

# Unilever Sustainable Living Plan 2010 to 2020

Summary of 10  
years' progress



Unilever

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# Introduction

**A decade has passed since the Unilever Sustainable Living Plan (USLP) was launched. We're proud of our progress, but know that there is much more to do.**

The USLP was a first-of-its-kind in terms of its scope and ambition. It set out three big goals to transform our business across the value chain, underpinned by over 70 time-bound targets. We never anticipated it at the time, but we're proud – and humbled – that the USLP became a benchmark for corporate sustainability.

When we started our journey, we didn't know exactly how we would achieve all our goals. But we knew it would not be easy. Looking back, it has been quite some journey with many achievements that we can be proud of.

Take improving the health and hygiene of well over a billion people. Or the progress we've made on reducing the environmental footprint of our factories. And our social programmes focused on women and under-represented groups, which have positively impacted the lives of millions across our wider value chain.

Despite the many highlights which are outlined in this report, our USLP journey has also presented us with many hurdles. We didn't achieve all our targets but learnt that we have to focus on systems change as well as individual programmes to ensure long term, sustained impact. Our lessons are summarised on the following pages.

After a decade, the USLP is drawing to a close. But this is not the end. Our journey to make sustainable living commonplace continues. We need to move even further, and faster. The challenges we need to tackle – climate change, plastic pollution, social inequality, improving health and wellbeing – are huge. They call for action that goes beyond the changes that one business can make alone.

The Unilever Compass builds on the past ten years of the USLP: the successes, the failures and the lessons learnt. It lays the pathway for us to lead the movement of sustainable business globally – and to prove once and for all that sustainable business drives superior business performance.



**Rebecca Marmot**  
Unilever Chief Sustainability Officer

# Unilever Sustainable Living Plan: Summary of 10 years' progress

## IMPROVING HEALTH AND WELL BEING FOR MORE THAN 1 BILLION

By 2020 we will help more than a billion people take action to improve their health and well-being.

Contributing to the following SDGs:



### HEALTH AND HYGIENE

By 2020 we will help more than a billion people to improve their health and hygiene. This will help reduce the incidence of life-threatening diseases like diarrhoea.

✓ **1.3 BILLION** people reached by end of 2020



- ✓ Reduce diarrhoeal and respiratory disease through handwashing
- Provide safe drinking water
- ✓ Improve access to sanitation
- ✓ Improve oral health
- ✓ Improve self-esteem
- ✓ Help improve skin healing

### NUTRITION

We will continually work to improve the taste and nutritional quality of all our products. The majority of our products meet, or are better than, benchmarks based on national nutritional recommendations. Our commitment goes further: by 2020, we will double the proportion of our portfolio that meets the highest nutritional standards, based on globally recognised dietary guidelines. This will help hundreds of millions of people to achieve a healthier diet.

✓ **61%<sup>†</sup>** of our portfolio by volume met Highest Nutritional Standards in 2020



- ✓ Reduce salt levels
- Saturated fat:
  - Reduce saturated fat
  - Increase essential fatty acids
  - Reduce saturated fat in more products
- ✓ Remove trans fat
- Reduce sugar
- Reduce calories:
  - ✓ In children's ice cream
  - ✓ In more ice cream products
  - Provide healthy eating information

## REDUCING ENVIRONMENTAL IMPACT BY HALF

By 2030 our goal is to halve the environmental footprint of the making and use of our products as we grow our business.

Contributing to the following SDGs:



### GREENHOUSE GASES

**Our products' lifecycle:** Halve the greenhouse gas (GHG) impact of our products across the lifecycle by 2030.

● **-10%** our greenhouse gas impact per consumer use has decreased by around -10% since 2010

**Our manufacturing:** By 2020 CO<sub>2</sub> emissions from energy from our factories will be at or below 2008 levels despite significantly higher volumes.

✓ **-75%<sup>†</sup>** reduction in CO<sub>2</sub> from energy per tonne of production since 2008



Become carbon positive in manufacturing:

- Source all energy renewably
- ✓ Source grid electricity renewably
- Eliminate coal from energy mix
- Make surplus energy available to communities

Reduce GHG from washing clothes:

- ✓ Reformulation
- ✓ Reduce GHG from transport
- ✓ Reduce GHG from refrigeration
- ✓ Reduce energy consumption in our offices
- ✓ Reduce employee travel

### WATER

**Our products in use:** Halve the water associated with the consumer use of our products by 2020.<sup>^</sup>

● **0%** our water impact per consumer use has not changed since 2010

**Our manufacturing:** By 2020 water abstraction by our global factory network will be at or below 2008 levels despite significantly higher volumes.

✓ **-49%<sup>†</sup>** reduction in water abstraction per tonne of production since 2008



Reduce water use in the laundry process:

- ✓ Products that use less water
- ✓ Reduce water use in agriculture

### WASTE

**Our products:** Halve the waste associated with the disposal of our products by 2020.

● **-34%<sup>†</sup>** our waste impact per consumer use has reduced by around 34% since 2010

**Our manufacturing:** By 2020 total waste sent for disposal will be at or below 2008 levels despite significantly higher volumes.

✓ **-96%<sup>†</sup>** reduction in total waste per tonne of production since 2008



Reduce waste from manufacturing:

- ✓ Zero non-hazardous waste to landfill
- Reusable, recyclable or compostable plastic packaging
- Reduce packaging

Recycle packaging:

- Increase recycling and recovery rates
- Increase recycled content
- Tackle sachet waste
- Eliminate PVC

Reduce office waste:

- ✓ Recycle, reuse, recover
- ✓ Reduce paper consumption
- Eliminate paper in processes

### SUSTAINABLE SOURCING

By 2020 we will source 100% of our agricultural raw materials sustainably.

● **67%<sup>†</sup>** of agricultural raw materials sustainably sourced by end of 2020



- Sustainable palm oil
- Paper and board
- Soy beans and soy oil
- Tea
- Fruit
- Vegetables
- Cocoa
- Sugar
- Sunflower oil
- Rapeseed oil
- Dairy
- Fairtrade Ben & Jerry's
- Cage-free eggs
- ✓ Increase sustainable sourcing of office materials

## ENHANCING LIVELIHOODS FOR MILLIONS

By 2020 we will enhance the livelihoods of millions of people as we grow our business.

Contributing to the following SDGs:



### FAIRNESS IN THE WORKPLACE

By 2020 we will advance human rights across our operations and extended supply chain.

● **83%<sup>†</sup>** of procurement spend through suppliers meeting our Responsible Sourcing Policy

We continued to embed human rights, focusing on eight salient issues in our Human Rights Report

Our Total Recordable Frequency Rate for safety reached 0.63<sup>†</sup> per million hours worked, 70% less than in 2008



- ✓ Implement UN Guiding Principles on Business and Human Rights
- Source 100% of procurement spend in line with our Responsible Sourcing Policy
- ✓ Create framework for fair compensation
- ✓ Improve employee health, nutrition and well-being
- ✓ Reduce workplace injuries and accidents

### OPPORTUNITIES FOR WOMEN

By 2020 we will empower 5 million women.

● **2.63 MILLION<sup>†</sup>** women enabled to access initiatives aiming to promote their safety, develop their skills or expand their opportunities



- ✓ Build a gender-balanced organisation with a focus on management
- ✓ Promote safety for women in communities where we operate
- Enhance access to training and skills
- ✓ Expand opportunities in our retail value chain

- KEY
- ✓ Achieved by target date
  - Target ongoing
  - Target nearly achieved \*
  - Target not achieved

### INCLUSIVE BUSINESS

By 2020 we will have a positive impact on the lives of 5.5 million people.

● We enabled access to initiatives aiming to improve agricultural practices or increase incomes for

**832,000<sup>†</sup>** smallholder farmers and

**1.83 MILLION<sup>†</sup>** small-scale retailers



- ✓ Improve livelihoods of smallholder farmers
- Improve incomes of small-scale retailers

<sup>^</sup> In seven water-scarce countries representing around half the world's population  
<sup>†</sup> Subject to PwC assurance. For details and the basis of preparation, see www.unilever.com  
 \* Within 10% of the target by the end date

# Key learnings

As well as the many highlights, we've also learnt a lot. Here we share four of the most valuable lessons.

## 1. Make sustainable living effortless

Important as sustainability is for many consumers, it is often just one deciding factor among many. Which is why the way that we design and deliver our products has to make sustainable living as easy and enjoyable as possible.

We underestimated how challenging it would be to help the majority of consumers change their behaviours to embrace more sustainable ways of living. We've learnt many lessons about making environmental behaviours easier and more attractive to consumers – all of which help inform our brands' ongoing efforts to 'nudge' people to use our products more sustainably.

### Lessons for the future

- Be clear and consistent in why behaviour change is important and what changes we are asking consumers to make.
- Demonstrate that sustainable living can be good for consumers as well as good for the planet.
- Increase our work through cross-sector collaborations and advocacy to transform the systems in which our products are used.



## 2. Business must drive systems change

An individual company can change how it operates but it can't change the system as a whole. We have seen this play out in our efforts to push forward renewable energy. Unilever is not a power generation company. But, we can – and do – produce our own renewable energy on our manufacturing sites.

We've also come to realise that we have to play a role in advocating for even more systems change in other industries – such as power generation. Our approach to advocacy rests on showing market demand for sustainable solutions so that policymakers have the confidence to take action.

### Lessons for the future

- Maximise the potential of emerging technologies, alternative production methods and new business models to reduce the direct impact of our operations.
- Strengthen market signals for renewable power and other sustainability solutions by working with others to increase private sector demand.
- Continue to push for the transformation of sustainability-critical systems through our involvement in progressive policy advocacy groups and initiatives.

# Key learnings

## 3. New ways of measuring social impact

When we set our Unilever Sustainable Living Plan targets ten years ago, we didn't realise how hard it would be to measure our progress.

Finding an impact indicator that works across all our initiatives has proved especially difficult. As the data we have on our social programmes improves, so will our ability to enhance the areas where our impact is high and to modify those areas where they are less so. Having an impact is our primary goal, not measuring it. But to achieve the former, we need to get better at the latter.

### Lessons for the future

- Consider additional or alternative metrics to 'people reached'.
- Examine bespoke social indicators for specific interventions.
- Encourage the standardisation of measurement tools, indicators and benchmarks.

## 4. Be ready to move fast

In 2010, things looked very different. The targets we set ourselves were based on our best assessment of existing information and trends at the time. Even so, some issues have accelerated faster than anyone could have imagined, while others have come to the fore in ways no one anticipated.

We've had to adapt quickly, listen and in some cases break from the status quo – even if it felt uncomfortable. We've seen this with our commitment to reduce virgin plastic – one of the first to do so in our sector at the time, but now fast becoming an industry norm.

### Lessons for the future

- Listen to those outside our circles to spot the early signs of rapid change.
- Respond quickly and decisively in the face of fast-moving trends.
- Ask ourselves the hard 'what if' questions more often and more rigorously.



# Improving health and wellbeing

**We will help more than a billion people take action to improve their health and wellbeing.**

**In this section:**

- **Health and hygiene** page 8
- **Nutrition** page 11



# Health and hygiene

## KEY

- ✔ Achieved by target date
- Target ongoing
- Target nearly achieved
- Target not achieved

## Our pillar commitment

**By 2020, we will help more than a billion people to improve their health and hygiene. This will help reduce the incidence of life-threatening diseases like diarrhoea.**

## Our performance

- ✔ **We achieved our target two years ahead of schedule. By the end of 2020 we had reached over 1.3 billion people, over 625 million through on-ground programmes and over 715 million through TV commercials.<sup>1</sup>**

Our portfolio of brands gives us the opportunity to improve health, hygiene and wellbeing at scale. We set ourselves ambitious targets to do so and are proud to have achieved our overall Health and Hygiene commitment two years ahead of schedule. We also achieved all but one of our six brand-led targets.

Providing quality, affordable products is only part of the solution though. A big part of our work has been encouraging people to adopt healthy habits and we've used our behaviour change model, Unilever's Five Levers for Change, to guide our programmes to make a lasting impact. Coupled with our expertise in marketing and in delivering campaigns at mass scale, it's helped us catalyse enduring change in everyday behaviours. We've demonstrated, too, that not only on-ground

programmes but also mass scale TV advertising can be effective in changing behaviour.

Lifebuoy is by far the biggest contributor to our overall commitment and runs one of the world's largest behaviour-change programmes to promote handwashing. It set out to achieve its hugely ambitious goal of reaching a billion people by 2020, which it attained in 2018. By 2019, it had reached 1.07 billion people across Asia, Africa and Latin America. Due to Covid-19, our on-ground programmes were put on hold in 2020. We decided not to count TV reach in 2020 as this was counted as a one-off in 2019.<sup>2</sup>

Pureit is the world's most advanced home water purification system, producing water that's as safe as boiled water without the need for boiling or electricity. Although we fell short of our target of 150 billion litres, through our Pureit water purifiers we provided over 121 billion litres of safe drinking water by the end of 2020.

In 2014 we introduced a new target to enable 25 million people to gain improved access to a toilet through our Domestos brand. Domestos achieved its target a year early, and by 2020, it had reached 29 million people.<sup>3</sup>

Smile (our oral care brand which encompasses Signal, Pepsodent, Mentadent, Aim Prodent and P/S) also set out an ambitious target to reach 50 million people through programmes designed to encourage children and their parents to brush their teeth. By 2020, its Brush

Day & Night campaign and school programmes had reached more than 107 million people.

Dove has been running its programmes since 2005 and today the Dove Self-Esteem Project is the world's biggest provider of self-esteem education. Dove has over-achieved its targets, reaching more than 69 million young people by 2020. It continues to advocate social change and has set out new plans to reach 250 million people by 2030.

In 2017, Vaseline set a target to help heal the skin of 5 million people by 2020 through the Vaseline® Healing Project, its partnership with Direct Relief to reach people living in poverty or emergency situations. It achieved this milestone a year ahead of schedule and by 2020, had reached over 6 million people.

We could not have achieved our targets without our partners. Partnering with organisations who share our ambitions is critical to our programmes achieving a positive impact on a large scale. We continue to work with partners in many ways, including: joint advocacy programmes to raise the profile of issues; scaling up existing programmes; piloting initiatives; and securing additional funding to increase the impact of our joint investment.

# Health and hygiene

## Reduce diarrhoeal and respiratory disease through handwashing

**By 2020 our Lifebuoy brand aims to change the hygiene behaviour of 1 billion consumers across Asia, Africa and Latin America by promoting the benefits of handwashing with soap at key times.**

✓ We achieved our 2020 target in 2018, reaching 1 billion people. By 2020, we'd reached 1.07 billion people: 486 million people through on-ground programmes and 587 million through TV commercials.<sup>4</sup>

According to UNICEF, every 23 seconds a child somewhere in the world dies from either pneumonia or diarrhoea. Yet we know that handwashing with soap can reduce incidences of pneumonia by 23%, and diarrhoea by up to 45%.

For more than a century, our Lifebuoy soap brand has been on a mission to change handwashing behaviours. Through Lifebuoy's Social Mission programmes and communications, we've helped over a billion people develop better handwashing habits, improving hygiene, protecting against illness and helping to prevent childhood deaths. We're proud to have reached our milestone two years early.

The events of 2020 reaffirmed our commitment to working with education experts to make handwashing a lifelong habit. We're advocating greater emphasis on hand hygiene education through a movement to fundamentally change the way the alphabet is taught – H must stand for Handwashing.

Covid-19 significantly disrupted our usual activities and data collection and we had to make significant changes to our on-ground programmes. This meant we could not measure our reach according to our Basis of Preparation and so we did not formally count any on-ground reach for 2020. But as planned and as we did in 2019, we used an average of three previous representative years as the input for our TV reach for 2020. The 2020 results above are therefore the same as we reported in 2019.

In 2021, we'll look at kick-starting our €30 million initiative to encourage more children to adopt handwashing habits for life.

## Provide safe drinking water

**Through our range of water purifiers, we aim to provide 150 billion litres of safe drinking water by 2020.<sup>5</sup>**

● Pureit provided over 121 billion<sup>†</sup> litres of safe drinking water by 2020.

Pureit is the world's most advanced home water purification system, producing water that's as safe as boiled water. Without the need for boiling, it uses our unique GermKill Kit™ to remove harmful viruses, bacteria, parasites and other impurities from water, in line with strict international standards.

It's available in 12 countries including India, China, Indonesia, Ghana, Kenya and Brazil. Between 2005 and 2020, we provided more than 121 billion litres of safe drinking water through our Pureit water purifiers. This is short of our 150 billion target, in part due to the fact that in some markets, rapid scale-up proved challenging so we adapted our strategy to focus on more sustainable business growth.

We're continuing to reach low-income households through partnerships with micro-finance institutions in several Indian states and remain committed to providing safe drinking water through Pureit and our Truliva water purification brand which is available in China.

## Improve access to sanitation

**By 2020 we will help 25 million people gain improved access to a toilet by promoting the benefits of using clean toilets and by making toilets accessible.**

✓ We achieved our target in 2019. Between 2012-2020, we helped over 29 million people gain improved access to a toilet.<sup>6</sup>

Two in three people in the world are at risk of sickness and disease because they don't have access to a clean, safe toilet. And one in three schools around the world don't have a usable toilet, meaning many children are reluctant to use toilets because they aren't clean.

Sanitation is one of the most complex areas of development, so we're working with partners to roll out quality sanitation programmes. We've learned we need to change how people think and feel about having a toilet, or access to one, as well as teach them how to keep it clean so they feel comfortable using it.

We became the first company to make a commitment to improve sanitation at scale. By 2020, Domestos had helped over 29 million people gain improved access to a toilet<sup>7</sup>.

We rolled out our Cleaner Toilets, Brighter Futures programme in schools in 2018. We're working with janitors, teachers and children so that once toilets are clean and usable, they can be kept that way. And we're teaching children how handwashing and using appropriate toilet manners go together. Between 2018 and 2020 the programme helped schools serving more than 213,000 children.

We've worked in partnership UNICEF on sanitation issues since 2012. When people buy a specially marked bottle of Domestos, they're supporting UNICEF's work to help every child have access to a cleaner, safer toilet. For each bottle of Domestos bought, 5% is donated to UNICEF's sanitation improvement programmes in India. Funds raised through purchases of Domestos bottles have been used to strengthen and sustain UNICEF's support to the government of India on the Swachh Bharat Mission, a nation-wide programme to eliminate open defecation in India.

<sup>†</sup> Independently assured by PwC

## Health and hygiene

### Improve oral health

**We will use our toothpaste and toothbrush brands and oral health improvement programmes to encourage children and their parents to brush day and night. We aim to reach 50 million people by 2020.**

- ✓ We achieved our target early. By 2020, we had reached over 107 million people.

The Smile family of toothpaste brands (Signal, Pepsodent, Mentadent, Aim Prodent and P/S) share a common purpose: 'to unleash the power of healthy smiles by eradicating oral disease for everyone.' Oral disease affects around half the world's population and in many countries, toothache is the number one cause of children missing school. Poor oral health not only damages children's teeth, it can also lower their self-esteem.

The solution is simple: brushing teeth regularly with fluoride toothpaste reduces the occurrence of cavities by 90% compared to not brushing teeth at all. Research shows that long-term brushing habits are best forged during childhood, so our aim is to instil good habits from an early age.

For over 25 years, we've been running programmes such as Brush Day & Night – educational school programmes that are proven to improve oral care habits. Our Brush Day & Night 21-day programme teaches schoolchildren the importance of good oral health, to brush day and night with a fluoride toothpaste and the correct toothbrushing technique. A 25% improvement in twice-daily brushing has been observed in children after taking part in the programme.

Worldwide, we've reached 107 million people through our Brush Day & Night educational programme, free dental checks and TV adverts promoting the importance of oral health and hygiene.

### Improve self-esteem

**With our Dove brand we are helping millions of young people to build up positive body confidence and self-esteem through educational programmes. By 2015 we aimed to help 15 million young people. In 2016 we extended our target to help another 20 million young people – to reach a total of 40 million by 2020.**

- ✓ We achieved our 2015 and 2020 targets early. By 2020, we'd reached over 69 million young people.

Women and girls are more anxious about their bodies than ever. And when they lose confidence in their body image, many lose confidence in themselves. Dove, our largest Beauty & Personal Care brand, has been working to improve young people's body confidence and self-esteem since 2005. Dove's Self-Esteem Project has grown to become the world's biggest provider of self-esteem education. It's consistently exceeded its targets, reaching over 60 million people by 2019. And by the end of 2020 it had reached more than 69 million young people. More than 2.4 million parents and mentors have used our content, and over 570,000 teachers have delivered a Dove self-esteem workshop.

Our three-year partnership with UNICEF will help a further 10 million young people gain self-esteem and body confidence through new educational modules. The modules are being implemented as part of UNICEF's wider adolescent life skills programmes for 10-18-year-olds in Brazil, India and Indonesia. It's just one of the initiatives we're running as part of our next goal: to reach 250 million people by 2030.

Dove is also working to create broader systemic change through advocacy. As a co-founder of the CROWN (Creating a Respectful and Open World for Natural Hair) Coalition, we're working to pass legislation that bans hair discrimination in schools and workplaces in the US and UK. We've also introduced the Dove No Digital Distortion Mark as a stamp to assure people that the image they're looking at has not been digitally altered to fit the ideals of what beauty is and isn't. And for use by the media and advertising industries, we've launched Project #ShowUs, an image library created and curated exclusively by women, female-identifying and non-binary individuals.

### Help improve skin healing

**The Vaseline® Healing Project is a global aid effort in partnership with the humanitarian organisation Direct Relief. Though our Vaseline Healing Project, we aim to help heal the skin of 5 million people by 2020.**

- ✓ We achieved our target a year early. By 2020, we had reached over 6 million people.

Our skin is the barrier between our bodies and the outside world – and keeping it healthy is essential to our overall wellbeing. Skin is especially at risk for people living on the frontlines of poverty and disaster. If painful cracks, cuts or burns are left untreated they can lead to discomfort, infections or the inability to work.

Since 2015, Vaseline has worked with Direct Relief to support a network of health centres and clinics that provide affordable, comprehensive services to those who need it most, helping to heal the skin of people affected by poverty or emergencies around the world through product donations, dermatological care and training for healthcare professionals.

Over 2015-2020, the Vaseline Healing Project reached more than 6 million people. This includes over 20,000 dermatological evaluations provided through healing missions in countries where access to this care is inadequate. To make this impact sustainable, from 2015 to 2019, the Vaseline Healing Project trained 1,956 community healthcare professionals. In 2020, we launched virtual dermatology training to reach more healthcare workers.

# Nutrition

## KEY

- ✔ Achieved by target date
- Target ongoing
- Target nearly achieved
- Target not achieved

## Our pillar commitment

**We will continually work to improve the taste and nutritional quality of all our products. The majority of our products meet, or are better than, benchmarks based on national nutritional recommendations. By 2020, we will double the proportion of our portfolio that meets our Highest Nutritional Standards (HNS), based on globally recognised dietary guidelines. This will help hundreds of millions of people to achieve a healthier diet.<sup>8</sup>**

## Our performance

- ✔ **By the end of 2020, 61%<sup>†</sup> of our portfolio by volume met our Highest Nutritional Standards, based on globally recognised dietary guidelines.**

We exceeded our target of doubling the proportion of our portfolio meeting our World Health Organization (WHO) aligned Highest Nutritional Standards. That equates to around three-quarters of all the servings we sell reaching these standards.

Our benchmarks are based on globally recognised dietary recommendations and meeting our HNS is a significant commitment. It involves reformulating our products – with limited amounts of sugar, salt, saturated fat and calories – to make great-tasting foods and beverages that people will love.

We achieved our earlier targets for reducing calories and eliminating trans fats. And in 2020, we exceeded our salt reduction target by ensuring 77% of our portfolio was compliant with our 5 g of salt per day target. In 2020, 99.7% of our portfolio carried full nutrition labelling on-pack. We made good progress in reducing sugar levels by 23% across all our sweetened tea-based beverages, but just missed our 2020 target of 25%.

Through our bold new Future Foods commitments, we've set ourselves even more stretching targets to ensure that 70% of our Foods portfolio meets WHO-aligned nutritional standards by 2022. We've also committed to more stringent reductions for sugar and calories in our ice creams by 2025 and further salt reductions across our Foods portfolio by 2022. We're also doubling the number of products delivering positive nutrition and offering more plant-based meat and dairy alternatives.



<sup>†</sup> Independently assured by PwC

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## Reduce salt levels

**Our first milestone was to reduce salt levels to 6 g per day by the end of 2010. This required reductions of up to 25%. In 2010, we stated that our ambition was to reduce salt by a further 15–20% on average, to meet the target of not more than 5 g salt per day. In 2013, we clarified our commitment, by 2020, 75% of our Foods portfolio will meet salt levels to enable intakes of 5 g per day.**

✓ In 2020, 77% of our Foods portfolio was compliant with the 5 g target.

We exceeded our target, reaching 77% in 2020. But as excess salt intake remains a significant health challenge, we're extending our reduction ambitions: by 2022, 85% of our global Foods portfolio will help consumers reduce their salt intake to no more than 5 g per day.

We always improve our foods based on scientifically sound benchmarks and reduce salt in a variety of ways. We've achieved this target by continuously reducing salt as we renovated existing products; new products must also enable an intake of 5 g per day. We've also found that cutting salt and replacing it with aromas, spices and herbs can actually enhance the salty taste and flavour, and make products more nutritious. This can be combined with using the natural salt replacer, potassium salt.

We're continuing our engagement with governments, health authorities and healthcare professionals to help address the triggers and barriers that people experience in adopting healthier habits. A good example is Brazil, where the government sought the food industry's help with its target to reduce people's salt intake from 12 g to 5 g per day. In response, in 2020, we created Brazil's first zero salt and monosodium glutamate-free bouillon, Knorr Zero Sal.

## Reduce saturated fat

**We are committed to improving the fat composition of our products by reducing saturated fat as much as possible and increasing levels of essential fats. By 2012, our leading spreads will contain less than 33% saturated fat as a proportion of total fat.**

● By 2012, 92% of our leading spreads by volume contained less than 33% saturated fat as a proportion of total fat.

**A daily portion will provide at least 15% of the essential fatty acids recommended by international dietary guidelines.**

● By 2012, 92% of our leading spreads by volume provided at least 15% of the essential fatty acids recommended by international guidelines.

**By 2017, 90% of our complete global portfolio of soft vegetable oil spreads<sup>9</sup> will contain no more than 33% fat as saturated fat and at least 67% as good unsaturated fat. In tropical areas, without chilled distribution, the maximum saturated fat content will be set at 38%, as a slightly higher saturated fat level is required to maintain stability of the spreads.**

● By 2017, 80% of our global portfolio of soft vegetable oil spreads contained no more than 33% saturated fat and at least 67% good unsaturated fat.

We retired this target following the sale of our Spreads business in July 2018. By the end of 2017, the proportion of our global portfolio of soft vegetable spreads that met this target prior to the sale date was 80%.<sup>9</sup>

## Remove trans fat

**By 2012, we will have removed from all our products any trans fats originating from partially hydrogenated vegetable oil.**

✓ By 2012, 100% of our portfolio by volume did not contain trans fats originating from partially hydrogenated vegetable oil.<sup>10</sup>

We met our target to eliminate trans fat originating from partially hydrogenated vegetable oil from our products worldwide in 2012. Since then, we've carried out regular reviews of our products to ensure we remain compliant. If products with trans fat originating from partially hydrogenated vegetable oil are found, they are reformulated. Our position on trans fats details our approach.

As one of the International Food & Beverage Alliance (IFBA) member companies, we align with the WHO recommendation that industrially produced trans fat should not exceed 2 g per 100 g of total fat or oil in all foods. We're committed to achieve this worldwide by 2023 at the latest.

## Reduce sugar

**Prior to 2010, we had already reduced sugar levels in our ready-to-drink teas. By 2020, we will remove an additional 25% sugar in ready-to-drink teas. In 2014, we extended this target to include our powdered ice tea and milk tea products.<sup>11</sup>**

● By 2020, we reached 23% sugar reduction across all our sweetened tea-based beverages (against a 2010 baseline).

Sugary beverages are heavily scrutinised for their sugar content, and more people than ever before are health-conscious and seeking 'better for you' products. We've been reformulating our ready-to-drink ice teas for a number of years and made good progress against our target, but fell short in the final year.

With fewer people eating out or on-the-go due to Covid-19, we saw a drop in sales for some ready-to-drink teas. This in turn had

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an impact on meeting our target which is based on sales volume: we reached 23% of the 25% we were aiming for.

Nevertheless, we made good progress in reducing sugar levels in many existing products and launched new products with lower sugar content in many markets in 2020.

Across Europe, we reduced sugar in several ready-to-drink Lipton products by up to 50% to offer low-calorie choices. Across the Middle East, we reformulated and launched new lower sugar products, all meeting our Highest Nutritional Standards. In addition to reformulations, we introduced several new zero-sugar Lipton iced teas across Europe, such as Green Tea Lemon.

We're continuing to reduce sugar levels in our tea-based beverage portfolio, and to offer beverages and innovations with lower sugar content, while maintaining the taste that consumers enjoy.

### Reduce calories

**By 2014, 100% of our children's ice creams will contain 110 kilocalories or fewer per portion. 60% will meet this level by 2012.**<sup>12 13</sup>

✓ 100% of our children's ice creams have contained 110 kilocalories or fewer per portion since 2014.

**By 2015, 80% of our packaged ice cream products will not exceed 250 kilocalories per portion.**<sup>12 13</sup>

✓ 91% of our packaged ice cream by volume have contained 250 kilocalories or fewer per portion since 2015. In 2020 we had extended this to 93% of our ice creams.

We were one of the first global companies to ensure that all our children's ice creams are responsibly developed, and maintaining our record remains important. We continuously review our portfolio, combined with a responsible approach to marketing and advertising to children. We reached our children's ice creams target in 2014, with 100% of our children's ice creams containing 110 kilocalories or fewer per portion.

We're continuing to expand the proportion of our portfolio containing no more than 250 kilocalories. In 2020, 93% of our packaged ice creams reached this level.

In addition to maintaining our calorie limit for children's ice cream, we've set new ice cream goals to reach by 2025: 95% of packaged ice cream will contain no more than 22 g total sugar, and 95% will contain no more than 250 kilocalories per serving. These targets are ambitious as we'll need to reformulate our most indulgent brands. We're investigating solutions to reduce sugar and calories without impacting consumers' experience.

### Provide healthy eating information

**Our aim is to provide clear, simple labelling on our products to help people make choices for a nutritionally balanced diet.**

**By 2015, this will be extended to cover all our products globally. We will include energy per portion on the front of pack, plus eight key nutrients and % Guideline Daily Amounts (GDA) for five nutrients on the back of pack.**

**Our targets will respect local or regional industry agreements as well as the law in each market.**

● 86% of our portfolio had full nutrition labelling on pack in line with our commitment by the end of 2015. By 2020, we had reached 99.7%.<sup>14</sup>

We did not achieve our 2015 target due to regulatory changes ongoing in two countries at the time, which meant that we did not fully implement our labelling approach that year. However, by 2020, 99.7% of our portfolio carried full nutrition labelling. We've put in place a global governance model and extensive monitoring activities to check nutrition labelling product by product.

As several countries develop their preference for a front-of-pack labelling system, we're continuing to engage with governments, NGOs and other stakeholders as we want to work towards globally harmonised, transparent labelling systems. We believe that any front-of-pack nutrition labelling schemes should be portion based or product group specific. This is the best approach to help consumers make healthier food and beverage choices

and stimulate the industry to reformulate towards healthier products. In addition to providing nutritional information on pack, we also offer information via our branded digital platforms and consumer care lines.

# Reducing environmental impact

**We will halve the environmental footprint of the making and use of our products as we grow our business.**

In this section:

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- Waste and packaging page 20
- Sustainable sourcing page 24



# Greenhouse gases

KEY	
<span style="color: green;">✔</span>	Achieved by target date
<span style="color: green;">●</span>	Target ongoing
<span style="color: orange;">●</span>	Target nearly achieved
<span style="color: red;">●</span>	Target not achieved

## Our pillar commitment

**Halve the greenhouse gas impact of our products across the lifecycle by 2030.<sup>15</sup>**

## Our performance

**○ In 2020, our greenhouse gas impact per consumer use reduced by around 10% versus 2010.**

Our brands are working to halve the greenhouse gas (GHG) footprint of a cup of tea, a laundry load or a hair wash by the end of this decade. Through innovation, R&D expertise, and partnerships with suppliers, we are finding lower-carbon solutions for everyday products, such as our Love Beauty and Planet hairspray bottles that reduce carbon emissions by using compressed air.

Our goal to halve the GHG impact of our products across the lifecycle by 2030 is one of our science-based targets. Progress has been slower than expected. Since 2010, our greenhouse impact per consumer use has reduced by 10% against a restated baseline.<sup>16</sup>

We are making good progress, particularly in Foods & Refreshment and Home Care where we have reduced emissions by 30% and 37% respectively since 2010, mainly due to disposals, portfolio changes and, in the case of Home Care, the reduction of phosphates in our laundry

products. However, emissions in our Beauty & Personal Care Division have increased by 10%, driven primarily by the acquisition of brands with high greenhouse gas emissions associated with consumer hot water use, including hair and bath/shower products.

Since we launched the Unilever Sustainable Living Plan in 2010, we have learned a lot about the areas we can influence and those we cannot, and which areas need wider action from other players, such as the shift in the energy grids towards more renewable sources. Technology and innovation play a critical part in addressing climate change and in opening up the business opportunities that a low-carbon economy will bring.

We're using our knowledge and resources in innovation, research and development to bring people the products they enjoy but which respond to the challenge of climate change, while creating business growth opportunities.



# Greenhouse gases

## Become carbon positive in manufacturing

**By 2020 CO<sub>2</sub> emissions from energy from our factories will be at or below 2008 levels despite significantly higher volumes (equivalent to a reduction of around 40% per tonne of production measured against a baseline of 145.92 kg of CO<sub>2</sub> emissions from energy use per tonne of production in 2008).**

✓ We achieved our target in 2016. By the end of 2020, we had reduced CO<sub>2</sub> from energy by 75%<sup>†</sup> versus 2008, to 36.94<sup>†</sup> of CO<sub>2</sub> from energy in kg per tonne of production. This is 2,068,484<sup>†</sup> fewer tonnes than in 2008.

**We will source 100% of our energy across our operations from renewable sources by 2030.**

● In 2020, 51.9% of our total energy use in our manufacturing operations was generated from renewable resources, compared to 15.8% in 2008.

**We will source all our electricity purchased from the grid from renewable sources by 2020.**

✓ 100% of all grid electricity used in our manufacturing operations was generated from renewable resources.

**We will eliminate coal from our energy mix by 2020.**

● In 2020, 734,758 GJ of the energy used in our manufacturing was generated from coal. At the end of our 2020 reporting period (1 October 2019 – 30 September 2020), nine out of our 290 manufacturing sites used energy generated from coal.

**In order to achieve our target of carbon positive by 2030, we intend to directly support the generation of more renewable energy than we consume and make the surplus available to the markets and communities in which we operate.**

● We are focusing on sourcing 100% of our energy across our operations from renewable sources and supporting the development of local renewable energy markets.

In 2020, our factory sites reduced CO<sub>2</sub> emissions from energy by 27% per tonne of production compared to 2019 and 75%<sup>†</sup> per tonne of production compared to 2008, despite having already achieved our target of 40% per tonne of production in 2016, four years ahead of schedule. Overall, we have reduced our total energy use by 31% per tonne of production since 2008.

In 2020 we achieved our target of sourcing 100% of the grid electricity used in our manufacturing operations from renewable sources. In 2020 we met 51.9% of our global energy needs for our manufacturing operations from renewable sources (e.g. onsite biomass, solar, wind, hydro – as well as renewable grid electricity), achieving our 2020 interim target of sourcing 50% of our energy across our manufacturing operations from renewable sources.

By the end of our 2020 reporting period (1 October 2019 – 30 September 2020), three of our factories used direct coal (coal used on Unilever sites) and six used indirect coal (purchased energy generated from the grid generated by coal). We removed 100% direct coal from our original factory portfolio. The three factories using direct coal were acquired by Unilever in 2020. One of the challenges with several of the sites that use indirect coal is that legislation currently prevents the move to renewable energy. We have plans in place to eliminate the use of direct coal by the end of 2021 at the three factories we acquired in 2020, and we are exploring the options available to eliminate indirect coal.

Since we set our greenhouse gas emissions target, we have extended our focus beyond our manufacturing sites to apply to our global operations. Our ambition has evolved from becoming carbon positive to achieving zero emissions from our operations by 2030. To achieve this, we are building on our longstanding work across our global factory network to reduce our energy use, transition to renewable grid electricity, phase out coal and move to 100% renewable energy across our operations.

## Reduce greenhouse gas emissions from washing clothes

**Reformulating our products to reduce greenhouse gas emissions by 15% by 2012.**

✓ Over 95% (by volume) of our laundry powders in our top 14 countries were reformulated, resulting in a reduction of 15% in greenhouse gas emissions by end 2012.

Liquid laundry detergents have a lower greenhouse gas (GHG) footprint than powders. We are driving market development through liquids: we grow faster in liquids wherever powders, bars and liquids are present. Many of our liquids are now sold in concentrated form which reduces GHG emissions. They also provide great cleaning performance at lower temperatures.

Through our eco-design programme, we are reformulating products to use fewer but higher-performing ingredients. We are taking this approach in both laundry powders and liquids to reduce the levels of conventional surfactant – our most GHG intensive class of ingredients – by up to 50%. Our phosphate reduction has reduced CO<sub>2</sub> emissions by up to 50% per single use by consumers. We're continuing to investigate technologies that could help us create more zero-phosphate products in the future.

Our concentrated liquid laundry detergents from brands such as Persil, Omo and Surf Small & Mighty and Seventh Generation's ultra-concentrated EasyDose™ enable people to wash their clothes at lower temperatures and reduce GHG emissions by up to 50% per load.

## Greenhouse gases

### Reduce greenhouse gas emissions from transport

**By 2020, CO<sub>2</sub> emissions from our global logistics network will be at or below 2010 levels despite significantly higher volumes. This will represent a 40% improvement in CO<sub>2</sub> efficiency.**

**We will achieve this by reducing truck mileage; using lower emission vehicles; employing alternative transport such as rail or ship; and improving the energy efficiency of our warehouses.**

 43% improvement in CO<sub>2</sub> efficiency since 2010.

We are increasingly using non-road forms of transport such as rail and sea to move goods. For journeys still undertaken by road, we are exploring technologies such as liquefied natural gas (LNG), compressed natural gas (CNG) and biofuels as alternative fuels, electric vehicles, thermal blanket technology for temperature-controlled trucks and hydrogen technologies. And we are working with our partners to accelerate the adoption of the above technologies.

Through innovation and developing bottom-up carbon reduction projects, we are sharing best practices to ensure we continue building efficiency into our transportation logistics.

### Reduce greenhouse gas emissions from refrigeration

**As the world's largest producer of ice cream, we will accelerate our roll-out of freezer cabinets that use climate-friendly natural (hydrocarbon) refrigerants. We will purchase a further 850,000 units by 2015.**

 In 2013 we exceeded our target of purchasing 850,000 climate-friendly freezers, reaching a total of around 1.5 million. In 2018 our total increased to around 2.9 million hydrocarbon freezers.

The climate-friendly hydrocarbon (HC) refrigerants we use in our freezers have a substantially lower global warming potential compared to previously used hydrofluorocarbons (HFCs), which have a global warming impact thousands of times greater than the equivalent amount of carbon dioxide. The refrigerant change alone makes our freezers around 10% more energy efficient. It is mandatory that any new freezers we purchase use HCs rather than HFCs.

We are continuing to roll out climate-friendly HC freezers and make our freezers more energy efficient. Our purchased freezers are 50% more energy efficient compared to our 2008 baseline, with the most energy-efficient models going even further. We are working on innovations to make more improvements in freezer energy efficiency, including piloting the use solar panels to power our cabinets.

### Reduce energy consumption in our offices

**By 2020 we will halve the energy (kWh) purchased per occupant for the offices in our top 21 countries versus 2010.**

 56.5% reduction in energy (kWh) purchased per occupant since 2010.

We set a challenging 2020 target to reduce energy purchased per occupant at our in-scope sites and exceeded our target by the end of 2020 through multiple energy efficiency activities.

For example, we conducted energy audits at three of our largest sites to identify how we could further reduce our energy consumption. We implemented building management systems as well as increasing the capacity of the existing systems to reduce energy consumption (e.g. lighting motion sensors, intelligent HVAC units), expanded our Metering, Monitoring and Targeting platform to additional sites and implemented more LED projects in sites with conventional lighting.

We are continuing to make savings through our real estate programme, with office relocations to more energy-efficient facilities and have continued to save energy through using our PC power management tool and a focus on the optimisation of our building management systems.

### Reduce employee travel

**We are investing in advanced video conferencing facilities to make communication easier while reducing travel for our employees. By 2011 this network will cover more than 30 countries.**

 54 countries were covered by end 2011.

We have continued to invest in implementing Microsoft Teams as well as advanced video facilities to reduce our travel footprint.

This has substantially reduced our need to travel to meetings, and our carbon emissions. It delivers clear benefits such as cost and time savings for the business and cuts down on tiring travel for our employees.

# Water

**KEY**

- ✔ Achieved by target date
- Target ongoing
- Target nearly achieved
- Target not achieved

## Our pillar commitment

**Halve the water associated with the consumer use of our products by 2020.<sup>17</sup>**

## Our performance

● **In 2020, our water impact per consumer use was the same as it was in 2010.**

We didn't achieve this challenging target by the end of 2020 partly because progress has been counterbalanced by changes in our product portfolio since 2010. Our portfolio is now made up of more products that have a higher than average water footprint compared to 2010 and our biggest water impact – over 99% – occurs when consumers shower, bathe and wash clothes with our products.

We did see water savings in some of our product categories since 2010. This was most notable in Skin Cleansing (e.g. growth of Lifebuoy hand soap sales in Asia) and Fabric Solutions (e.g. growth of Rin and Wheel laundry detergents in Asia), which together account for 76% of the total water footprint. These changes were in part due to water-smart innovations such as our Rin detergent bar which uses SmartFoam technology and up to halves the water needed for rinsing, making the washing process easier and quicker for consumers in water-scarce regions.

Significant behaviour change is needed to reduce water consumption when our products are used in people's homes. Furthermore, despite some progress, our efforts to launch more water-smart product innovations have not been sufficient, at this stage, to significantly reduce our water impact per consumer use and encourage consumer behaviour change. Because of this, we are developing innovative products that deliver the benefits people need and provide the same performance with less water.

For example, our Love Beauty and Planet range, which uses fast-rinse technology in its conditioners, is helping people use less water as they need less water to work effectively. And our Love Home and Planet dry wash spray is made with only 0.02% of the water used in a normal UK laundry load. We're also developing products which use no water at all, such as our hair care brand, 'the good stuff'. The good stuff's range includes six no-rinse conditioners.



# Water

## Reduce water abstracted by manufacturing sites

**By 2020, water abstraction by our global factory network will be at or below 2008 levels, despite significantly higher volumes (equivalent to a reduction of around 40% per tonne of production measured against a baseline of 2.97 m<sup>3</sup> of water abstracted per tonne of production in 2008).**

- ✓ We achieved our target in 2018. By the end of 2020, we had reduced water abstraction by 49%<sup>†</sup> per tonne of production versus 2008, to 1.52 m<sup>3</sup> of water abstracted per tonne of production. This is 27.1<sup>†</sup> million fewer cubic metres of water than in 2008.

We achieved – and surpassed – our 2020 target two years ahead of schedule. The reduction equates to around saving 3.5 litres of water for every person on the planet. We achieved this despite growth in our production volume since 2008.

Our progress has been driven by continuous improvement initiatives at all sites to reduce, reuse and recycle water. We have achieved this through a combination of low-cost and no-cost techniques and behaviours, and a water-specific capital investment programme.

We will continue to track and drive improvements in water performance as a component of our overall water strategy. Water efficiency has demonstrated strong financial paybacks, reduces our dependency on water resources and supports process innovation.

## Reduce water use in the laundry process

**We will reduce the water required in the laundry process by providing 50 million households in water-scarce countries with laundry products that deliver excellent results but use less water by 2020.**

- ✓ In 2016, One Rinse products were used in 4.9 billion washes in over 59 million households worldwide.

Since achieving our target, we have continued to develop innovative products which deliver the benefits people need, but use less water. For example, our Rin fast-rinse laundry detergent, which is available in Asia, is helping people to use less water, as they require less water to work effectively. We are also developing laundry products that use no water at all, such as our Love Home and Planet dry wash spray, which is made with only 0.02% of the water used in a normal UK laundry load.

## Reduce water use in agriculture

**We will develop comprehensive plans with our suppliers and partners to reduce the water used to grow our crops in water-scarce countries.**

- ✓ Water management is an integral part of our Sustainable Agriculture Code. Close to 100% of our vegetable suppliers, including tomato suppliers, now comply with our Code. Almost all, when using irrigation, have water management plans in place and report on water used in irrigation.

We have been collecting irrigation data from our suppliers as part of the implementation of our Sustainable Agriculture Code since 2011. We are close to 100% coverage now in key crops like vegetables and tomatoes. Suppliers are also adopting an additional set of farm practices in their uptake of the Sustainable Agriculture Code. These include ensuring that water infrastructure, such as pipes and canals, is readily maintained, as well as encouraging suppliers to influence the

water management decisions of their farmers to drive water use efficiency and conservation. In India, for example, we're working with processor Varun Agro, in Maharashtra state, to enable over 5,000 smallholder farmers to grow tomatoes for our Kissan ketchup. These farmers cover approximately 9,000 acres of land and all these fields now use drip irrigation.

An important step in our sustainable sourcing programme was the launch of the renewed Sustainable Agriculture Code in 2018, which contained clear guidance on all aspects of Climate Smart Agriculture, including water management. Impacts of climate change on agriculture will be different in different parts of the world. Climate risk modelling for the various crops is helping us to understand where we must focus our efforts to support suppliers and farmers to adapt to and mitigate contributions to climate change.

To further support farmers in their understanding of water management on their farms, we developed an online Water Footprint Calculator with the Cool Farm Alliance. This feature, which went live in 2018, complements the Carbon Footprint Calculator and the Biodiversity Effectiveness assessment tool.

# Waste and packaging

**KEY**

- ✔ Achieved by target date
- Target ongoing
- Target nearly achieved
- Target not achieved

## Our pillar commitment

**Halve the waste associated with the disposal of our products by 2020.<sup>18</sup>**

## Our performance

● **Our consumer waste footprint has reduced by 34%<sup>†</sup> since 2010.**

We have made solid year-on-year progress towards this challenging target. Our total waste footprint per consumer use has reduced by 34%<sup>†</sup> since 2010. We have made good progress in areas where we have direct control such as reducing waste in our own operations and alternative packaging design following our 'less plastic, better plastic, no plastic' framework.

However, in the areas beyond our direct control, progress was slower. We have seen some infrastructure improvements in recycling and recovery, but these have been slower than we expected despite active lobbying.

Innovation and new business models are radically changing the way we use in plastic, and we're supporting global efforts to eradicate plastic waste. Our 2025 goals, which will be continued as part of the Unilever Compass, build on the progress we made towards our Unilever Sustainable Living Plan commitment to reduce our waste footprint.

Our 'less plastic, better plastic, no plastic' framework will continue to guide everything we do. It's underpinned by goals to halve our use of virgin plastic, to ensure all our packaging is reusable, recyclable or compostable and increasing the use of recycled plastics.

We're also supporting better waste infrastructure to collect and process plastic packaging. This goal requires us to help collect and process around 690,000 tonnes of plastic annually by 2025. We continue to work with many partners, with programmes in multiple countries including Brazil, India, Indonesia, Philippines, Russia, South Africa, Thailand, UK and US.



<sup>†</sup> Independently assured by PwC

# Waste and packaging

## Reduce waste from manufacturing

**By 2020 total waste sent for disposal will be at or below 2008 levels despite significantly higher volumes (equivalent to a reduction of around 40% per tonne of production measured against a baseline of 7.91 kg of total waste disposed per tonne of production in 2008).**

✓ We achieved our target in 2012. By the end of 2020 we had reduced waste sent for disposal by 96%<sup>†</sup> per tonne of production versus 2008, to 0.34<sup>†</sup> kg of total waste disposed per tonne of production. This is 144,428<sup>†</sup> fewer tonnes of total waste than in 2008.

**By 2015 all manufacturing sites will achieve zero non-hazardous waste to landfill.**

✓ We achieved zero non-hazardous waste to landfill across our global factory network by the end 2014 and maintained this in every subsequent year, including in 2020.

We have continued to make significant progress since achieving our waste disposal target in 2012. We achieved our target of zero non-hazardous waste to landfill one year early, at the end of 2014 and we believe this was a first for a company of our scale in our industry.

Our focus since has been on maintaining zero non-hazardous waste to landfill. In 2020, we maintained zero-waste to landfill. 11 sites disposed of a small amount of non-hazardous waste to landfill, but this did not exceed our permitted threshold.<sup>19</sup> While the amounts were small, we take any lapses very seriously. Over 90% of the non-hazardous waste sent to landfill was from manufacturing sites that we acquired in 2020. We are currently developing recycling pathways at these sites to divert the non-hazardous waste from landfill.

By replicating our zero-waste model in other parts of our business, nearly 400 additional non-manufacturing sites have also eliminated non-hazardous waste to landfill.

Our focus on zero non-hazardous waste to landfill is a non-negotiable. That's why we have recommitted to this goal as part of the Unilever Compass.

## Reusable, recyclable or compostable plastic packaging

**By 2025 all of our plastic packaging will be designed to be fully reusable, recyclable or compostable.**

● 52% of our plastic packaging was reusable, recyclable or compostable, in practice and at scale (i.e. actual recyclability) in 2020.

We were the first company in our industry to commit to ensuring that 100% of our plastic packaging is reusable, recyclable or compostable by 2025.

Our total plastic packaging footprint is 690,000 tonnes. Of this, 52% was reusable, recyclable or compostable in practice and at scale in 2020. We now have accurate data for around 80% of the sales volume in scope for plastic packaging reporting and we're working to increase this further.

There are plenty of technical challenges that we're tackling in our better plastic journey. Magnum became the first ice cream brand to use recycled polypropylene (rPP) plastic in its packaging. We used an innovative recycling process that transforms the plastic waste into a resin with the same characteristics as virgin food-grade resin. The advanced recycling technology – which makes this possible – transforms previously unrecyclable plastic waste into a valuable resource.

We're continuing to make progress on technical recyclability (i.e. packaging designed for recycling but not yet recycled at scale). As recycling infrastructure improves across the markets we operate in, we expect an increase in our actual recyclability which will close the gap on what is technically recyclable. We're helping to stimulate investment through our collection and processing goal.

We're working on ways that will allow shoppers to buy one

container and refill it over and over again. We've learnt there is no one-size-fits-all solution. We've appointed dedicated in-house teams to build expertise, test, learn and refine different approaches. Together with major supermarkets, we're trialling refill projects in Colombia, France, Indonesia, the Philippines, Vietnam and the UK. We are also experimenting with home refill solutions.

We're sharing the lessons that we've learnt along the way, with the aim of bringing everyone on board – including governments, retailers, manufacturers, delivery services, civil society organisations and, of course, consumers.

## Reduce packaging

**By 2020 we will reduce the weight of packaging that we use by one-third through:**

- **lightweighting materials**
- **optimising structural and material design**
- **developing concentrated versions of our products**
- **eliminating unnecessary packaging**

● The weight of our packaging (per consumer use) has decreased by 18% since 2010.

Over the last decade we've cut the weight of our packaging by nearly a fifth through better and lighter designs – short of our original target. However, acquisitions and the introduction of products into new markets have impacted our progress.

Reducing the amount of material in a product by just a few grams can make a huge difference across an entire product range. Our results show that our efforts over the last few years to reduce packaging through innovations, lightweighting – reducing the weight – and material switching are now visible.

This includes packaging reduction initiatives such as the lightweighting of aerosol deodorant cans. We have also commercialised the MuCell™ moulding technology, which has

<sup>†</sup> Independently assured by PwC

## Waste and packaging

allowed us to reduce the plastic component in bottles by up to 15% versus the previous bottle. Other examples of reduction initiatives include the use of compression injection technology in many of our tubs, conversion of bottles to flexible refill pouches and smart use of design strategy and technology, enabling us to reduce layers within many of our sachets.

We're continuing our efforts to reduce the weight of our packaging through our 'less plastic, better plastic, no plastic' framework. We're encouraging customers to think of bottles of our cleaning and laundry products, for instance, refill at home innovations from OMO and Cif. Ultra-concentrated products help us give consumers the same products but with much less plastic and smaller packaging. Comfort's ultra-concentrated laundry formulas offer a smaller dosage than any other product on the market.

### Recycle packaging

**Working in partnership with industry, governments and NGOs, we aim to increase recycling and recovery rates on average by 5% by 2015 and by 15% by 2020 in our top 14 countries. For some this means doubling or even tripling existing recycling rates. We will make it easier for consumers to recycle our packaging by using materials that best fit the end-of-life treatment facilities available in their countries.**

● Around 11% increase in recycling and recovery rates in 2020, over the 2010 average Recycling and Recovery Index (RRI), across our top 14 countries.

**By 2025 we will increase the recycled plastic material content in our packaging to 25%. This will act as a catalyst to increase recycling rates.**

● Approximately 11% (76,000 tonnes) of our total plastic packaging footprint consisted of recycled plastic in 2020.

Whenever we use plastic, we make sure we're choosing better options – that means recycled and recyclable plastics.

Recycling and recovery is a challenging target because we are reliant on public policy, infrastructure and consumer engagement. Despite good progress since setting our recycling and recovery target and getting over two-thirds of the way there, we missed our target owing to the slowdown in global recycling rates. But through our commitment to help collect and process more plastic packaging than we sell, we aim to kickstart more recycling of the materials that are important to us.

We're keeping plastics in the system, and out of the environment by buying post-consumer recycled (PCR) plastic. In 2020 (measured 1 July 2019 to 30 June 2020), around 11% (76,000 tonnes) of our total plastic packaging footprint consisted of recycled plastic – a significant increase compared to last year and strong progress towards our goal to use at least 25% recycled plastic by 2025. We're stepping up how much recycled plastic we use across many of our brands. For instance, Dove has introduced 100% recycled plastic bottles in North America and Europe.

We want to use far more PCR plastic in the future and recapture our own packaging. The biggest challenge is the limited availability of high-quality recycled waste materials – owing to a high demand on the market – particularly in developing and emerging markets.

To address this, we are working with others to develop the recycling industry. This will help to ensure better quality recycled materials come into the marketplace. We're also working with others to tackle wider infrastructural issues such as local collection and sorting facilities – and to build the technical and commercial viability of reprocessing them at scale.

## Tackle sachet waste

**Our goal is to develop and implement a sustainable business model for handling our sachet waste streams by 2015.**

● Progress has been slower than we originally anticipated, but we are continuing to investigate the potential of new business models, materials and technologies to reduce our dependence on multi-layer sachets.

Single-use plastic sachets allow low-income consumers in developing countries to buy small amounts of quality products that would otherwise be unaffordable to them. These products tend to provide hygiene or nutrition benefits. The problem is, these multi-layer flexible sachets are not currently recycled and have little or no economic value, so they leak into the environment.

We want to reduce our dependence on multi-layered sachets and improve their collection and recyclability, particularly in our markets across Asia. We're learning there are no easy solutions. It's a technical challenge, along with different local regulations on collection, sorting and recycling.

Some of the solutions we're exploring include business model innovations to reuse packaging and increase collection, and material innovations such as biodegradable solutions. We're also exploring how we can make sachets from single materials instead of multiple layers, making them easier to recycle.

In Indonesia we're piloting new technology to recycle multi-layered sachets. In Europe we're members of CEFLEX, a consortium aiming to make flexible packaging in Europe circular by 2025. We contributed to an industry roadmap and guidelines exploring solutions.

We are committed to finding a solution for flexible packaging and we're accelerating our efforts in this area within our 'less plastic, better plastic, no plastic' framework

## Waste and packaging

### Eliminate PVC

**We will eliminate PVC (polyvinyl chloride) from all packaging by 2012 (where technical solutions exist).**

- 99% of PVC packaging removed from our portfolio by end 2012.

We have made very good progress in eliminating PVC from our packaging, including from the acquisitions we have made in recent years. We have a robust system in place to ensure that any PVC entering the business through acquisitions is swiftly dealt with.

### Reduce office waste

**In our top 21 countries, at least 90% of our office waste will be reused, recycled or recovered by 2015 and we will send zero waste to landfill by 2017.**

- 100% of our office waste was reused, recycled or recovered and we sent zero waste to landfill in our top 21 countries in 2017.

**By 2015 we will reduce paper consumption by 30% per head in our top 21 countries.**

- We achieved our target in 2013 with paper consumed per occupant 37% lower than 2010.

**We will eliminate paper in our invoicing, goods receipt, purchase order processes, financial reporting and employee expense processing by 2015, where legally allowable and technically possible.**

- By 2015, 73% of our in-scope Business and Finance Services processes were completed electronically.

Following the achievement of our target of zero waste to landfill at our in-scope sites in our top 21 countries, we extended our

waste reduction efforts beyond our top 21 countries and an additional 33 sites are now zero waste to landfill.

By the end of the target period in 2015, 73% of our transactions (excluding financial reporting and employee expense processes) were completed electronically. Since then we've transitioned to paperless expense processing. We remain committed to eliminating paper in our business and financial services processes despite the fact that some countries do not yet allow electronic invoicing.

# Sustainable sourcing

**KEY**

- ✔ Achieved by target date
- Target ongoing
- Target nearly achieved
- Target not achieved

## Our pillar commitment

**By 2020 we will source 100% of our agricultural raw materials sustainably.**

## Our performance

● **67%<sup>†</sup> of our agricultural raw materials were sustainably sourced by the end 2020, including 59% as physical sustainable sources and 8% in the form of certificates for palm, soy and sugar. This compares to 62% sustainability sourced in 2019 and just 14% when we launched our Unilever Sustainable Living Plan in 2010.**

Following an in-depth review of our sustainable sourcing strategy over 2016–2017 we concluded that we would not reach our target by 2020 despite the considerable advances we’ve made since 2010. This was partly because of our lack of scale to achieve sufficient change across all crops that we source. And partly because the length and complexity of some supply chains make it very difficult to develop a line of sight on the farmers at the very beginning of that supply chain, and thus to reassure ourselves that their practices are sustainable.

We refocused our sustainable sourcing efforts on a set of 12 priority crops which are not only crucial to our brands, but also where we can have most impact within their agricultural sectors. These are palm oil, paper and board, soy, sugar, tea, dairy, rapeseed, cereals, vegetables, cocoa, herbal infusions and vanilla.

Despite missing our target to source all agricultural raw materials sustainably, for the 12 priority crop groups that make up around two-thirds of our total volume of agricultural raw materials, 92% were sustainably sourced in 2020.

Our commitment to 100% sustainable sourcing of our key agricultural crops will continue beyond 2020. We want to empower a new generation of farmers and smallholders in our supply chain to protect and regenerate nature through programmes based on our new Regenerative Agriculture Principles. These are agricultural practices focused on delivering positive outcomes in terms of nourishing the soil, increasing farm biodiversity, improving water quality and improving livelihoods.

Alongside this focus, we’re committed to achieving a deforestation-free supply chain by 2023 for our key raw materials, which are palm oil, paper and board, tea, soy and cocoa. One of the ways through which we’re aiming to achieve a deforestation-free supply chain is through greater transparency. We believe that combining certification efforts with focused sourcing, traceability and technology to enable smallholder inclusion will help us create a deforestation-free supply chain. We’re investing in satellite data, geolocation, blockchain and AI, working with major tech firms and innovative start-ups to build new approaches to monitoring and traceability.

In 2020 we introduced our new People and Nature cross-commodity policy – superseding our individual commodity policies – making clear our supplier requirements and expectations to achieve a zero deforestation supply chain, and to respecting and promoting human rights.



<sup>†</sup> Independently assured by PwC

# Sustainable sourcing

## Sustainable palm oil

**We will purchase all palm oil from physically certified sustainable sources by 2019.**

95% of our palm oil volumes were from physically certified sustainable sources by 2019.<sup>20</sup> In addition, we sourced over 4.5% of our volumes through independent smallholder certificates to reach a total of 99.5% palm oil volumes sustainably sourced. By the end of 2020, 94.4% of our palm oil volumes were from physically certified sources, with a further 5.2% through independent smallholder certificates to reach a total of 99.6% palm oil volumes sustainably sourced.

We are one of the largest buyers of palm oil in the consumer goods industry. It's an important raw material for many of our brands and is found in our food, beauty and household cleaning products.

In 2020 we sourced 94.4% of our palm oil and palm kernel oil from physically certified sources – RSPO Mass Balance, RSPO Segregated or an equivalent standard that is independently verified by a third party. 5.2% of our volumes were from the purchase of RSPO independent smallholder certificates. We did not reach our original target in 2019 partly because we faced a bottleneck in supply of RSPO-certified materials in Africa.

Looking ahead, with an agricultural footprint of 3 million hectares for the crops with high deforestation risk (palm oil, paper and board, tea, soy and cocoa), we have a responsibility to preserve land for future generations. To end deforestation, we need visibility on sourcing origins. Simplifying our supply chain and working with more focused partnerships, for example, allows us to better manage traceability and risk.

## Sustainable paper and board

**We will source 75% of the paper and board for our packaging from certified sustainably managed forests or from recycled material by 2015. We will reach 100% by 2020.**

96% of our paper and board came from certified sustainably managed forests or from recycled materials by the end of 2020.

We use paper and board for items like folding cartons, customer packaging, aseptic cartons and ice cream sticks.

Our aim is to buy paper packaging that comes either from well-managed forests or from recycled material. 96% of our paper and board came from certified sustainably managed forests or from recycled materials by the end of 2020. We narrowly missed our target, owing to a combination of supplier data challenges and the small uncertified virgin fibre that is in uncertified recycled packaging products.

Sometimes we need to source virgin paper and board – for example, because of safety regulations. When we do, we buy from certified sources with a full 'chain of custody' from the plantation to us. That is achieved either through certifications schemes like the Forest Stewardship Council (FSC) or other national schemes under the framework of the Programme for the Endorsement of Forest Certification (PEFC). In 2020, 36.7% of our total volume was from certified recycled sources with full chain of custody.

To make our supply chain more transparent, in July 2019, we published details of direct suppliers accounting for over 99.5% of the wood fibre-based materials purchased in 2018.

## Sustainable soy

**We will source sustainably all soy beans by 2014 and all soy oils by 2020.**

100% soy beans purchased from sustainable sources by the end of 2014.

100% soy oil was from sustainable sources by the end of 2020.

Soybean oil is a crucial ingredient in many of our food products, such as mayonnaise, and we purchase large volumes mostly from growers in the US and Brazil, where there is significant stakeholder interest in the sustainability of the crop.

In 2020, we increased soy oil from sustainable sources to 100%, up from 80% in 2019. Our total comprises 26% physical certified oil and 74% in the form of credits and includes Round Table on Responsible Soy (RTRS) certified soy oil, self-verified soy oil in the US and RTRS certificates. This builds on the achievement of our target to source 100% of our soy beans sustainably by 2014 (through the physical purchase of RTRS certified beans).

We believe transparency will help us to build a more sustainable and deforestation-free supply chain. In July 2019, we published details of our direct suppliers accounting for more than 99.9% of our soy oil purchases in 2018.

## Sustainable sourcing

### Sustainable tea

**By 2015 we aim to have the tea in all Lipton tea bags sourced from Rainforest Alliance Certified™ estates.**

✓ Since 2015, 100% of the tea in our Lipton tea bag blends has come from Rainforest Alliance Certified™ sources.

**By 2020, 100% of Unilever's tea, including loose tea, will be sustainably sourced.**

● 86% of tea was from sustainable sources by the end of 2020: 64% was Rainforest Alliance Certified™ and 22% was trustea Verified.

We are the world's biggest tea company and buy around 10% of the world's black tea. We source tea from our own tea estates, from our suppliers and from smallholder farmers across four continents. We were the first major tea company to commit to sustainably sourcing tea on a large scale.

We have progressed substantially since setting our target, reaching 86% sustainable sourced tea by the end of 2020. This is a slight drop compared to 2019, when 90% of all our tea came from certified sustainable sources. Our India business was not able to purchase sufficient quantities of sustainably sourced tea for domestic consumption due to Covid-19.

We're working hard to bring the tea industry into the 21st century by taking action to improve people's health, particularly through protecting women's safety and promoting better diets, to improve their livelihoods and to nurture the land through sustainable agricultural practices.

In September 2019, we took an important step forward by publishing a list of all our global suppliers of black and green tea – a list we update annually.

### Sustainable fruit and vegetables

**We will purchase 100% of our fruit from sustainable sources by 2015.**

● 30% of our fruit was from sustainable sources by the end of 2020. This was down from 67% in the previous year in line with our strategy to focus on priority crops.

**We will purchase 50% of our top 13 vegetables and herbs from sustainable sources by 2012 and 100% by 2015. This accounts for over 80% of our global vegetable and herb volume.**

● 95% of our top 13 vegetables and herbs were from sustainable sources by the end of 2020.

Fruit and vegetables are a complex portfolio of materials with a very large and diverse supply base. This made it difficult to achieve our 100% target across the entire portfolio by 2015.

We buy significant quantities of tomatoes, onions, pumpkins, leeks, green beans, mushrooms, potatoes, celeriac, peas and carrots, as well as herbs such as basil, parsley and chives. Most of the vegetables we buy are used in the soups, sauces and other food products made by our Knorr brand. By the end of 2020, 95% of our top 13 vegetables were sustainably sourced.

As part of our review of sustainable sourcing across 2016-2017 we decided to focus on a set of priority crops which are important to our brands and where we can drive greater positive impact within these agricultural sectors. There are a small number of crops – including fruit – where our purchased volumes are low and where we are unable to significantly impact the market. As a result, we reduced our purchase of sustainable sourced volumes in 2020, missing our target.

### Sustainable cocoa

**We will source cocoa sustainably for our Magnum ice cream by 2015. All other cocoa will be sourced sustainably by 2020.**

✓ 98% of cocoa for Magnum was sustainably sourced through Rainforest Alliance certification by the end of 2015. We reached 99% sustainable sourcing of cocoa for Magnum by the end of 2020. 100% of all other cocoa was sourced sustainably by the end of 2020.

Cocoa is one of our priority crops and is essential to Magnum, our biggest ice cream brand which is on sale in 52 countries. We're now able to source Rainforest Alliance Certified™ cocoa for all but two of these countries. We reached 99% sustainably sourced cocoa for Magnum in 2020, but our challenge remains in purchasing Rainforest Alliance Certified™ cocoa in Venezuela and Israel where the availability of certified beans remains extremely limited.

We joined the Cocoa & Forests Initiative in 2018, signing its statement of intent to collaborate pre-competitively to help end deforestation and forest degradation in the cocoa supply chain. We've been mapping our direct cocoa supply chain to improve traceability and in March 2020 published a full list of our Tier 1 and 2 direct cocoa suppliers.

## Sustainable sourcing

### Sustainable sugar

#### We will source all sugar sustainably by 2020.

 100% of sugar was sustainably sourced by the end of 2020.

Sugar is one of our priority crops. We verify sugar beet primarily against our Sustainable Agriculture Code (SAC) and mainly use Bonsucro certification for sugar cane.

100% of our sugar supplies were sustainably sourced by the end of 2020. We increased the proportion of self-assessed and physical certified sugar from 46% to 48% – covering both sugar beet and sugar cane. We achieved the remainder with Bonsucro credits (52%).

Our long-term goal is to help create a global supply of sustainable sugar. We believe the best way to achieve this is to harmonise the sustainable sourcing codes of the food and drink industries and forge them into a single standard, which can have an impact at scale. That's why we have helped develop the Farm Sustainability Assessment through the Sustainable Agriculture Initiative (SAI) Platform, which has been agreed by many businesses and gives farmers a single, simplified sustainability framework to work to.

### Sustainable sunflower oil

#### We will source all sunflower oil sustainably by 2020.

 25% of sunflower oil was sustainably sourced by the end of 2020, in line with our strategy to focus on priority crops.

We carried out an in-depth review of our strategy in 2016-2017 to optimise our approach to sustainable sourcing. As a result, we're focusing on a set of key crops which are important to our brands and where we can drive greater positive impact within these agricultural sectors.

Sunflower oil is one of a small number of crops that we purchase in very low volumes and where we are unable to significantly

impact the market. In line with this strategy, we did not reach our target. However, we're continuing to work with our suppliers to find industry-wide solutions to boost supplies of sustainable sunflower oil.

### Sustainable rapeseed oil

#### We will source all rapeseed oil sustainably by 2020.

 98% of rapeseed oil was sustainably sourced by the end of 2020.

Rapeseed oil is one of our priority crops. In 2020, 98% of our volumes were sustainably sourced, an increase from the previous year but just short of our target, owing to the challenges surrounding the sourcing of small volume purchases of rapeseed oil sustainably.

We continue to work with our suppliers and other partners, including on a joint approach with our partner Bunge in Canada, where around 200 farmers have signed up to our Sustainable Agriculture Code programme.

### Sustainable dairy

#### We will source all dairy produce sustainably by 2020.

 79% of dairy produce was sustainably sourced by the end of 2020.

Dairy produce is one of our priority ingredients, and while we increased our sustainable supply to 79%, we have not reached our target. This is because in some countries, for example Russia and Pakistan, sustainable dairy practices are not yet sufficiently widespread to produce a reliable supply. Similarly, the variety of dairy products we buy come from many suppliers, making it difficult to achieve a sustainable supply at scale. However, there has been some progress in challenging regions, such as Turkey.

We're continuing to work with the Dairy Sustainability Framework (DSF), which is looking at sustainability from a regional

perspective, a first for the dairy industry. In 2019 the Sustainable Dairy Partnership was launched: a 'business-to-business' sustainability model built on the DSF Framework. The Partnership also requires all milk processors to address the prevention of deforestation, the protection of animal welfare and human rights, and compliance with local legislation.

### Fairtrade Ben & Jerry's

#### All flavours of Ben & Jerry's ice cream will be Fairtrade certified by 2013.

 77% of Ben & Jerry's ice cream flavours achieved Fairtrade certification in 2013. We reached 100% in 2014.

Ben & Jerry's was the first ice cream brand to use Fairtrade ingredients in 2005. By the end of 2011, we achieved Fairtrade certification for all our products produced and distributed in Europe.

In 2012, due to issues around quality and availability, we found we could not source all the Fairtrade-certified ingredients we needed for a global conversion. So we revised our target from our previous 'all ingredients' to 'all flavours' certified.

We identified that by using Fairtrade ingredients for the five major commodities in all our base mixes and for our chunks and swirls, and following proper Fairtrade derogation procedures, all our ice cream flavours would qualify for Fairtrade certification by 2013. We reached 77% in 2013.

In 2013 we also decided to source only non-GMO ingredients by seed source. As this added complexity to our conversion programmes, we delayed our plans, achieving Fairtrade certification for all our flavours in 2014.

## Sustainable sourcing

### Cage-free eggs

**We aim to move to 100% cage-free eggs for all our products,<sup>21</sup> including Ben & Jerry's ice cream and Hellmann's, Amora and Calvé mayonnaises.**

 68% of eggs were cage-free by the end of 2020.

We take animal welfare seriously as a social and ethical concern and were one of the first global companies to work with suppliers to start sourcing cage-free eggs for our products.

Our research shows that consumers prefer products made with cage-free eggs. However, the conditions in which eggs are produced vary widely around the world. We committed to extending sourcing cage-free eggs across all our brands which use egg products throughout Europe and the US by the end of 2020. In Europe, all our brands, including Hellmann's, Amora and Calvé, use 100% cage-free eggs. 99% of all eggs used in Ben & Jerry's ice cream worldwide are also cage-free.

Although we have made progress, we fell short of our target but we're continuing the change to cage-free eggs in our products. We're committed to converting all our egg supplies to cage-free by 2025.

We're aware of concerns about breeders of egg-laying hens eliminating male chicks, following methods that are included in EU Directives and American Veterinary Medical Association guidelines. While this is standard practice in egg production – and although we use only a small percentage of eggs produced in the market – we take these concerns seriously. We're closely following the development of alternative options to current practice. We've also committed to supporting the market introduction of these technologies once they are available to our suppliers.

### Sustainable sourcing of office materials

**By 2013 we will source all paper-based office materials for our top 21 countries from either certified sustainable forests or recycled sources.**

 100% of paper-based materials were from certified sustainable forests or recycled sources by end 2013.

We achieved our target in 2013, when 100% of our paper-based office materials (e.g. printer paper, notebooks and envelopes) for our top 21 countries came from either certified sustainable forests or recycled sources. All our suppliers sign a certificate of compliance, and we monitor compliance. We extended our ambition from the top 21 countries to all other countries in Europe and Latin America, reaching 100% compliance by the end of 2015. We continue to drive greater use of sustainable paper across our business.

# Enhancing livelihoods

**We will enhance the livelihoods of millions of people as we grow our business.**

**In this section:**

- **Fairness in the workplace** page 30
- **Opportunities for women** page 33
- **Inclusive business** page 36



# Fairness in the workplace

## KEY

- Achieved by target date
- Target ongoing
- Target nearly achieved
- Target not achieved

## Our pillar commitment

**By 2020, we will drive 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. We will create a framework for fair compensation, and help employees take action to improve their health (physical and mental), nutrition and wellbeing. We will reduce workplace injuries and accidents in our factories and offices.**

## Our performance

**In 2020, we carried out a series of implementation activities to continue embedding the UN Guiding Principles on Business & Human Rights throughout Unilever's operations.<sup>†</sup>**

**In 2020, 83%<sup>†</sup> of our procurement spend was through suppliers meeting the Mandatory Requirements of our Responsible Sourcing Policy.**

**We created our Framework for Fair Compensation<sup>†</sup> in 2015. It outlines how the various elements of our compensation packages deliver fair compensation. In 2020 all our employees were paid a living wage.**

**42 countries ran our Lamplighter employee health programme in 2020.**

**Our safety performance (measured as Total Recordable Frequency Rate) improved further to 0.63<sup>†</sup> accidents per million hours worked in 2020.**

We continue to respect and promote human rights and the effective implementation of the UN Guiding Principles (UNGPs) across our operations and in our business relationships. The UNGPs are the global standard on the business responsibility to respect human rights and we've used them to form our approach. Our work on human rights has underpinned our new Unilever Compass commitments on raising living standards, tackling harmful social norms, pioneering new employment models, and being a beacon of diversity and inclusion.

In 2020, we continued to focus on our eight salient issues (i.e. those at risk of the most severe negative impact through Unilever's activities or business relationships) as described in our Human Rights Report 2020. We also engaged and trained our employees in human rights and continued our work with others to raise awareness of important issues such as women's safety.

We're continuing to roll out our Responsible Sourcing Policy, which sets standards on human and labour rights, to all Unilever suppliers. In 2020, 83%<sup>†</sup> of our procurement spend was through suppliers meeting these requirements. While this falls short of our 2020 target, partly due to slower progress during the Covid-19 pandemic, we remain committed to increasing supplier compliance.

Our Framework for Fair Compensation outlines how the various elements of our compensation packages deliver fair compensation for our workforce. In line with the Framework, 100% of our direct employees were paid at or above a living wage by the end of 2020. In early 2021, we extended our living wage ambition by committing to ensure that everyone who directly provides goods and services to Unilever will earn at least a living wage or income by 2030. To achieve this vision, we'll build on the work we've already done and work with others to change the global systems that currently hold back people's incomes and opportunities.

Covid-19 meant we had to run our Lamplighter employee health programme at reduced capacity. Despite this, we reached around 32,000 employees across 42 countries. Our Employee Assistance Programme also supported employees through the pandemic.

As well as ensuring Covid-safe work environments, we continued to focus on ensuring the safety of our people and contractors in everyday work situations. Our accident rate improved further to 0.63<sup>†</sup> accidents per million hours worked, a reduction of 70% that surpassed our target to reduce the number of accidents by half.

<sup>†</sup> Independently assured by PwC

# Fairness in the workplace

## Implement UN Guiding Principles on Business and Human Rights

**We will implement the UN Guiding Principles on Business and Human Rights throughout our operations and report on progress publicly.**

- ✓ In 2020, we carried out a series of activities to continue embedding the UN Guiding Principles on Business & Human Rights throughout our operations.†

Implementing the UN Guiding Principles (UNGPs) means the ongoing embedding of the Principles into our policies and processes. In doing this, we focus on the eight salient human rights issues we've identified for our business.

In 2020, we carried out a series of activities to continue embedding the UNGPs.† These activities included: reviews of policies, codes and legal requirements; training; risk assessment, remediation and mitigation; and remediation and mitigation of specific business issues.

In January 2021 we published our 2020 Human Rights Report. This outlines the work we've done since 2014 to embed the respect and promotion of human rights into every function, role and part of our business. It also explains how we plan to continue this momentum. Despite the progress we've made, we recognise that there is more to do and that our work on human rights is an ongoing process.

Our Human Rights Report details our continued focus on our eight salient issues, describing our progress, lessons learned and the challenges we still face. Alongside the Report, we published our Supplier Audit Update which details the findings from operating our Responsible Sourcing Policy.

During 2020, we ran internal training for Human Resources and Procurement, including on safety for women and the responsible employment of migrant workers focusing on the effects of Covid-19. We also supported women's rights organisations on awareness-raising initiatives on Covid-19 and on violence against

women and girls in Kenya, Tanzania and Assam, India.

Our work on human rights has underpinned the new commitments in the Unilever Compass.

## Source 100% of procurement spend in line with our Responsible Sourcing Policy

**We will source 100% of our procurement spend through suppliers who commit to promote fundamental human rights as specified in our Responsible Sourcing Policy.**

- 83%† of procurement spend through suppliers meeting the Mandatory Requirements of our Responsible Sourcing Policy in 2020.

In 2020, we spent around €32 billion on goods and services from nearly 56,000 suppliers across 150 countries. These suppliers are central to driving sustainable growth: it's crucial that every single one of them helps us create the value, capacity and capability we need to deliver our products in the most responsible way possible.

Ensuring that everything we source meets the standards set out in our Responsible Sourcing Policy (RSP) is a complex task, given our scale. We've made significant progress in raising standards across our supply base by driving compliance with our RSP and ensuring suppliers remediated identified issues.

In 2020, 83%† of our procurement spend was through suppliers meeting the Mandatory Requirements of the RSP, as validated through our auditing protocols. We reached a total of 92% of spend through suppliers who'd taken the first step towards our standards by making a commitment to meet the RSP's requirements.

However, we fell short of our target, partly due to the impact of Covid-19 which initially meant we could not audit our suppliers on-site, until we put in place a virtual auditing programme to replace on-site visits. Virtual audits will continue to be used at least until conditions relating to the pandemic allow us to return to our standard practices. Following a slow-down in performance

improvement in 2020 due to factors related to Covid-19, we're stepping up our work on performance in 2021 and continuing toward our goal of 100% compliance.

In 2021, we plan to relaunch our RSP with an expanded focus on climate and nature. We're also rolling this out to our suppliers beyond Tier 1 (those who directly invoice us), preparing them for our future requirements and encouraging the embedding of rights into more flexible employment models such as the gig economy. Working with our suppliers to ensure they meet the RSP's requirements remains an ongoing goal within our Unilever Compass commitment to respect human rights.

## Create a framework for fair compensation

**We will create a framework for fair compensation, starting with an analysis in 180 countries by 2015. We will work with external organisations, including our social partners, referring to approaches such as living wage methodologies.**

- ✓ We achieved our target in 2015 when we created the Framework for Fair Compensation.†

We created our Framework for Fair Compensation in 2015† to provide a structured way to outline how the various elements of our compensation packages deliver fair compensation to our employees. The Framework was subsequently rolled out in 2016.

We fulfilled the Framework's living wage element by the end of 2020. This meant that worldwide, all our direct employees were paid at or above a certified living wage. We use the Fair Wage Network to provide a global database of relevant living wage benchmark data for each country in which we have operations. This enables us to compare non-management employees' lowest fixed earnings levels against relevant living wage benchmarks.

Our Framework has been instrumental in helping us review the average pay differences between genders at both a country level, and at each work level within each country. We continue to improve our gender balance, and relevant gender pay gaps, at various levels and in various countries throughout the business.

† Independently assured by PwC

## Fairness in the workplace

As part of our Unilever Compass, in 2021 we announced new commitments to raise living standards beyond our own business, including a goal to ensure that everyone who directly provides goods and services to Unilever earns at least a living wage or income by 2030.

### Improve employee health, nutrition and wellbeing

**Our Lamplighter employee programme aims to improve the nutrition, fitness and mental resilience of employees. By 2010 it had already been implemented in 30 countries, reaching 35,000 people. In 2011 we aimed to extend the reach of Lamplighter to a further eight countries. We will implement Lamplighter in an additional 30 countries between 2012 and 2015. Our longer-term goal is to extend it to all the countries where we operate with over 100 people.**

✓ We achieved our target early. Our Lamplighter programme reached 91,000 employees in 70 countries by 2014 and since then we've continued to offer support to employees through the programme.

**We will implement a mental wellbeing framework globally.**

✓ In 2015 we completed the two-year roll-out of our new module for mental wellbeing and established a global steering committee to monitor progress.

Our Lamplighter employee health programme is key to addressing the top three health risks across our business: mental wellbeing; lifestyle factors (such as exercise, nutrition, smoking, obesity); and ergonomic factors (such as repetitive strain injury).

Lamplighter helps to safeguard employees' health, improve productivity and reduce costs. By the end of the initial target period, it had reached 91,000 employees across 70 countries.

We ran Lamplighter at reduced capacity in 2020 due to the constraints of Covid-19. Despite this, we reached nearly 32,000 employees across 42 countries.

The programme has helped thousands of our people manage pressure, offering practical advice on how to focus and practise mindfulness techniques, to feel more empowered and to work in an agile manner. Our mental wellbeing resources came into their own in 2020 during the Covid-19 pandemic, especially our global Employee Assistance Programme for employees, and in many instances their families, which is available 365 days a year. We saw use of this programme increase in 2020, particularly through family members engaging with our mental health support.

We're building a network of mental health champions, with more than 1,600 in place in 2020. And we've built a company-wide mindfulness movement by training people to deliver mindfulness sessions and taking our leaders through an extensive training programme.

### Reduce workplace injuries and accidents

**We aim for zero workplace injuries. By 2020 we will reduce the Total Recordable Frequency Rate (TRFR) for accidents in our factories and offices by 50% versus 2008.**

✓ 70% reduction in TRFR achieved by 2020, down to 0.63<sup>†</sup> accidents per 1 million hours worked, compared to 2.10 in 2008.

We set out to reduce our accidents by half by 2020 compared to 2008, but in fact achieved a reduction of 70%. Our Total Recordable Frequency Rate (measured 1 October 2019 to 30 September 2020) improved further in 2020, reducing to 0.63<sup>†</sup> accidents per million hours worked. This result was affected in part by the fact that due to Covid-19, many field staff were off-road and most of our offices were closed, with around 67,000 people working from home.

Health and safety is one of the eight salient human rights issues we've identified for our business and we're driving improvements through our Vision Zero strategy: zero fatalities; zero injuries; zero motor vehicle incidents; zero process incidents; and zero tolerance of unsafe behaviour and practices. Sadly, two contractors and one employee lost their lives in this reporting period. One died in a lightning strike at a tea estate in Tanzania; one on a construction site at a newly acquired business in Romania; and one in a road accident stepping out of a shuttle bus on his way home in India. When fatalities occur, our policy is to have a global stand-down across our operations to pay our respects and reflect on the learnings. We've put in place new measures around field safety during thunderstorms, construction safety and safe travel on buses.

Covid-19 meant we had to quickly introduce measures to support global and national efforts to help tackle its spread. Our first priority was to keep our people safe wherever they were working, and to keep our factories running to supply essential hygiene products such as soap and bleach. Managing the demand for health, hygiene and food products meant scaling up production safely and bringing our fleet of drivers to the fore to ensure our products continued to reach those who needed them.

# Opportunities for women

## KEY

- ✔ Achieved by target date
- Target ongoing
- Target nearly achieved
- Target not achieved

## Our pillar commitment

**By 2020, we will empower 5 million women by advancing opportunities for women in our operations; promoting safety; providing up-skilling; and expanding opportunities in our retail value chain.**

## Our performance

- **We reached gender balance in our management in 2019 and maintained the proportion of female managers at 50%<sup>†</sup> in 2020. In partnership with others, by 2020 we had enabled 2.63 million<sup>† 22</sup> women to access initiatives aiming to promote their safety, develop their skills or expand their opportunities.**

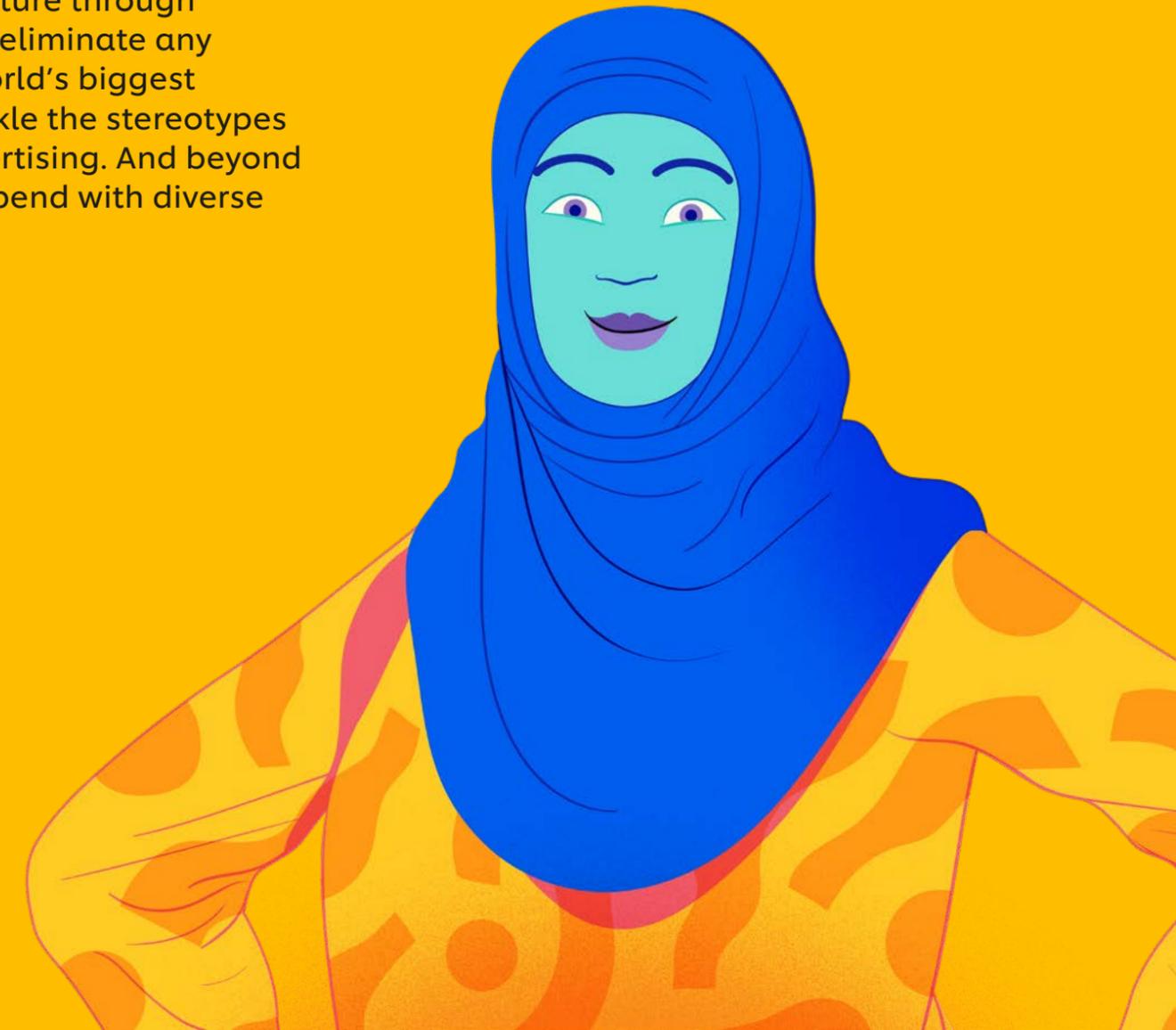
Our approach to empowering women is based on rights, skills and opportunities. Women's rights must be respected and women need to be given the skills and opportunities to succeed.

We've made good progress towards gender equality in our workforce, hitting our gender balance target at management level one year early and maintaining it at 50%<sup>†</sup> in 2020.

Since 2014, we've been working across our brands and with external partners to advance opportunities for women. Brands such as Sunsilk, TRESemmé, Radiant and Glow & Lovely have developed their purpose to focus on skills and confidence-building. Despite their significant efforts, we did not meet our goal of reaching 5 million women by 2020.

We've learned that to achieve women's empowerment and business growth, we need entire systems change, driven by our own business activities and initiatives alongside multi-sector collaboration at global and national levels. In tandem with advocacy for system change, we're continuing to look for the best approaches to develop programmes that can make the most meaningful impact.

As part of our new Unilever Compass, we've set out to achieve an equitable and inclusive culture through progressive practices and policies which eliminate any bias and discrimination. As one of the world's biggest advertisers, we've committed to help tackle the stereotypes that are often perpetuated through advertising. And beyond our own business, we're increasing our spend with diverse suppliers.



<sup>†</sup> Independently assured by PwC

# Opportunities for women

## Build a gender-balanced organisation with a focus on management

**We will build a gender-balanced organisation with a focus on management.**

- ✓ We achieved gender balance in management one year early. The percentage of women managers in Unilever was 50%<sup>†</sup> in 2020.

We've made significant progress over many years through our commitments to empowering women, to fair workplace practices that aim to tackle discrimination and bias and to gender balance. We set a clear ambition to have 50% women in management positions by 2020, from a baseline of 38% in 2010. We reached this important milestone in 2019.

However, there is still more to do to achieve a balanced representation of women, particularly at senior management level where women are still under-represented. In 2020, 31% of our Unilever Leadership Executive were women. And 22% of our senior management (those reporting to our Unilever Leadership Executive) were women.

In 2020, we launched a new coaching programme run online by specialist INSEAD coaches to help women leaders progress their careers. And through our new Unilever Compass goals that we announced in early 2021, we've committed to accelerate diverse representation at all levels of leadership, looking at race and ethnicity as well as gender.

At the same time, we also announced our commitment to achieve an equitable culture by eliminating any bias and discrimination in our practices and policies. Through our new Equity, Diversity and Inclusion strategy, we're removing barriers and bias in recruitment and retention, establishing leadership accountability for supporting employees to excel in their roles, and aiming to achieve a workforce that is fundamentally representative of the communities we operate in.

## Promote safety for women in communities where we operate

**We will promote safety for women in the communities where we operate.**

- ✓ By 2020, we had enabled around 11,400<sup>†</sup> women to access initiatives that aimed to promote their safety.

We introduced a target on women's safety in 2014 following our study in Kenya which confirmed safety as a critical issue for women in the communities where we operate tea estates. Through targeted interventions, by 2020 we had reached 11,400 women on our tea estates in Kenya.

Our approach to this issue is systematic and inclusive and we now work alongside communities in areas where we source our tea as well as those on our own tea estates. For example, we started a global partnership with UN Women in 2016. As a result of joint work on tea estates in Assam, India and Kericho, Kenya, in December 2018, a Global Women's Safety Framework in Rural Spaces was published, followed the next year by Implementation Guidance to facilitate its wider take-up.

We continue to partner with expert external organisations to further strengthen this work by raising awareness and providing information. In 2020, we supported women's rights organisations on awareness-raising initiatives on Covid-19 and on violence against women and girls in Kenya, Tanzania and Assam. We also extended our women's safety programme to Rwanda.

Our latest initiative is in India, where we've started a new partnership with IDH – the Women's Safety Accelerator Fund – to help create a safe and empowering workplace for women in its tea sector. This Fund builds on our partnership with UN Women.

## Enhance access to training & skills

**We will enhance access to training and skills across our value chain.**

- By 2020, we had enabled 2.45 million<sup>†</sup> women to access initiatives aiming to develop their skills.

This target was the biggest contributor to our goal of reaching 5 million women by 2020 and was principally delivered through brand-led training and skills programmes. Brands such as Sunsilk, TRESemmé, Radiant and Glow & Lovely have developed tailored skills- and confidence-building programmes.

Access is one of the major barriers to women participating in training. So our training is designed to encourage the full and equal participation of women, for example, by being held at convenient times in accessible locations or by providing online courses with a simple registration process. We're also working with partners, which helps us reach more women and encourages mutual learning.

We did not achieve our target by 2020. Female empowerment is complex and multi-layered and no single intervention can deliver everything that women need, which is why we often run a number of programmes simultaneously. However, to avoid the risk of double counting we choose not to count them twice. We also struggled to scale up some of our smaller programmes to deliver the impact we wanted.

Women's economic empowerment and gender equity remain central to our Unilever Compass commitments to build a fairer and more socially inclusive world.

## Opportunities for women

### Expand opportunities in our retail value chain

#### We will expand opportunities for women in our retail value chain.

- ✓ We had enabled around 168,500<sup>†</sup> women to access initiatives aiming to expand their opportunities in our retail value chain by the end of 2020.

#### We will increase the number of Shakti entrepreneurs that we recruit, train and employ from 45,000 in 2010 to 75,000 in 2015.<sup>23</sup>

- 70,000 Shakti micro-entrepreneurs were selling our products in India by end 2015. By the end of 2020 this had expanded to 131,000.

We believe that gender equity and women's empowerment are powerful enablers for human development and economic growth. Our initial aim was to create opportunities to generate income for those engaged in our retail value chain, particularly women.

We developed the Shakti programme in 2000 to empower female micro-entrepreneurs, especially in communities where the norm was traditionally for men to be responsible for any sort of commercial enterprise. Shakti 'ammas' ('mothers') have been distributing our brands to many thousands of villages across India for nearly 20 years. In return, we've provided training on basic accounting, sales, health and hygiene and relevant IT skills. We have also equipped them with smartphones containing a mini Enterprise Resource Package to help them run their business efficiently.

By 2020, our Shakti network in India had grown to around 131,000 women entrepreneurs. Shakti has become our model to reach rural consumers in developing and emerging markets such as South-East Asia, Africa and Latin America. For example, Project Zeinab, launched in Egypt in 2014, has provided training to more than 2,000 women and helped them establish their own grocery businesses while Shakti Nigeria incorporates nutrition and hygiene education.

We're also continuing to explore new models that deliver a positive social impact, including through public-private models that support social entrepreneurship, such as TRANSFORM, a joint initiative between Unilever and the UK's Foreign, Commonwealth & Development Office (formerly the Department for International Development).

Through our latest Unilever Compass commitments, we're continuing to build a fairer and more socially inclusive world for women.

<sup>†</sup> Independently assured by PwC

# Inclusive business

## KEY

- ✔ Achieved by target date
- Target ongoing
- Target nearly achieved
- Target not achieved

## Our pillar commitment

**By 2020, we will have a positive impact on the lives of 5.5 million people, by improving the livelihoods of smallholder farmers and improving the incomes of small-scale retailers.**

## Our performance

● **By 2020, we had enabled around 832,000<sup>†</sup> 22 smallholder farmers and 1.83 million<sup>†</sup> 22 small-scale retailers to access initiatives aiming to improve their agricultural practices or increase their incomes.**

Through our commitment to sourcing sustainably – in particular cocoa, tea, palm oil, vanilla and vegetable crops – we continue to provide training to improve smallholder farmers' agricultural practices. By working with our suppliers and partners, we've enabled around 832,000<sup>†</sup> smallholder farmers to access initiatives aiming to improve their agricultural practices.

In 2021, as part of the Unilever Compass, we set a new goal to improve living standards for low-paid workers: we will ensure that everyone who directly provides goods and services to Unilever earns at least a living wage or income by 2030. We already pay our

employees at least a living wage, and we want to secure the same for more people beyond our workforce, specifically focusing on the most vulnerable workers in manufacturing and agriculture. We'll work with our suppliers, other businesses, governments and NGOs – through purchasing practices, collaboration and advocacy – to create systemic change.

We have enabled around 1.83 million<sup>†</sup> small-scale retailers in our distribution network to access initiatives aiming to increase their incomes, principally through Perfect Store, Kabisig Summits in the Philippines and Shakti in India and a number of other markets, including Sri Lanka, Pakistan, Nigeria, Colombia, Guatemala and El Salvador. We do not report all our small-scale retailer initiatives due to data availability and quality issues. However, we have fallen short of our target.

Building on the lessons we've learned from our small-scale retailer initiatives, we set ourselves a new goal to help 5 million small and medium-sized enterprises in our retail value chain grow their business through access to skills, finance and technology by 2025.



# Inclusive business

## Improve livelihoods of smallholder farmers

**Our goal is to engage with at least 500,000 smallholder farmers in our supply network. We will help them improve their agricultural practices, and thus enable them to become more competitive. By doing so, we will improve the quality of their livelihoods.**

- ✓ By 2020, we had enabled around 832,000<sup>† 22</sup> smallholder farmers to access initiatives aiming to improve their agricultural practices.

Between 2011 and 2020 we reached around 832,000<sup>†</sup> smallholder farmers through our programmes, helping them improve their yields and increase the quality and consistency of the crops they grow. In doing so, we provided them with the platform to increase their incomes, while giving us the visibility and security of supply we need.

We recognise that smallholder farmers often face other barriers to growth and improved incomes – from lack of access to markets, financial support, and information and training. Other factors can also hold them back – such as poor diet, gender inequalities and health problems, including those caused by inadequate sanitation.

These barriers must be addressed holistically and systematically. We're working to do this in a number of ways: directly with smallholders, with a range of partners such as the Global Alliance for Improved Nutrition, and through certification and other programmes. And through our latest commitments, we've set out a number of initiatives that will further raise living standards.

## Improve incomes of small-scale retailers

**We will create and improve the incomes of 5 million small-scale retailers in our distribution network.**

- Between 2015 and 2020 we enabled around 1.83 million<sup>† 22</sup> small-scale retailers in our distribution network to access our initiatives with the aim of growing their incomes.

A business like ours needs a thriving distribution network. The small-scale retailers who run independent stores, outlets and kiosks, or set up as micro-entrepreneurs making sales in the streets or house-to-house, bring our products to millions of consumers every day and their success is directly linked with our own. While programmes such as our Kabisig Summits in the Philippines and our Shakti programme in India are making a difference to small retailers at a local level, they have not been at a sufficient scale to help us achieve our target of reaching 5 million small-scale retailers by 2020.

Although we have piloted several new approaches to equipping retailers with skills, we have not yet taken these to scale. Since we set this target, we have adapted and refined our programmes and our newer initiatives now focus on providing retailers with access to finance and technology, not just on building their skills. However, these new initiatives do not fit our original definition (which related only to skills building), so they are not included in our 2020 result. These factors contributed to missing the target.

We've reflected on the lessons learned from running these programmes to promote more inclusive business. Our new Unilever Compass goal is to help 5 million small and medium-sized enterprises in our retail value chain grow their businesses through access to skills, finance and technology by 2025. This supports our aim to help transition retailers to the world of digital commerce – by providing them with tools and solutions that will make their businesses 'future-fit' and become more financially resilient.

# Endnotes

- 1 Of our total of 1.3 billion people reached, PwC have independently assured the number of people reached on a cumulative basis by an intervention through our on-ground programmes for: handwashing; self-esteem; sanitation; oral health; skin healing; and safe drinking water; plus TV reach from oral health. This total was 729 million† by the end of 2020.
- 2 The evidence that TV drives handwashing behaviour change comes from a [proof of principles study in India](#).
- 3 Results are reported by UNICEF in accordance with its methodology and includes reach from direct and indirect initiatives over 2012-2020; and also includes Cleaner Toilets, Brighter Futures reach over 2018-2020 of 213,000.
- 4 The evidence that TV drives handwashing behaviour change comes from a [proof of principles study in India](#).
- 5 We revised our target in 2014 to focus on the ongoing consumption of safe drinking water. It improves on our previous metric of people reached (which contributed 55 million people to our overall Health and Hygiene pillar by 2013).
- 6 See footnote 3.
- 7 See footnote 3.
- 8 To measure our progress in nutrition, we use a reporting period that runs from 1 October to 30 September. See our Highest Nutritional Standards.
- 9 For all other products in our Spreads portfolio, including our mélanges, we strive for the lowest saturated fat level possible without compromising on product performance and consumer and customer expectations.
- 10 We published our definition and approach to removing trans fats from partially hydrogenated vegetable oil in Melnikov S & Zevenbergen H. 'Implementation of removing trans fatty acids originating from partially hydrogenated vegetable oils'. New Food 2012; 5: 44-46. This approach focuses on the main ingredients in our recipes and doesn't include traces of trans fats from partially hydrogenated vegetable oil that may be found in some flavours or emulsifiers.
- 11 Our sugar reduction target applies to all ready-to-drink teas, powdered ice tea and milk tea products, liquid concentrates, retail and foodservice, and any new formats that are sweetened for the total time period of 2010 to 2020.
- 12 Our children's ice cream target was assessed at the end of Q4 2014; our packaged ice cream reporting assessed progress from Q4 2015 to Q3 2016. We continue to measure progress against our targets for transparency
- 13 A portion is defined as: a pre-packed, single-serve ice cream product meant to be consumed in one go, or 100 ml when sold in packaging aimed at multi-consumption moments like tubs.
- 14 These figures are based on global sales volumes from 1 April 2020 to 30 June 2020 of our Foods & Refreshment Division. They include those parts of the Pepsi Lipton business where Unilever is responsible for marketing and distribution as well as the products from Unilever Food Solutions. They exclude products marketed through other joint ventures and DOBs (distributor own brands) and the Spreads business, which was sold in July 2018.
- 15 Our GHG footprint target is expressed against a baseline of 2010 and on a 'per consumer use' basis. This means a single use, portion or serving of a product.
- 16 We continuously review our GHG footprint estimations to ensure we are using the best available data and thus improve the accuracy of our GHG emissions reporting. These changes can affect both the 2010 baseline and the annual emissions that we report. In 2020 we concluded that the changes required in certain estimations were sufficiently material to require us to formally restate prior years' reported changes in GHG emissions per consumer use. The impact of the new data was primarily in relation to the 2010 baseline and was due to the following factors:
1. A revision of our estimates about the amount of hot water used by consumers when using our products, such as shower gels, shampoos and washing up liquid.
2. The inclusion of the GHG emissions from the biodegradation of fossil-fuel derived ingredients at the end of a product's life in our Home Care and Beauty & Personal Care portfolio.
3. Errors in the GHG emissions from certain Savoury products.
- Relative to the revised 2010 baseline (50.5g CO<sub>2</sub>e per consumer use), our restated GHG performance was:
- 2018: 48.8g CO<sub>2</sub>e per consumer use, -3% versus 2010 (compared to +6% in the 2019 Annual Report and Accounts)
  - 2019: 46.7g CO<sub>2</sub>e per consumer use, -8% versus 2010 (compared to +2% in the 2019 Annual Report and Accounts)
  - 2020: 45.6g CO<sub>2</sub>e per consumer use, -10% versus 2010.
- While the GHG footprint results reported in the 2020 Annual Report and Accounts differ from those stated in the 2019 Annual Report and Accounts, the direction of change over the past three years remains the same.
- 17 Our water footprint target is expressed against a baseline of 2010 and on a 'per consumer use' basis. This means a single use, portion or serving of a product. We are reporting against our six water-using sub-categories (Hair Care, Home & Hygiene, Fabric Solutions, Fabric Sensations, Oral Care and Skin Cleansing) in seven water-scarce countries: China, India, Indonesia, Mexico, South Africa, Turkey and the US.
- 18 Our waste footprint target is expressed against a baseline of 2010 and on a 'per consumer use' basis. This means a single use, portion or serving of a product.
- 19 We aim to maintain our achievement of zero non-hazardous waste to landfill across our manufacturing sites worldwide. However, incidents can occur where small amounts of non-hazardous waste are sent to landfill in error or because of operational changes, e.g. Covid-19, acquisitions or supplier issues. We consider zero non-hazardous waste to landfill is maintained when less than 0.5% of non-hazardous waste is disposed to landfill in the 12-month period.
- 20 Since 2017 we have reported only core volumes of palm oil. Core volumes exclude derivatives of palm fatty acid distillates (which are by-products of the refining process), tail ingredients and materials processed by third-party manufacturers.
- 21 Where allowed by local legislation.
- 22 Around 592,000 women accessed initiatives under both the Inclusive Business and the Opportunities for Women pillars in 2020.
- 23 In 2016 we merged this target with our retail value chain target.

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