out our respect for employees’ right to freedom of association.</p> <p>We continue to review our approach to human rights to ensure that we live up to the standards in our Code and that we have effective communications and compliance mechanisms in place.</p>	<p><a href="#">Unilever’s Supplier Code</a></p>	HR7





<p>5. the effective abolition of child labour; and</p> <p>6. the elimination of discrimination in respect of employment and occupation.</p>	<p>One review showed that further training was needed to explain the different elements of human rights and that employees would benefit from clearer definitions such as freedom of association, collective bargaining, forced/bonded labour and child labour.</p> <p>An e-learning module outlining these four core human rights was rolled out to key managers in 2011. In 2012 we delivered training on our 'Respect, Dignity &amp; Fair Treatment' Code to all employees – from our Board and Unilever Leadership Executive to our factories and offices.</p> <p>The Code also sets out our commitment to embracing diversity in our workforce. Diversity is a high priority for our business. Our Global Diversity Board comprises senior executives from across the business and is chaired by our Chief Executive Officer.</p>		<p>HR6</p> <p>HR4</p>
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Environment			
UNGC principles	Unilever approach	Where to find out more	Cross – reference to GRI indicators
<p>7. Businesses should support a precautionary approach to environmental challenges;</p> <p>8. undertake initiatives to promote greater environmental responsibility; and</p>	<p>Our Code of Business Principles states: <b>“Unilever is committed to making continuous improvements in the management of our environmental impact and to the longer-term goal of developing a sustainable business.”</b></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>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. These metrics underpin the Unilever Sustainable Living Plan and commit us to halve the environmental footprint of our products and to source 100% of our agricultural raw materials sustainably by 2020.</p> <p>In our manufacturing sites, measured per tonne of production over 1995-2012, we have achieved reductions of 60% in CO<sub>2</sub> from energy, 73% in water use and 80% in total waste sent for disposal. By the end of 2012,</p>	<p><a href="#">Our principles</a></p> <p><a href="#">Our Compass Strategy</a></p> <p><a href="#">Greenhouse Gases</a></p> <p><a href="#">Reducing GHG in consumer use</a></p> <p><a href="#">Climate-friendly refrigeration</a></p> <p><a href="#">Renewable energy and biofuels</a></p> <p><a href="#">Green IT &amp; office impacts</a></p>	<p>4.11</p> <p>EN1 to EN29</p> <p>EN6, EN26</p>





<p>9. encourage the development and diffusion of environmentally friendly technologies.</p>	<p>we sourced 36% of our agricultural raw materials sustainably.</p> <p>We encourage environmentally friendly technologies such as hydrocarbon refrigeration. At the end of 2012 we had purchased over 800,000 climate-friendly hydrocarbon ice cream freezer cabinets. We have encouraged others to set targets to phase out HFC refrigeration via the Consumer Goods Forum and Refrigerants, Naturally!</p> <p>We aim to more than double our use of renewable energy to 40% of our total energy requirement by 2020. At the end of 2012 renewable energy contributed 26.3% of our total energy use compared to 15.8% in 2008.</p> <p>The majority of our liquid detergents are now sold in concentrated forms which deliver significant reductions in water, energy, packaging use and transport compared with powders. We have also reformulated our products by replacing ingredients that have a high greenhouse gas impact with those that have lower impacts. These can reduce greenhouse gas impacts by up to a third.</p> <p>We estimate that compared to washing hair with heated water, using a dry shampoo reduces GHG emissions by around 90%. Our dry shampoos allow people to refresh hair between washes which may encourage them to wash their hair with hot water less often.</p> <p>Technological advances such as lightweight packaging materials and optimising pack design are also helping to reduce the impact of the packaging that we use. Other developments include simplifying the number and combinations of materials to make our packaging easier to</p>	<p><a href="#">Water use</a></p> <p><a href="#">Water use by consumers</a></p> <p><a href="#">Waste &amp; packaging</a></p> <p><a href="#">Reduce, reuse, recycle</a></p> <p><a href="#">Tackling sachet waste</a></p> <p><a href="#">Sustainable sourcing</a></p> <p><a href="#">Eco-efficiency in manufacturing</a></p> <p><a href="#">Product safety</a></p> <p><a href="#">Unilever's Supplier Code</a></p>	
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	<p>process and recycle.</p> <p>Our safety processes inherently take a precautionary approach. If we are not confident about the safety of an ingredient or product – for people, animals or the environment – we will not put the product onto the market.</p>		
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Anti-corruption			
UNGC principles	Unilever approach	Where to find out more	Cross – reference to GRI indicators
<p>10. Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p>Our Code of Business Principles states: <b><i>“Unilever does not give or receive, whether directly or indirectly, bribes or other improper advantages for business or financial gain.”</i></b></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 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>All our managers complete a training module on Anti-Bribery and related Code policies (Avoiding Conflicts of Interest, Gifts &amp; Entertainment and Political Activities &amp; Political Donations). In 2012 this training was extended to our non-management employees.</p> <p>We expect and encourage both our employees and our business partners</p>	<p><a href="#">Our principles</a></p> <p><a href="#">Values &amp; standards</a></p> <p><a href="#">Behaving with integrity</a></p> <p><a href="#">Unilever's Supplier Code</a></p>	<p>SO2, SO3, SO4</p>







	<p>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>Potential breaches of our Code of Business Principles can also be reported either internally to members of local leadership teams or to national Code Officers or externally via telephone, web-portal, fax or email. Grievances can be raised with either line managers or Human Resources business partners.</p> <p>Breaches of the Code must be reported in accordance with procedures set by the Chief Legal Officer of Unilever. Our Board will not criticise management for any loss of business resulting from adherence to our Code. 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> <p>All suppliers are required to respect the 11 principles of Unilever's Supplier Code. This includes the principle that: "business will be conducted with integrity, and that there will be no payments, services, gifts, entertainment or other advantages offered or given to any Unilever employee or third party which are intended to influence the way in which the Unilever employee or third party goes about his or her duties."</p>		
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