

Particulars

About Your Organisation

Organisation NameUnilever

Corporate Website Address<http://www.unilever.com>

Primary Activity or Product

- Manufacturer
-

Related Company(ies)No

Membership

Membership Number	Membership Category	Membership Sector
4-0001-04-000-00	Ordinary	Consumer Goods Manufacturers

Consumer Goods Manufacturers**Operational Profile****1.1 Please state what your main activity(ies) is/are within manufacturing**

- End-product manufacturer
- Food Goods
 - Instant Noodles Manufacturer
 - Margarine & Cooking Oil
- Home & Personal Care Goods
 - Laundry Detergents / Cleaning Products
 - Soap Tablet Finishing

Operations and Certification Progress**2.1 Do you have a system for calculating how much palm oil and palm oil products you use?**

Yes

2.2.1 Do you manufacture for:

Own Brand

2.2.2 Total volume of Refined Palm Oil or RBD Palm Oil used in the year:

272,187

2.2.3 Total volume of Palm Kernel Oil used in the year:

132,876

2.2.4 Total volume of other Palm Oil Derivatives and Fractions used in the year:

1,139,079

2.2.5 Total volume of all palm oil products you used in the year:

1,544,142

2.3 Palm oil volume used in the year in your own brands that is sourced through RSPO-certified physical supply chains:**In Your Own Brand**

No	Description	Refined palm oil/RBD palm oil (Tonnes)	Palm Kernel Oil (Tonnes)	Palm based derivatives or fractions (Tonnes)
1	Book & Claim	233,330.00	126,785.00	1,051,374.00
2	Mass Balance	30.00	-	3,075.00
3	Segregated	38,827.00	6,091.00	84,630.00
4	Identity Preserved	-	-	-
5	Total volume of palm oil handled that is RSPO-certified	272,187.00	132,876.00	1,139,079.00

2.4.1 Volume of Palm Kernel Expeller used/ handled:

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2.4.2 What type of products do you use CSPO for?

Unilever branded food, ice-cream, home care and personal care products.

The majority of the products where palm oil is an ingredient use certified sustainable palm oil (CSPO) mainly in the form of GreenPalm certificate coverage and to a lesser extent segregated palm oil. It includes all of our purchased crude and refined PO and PKO (including in oil blends), and some fractions and derivatives.

Unilever is committed to source traceable and certified palm oil by 2020. Year on year, we are making progress as indicated above. For the volumes declared under mass balance, these have been sourced from the facilities of suppliers that have been certified against the RSPO supply chain certification systems and where proof of evidence in the form of physical invoices demonstrated MB can be provided.

2.5 What is the percentage of certified sustainable palm oil in the total palm oil your company sells in:

Europe 7%
India --%
China --%
South East Asia --%
North America 2%

2.6 What is the percentage of certified sustainable palm kernel oil in the total palm kernel oil your company sells in:

Europe 2%
India --%
China --%
South East Asia --%
North America --%

Time-Bound Plan**3.1 Date expected to/or started to use any RSPO certified palm oil products - own brand**

2009

Comment:

We started buying Green Palm certificates in 2009.

3.2 Date expected to be using 100% RSPO certified palm oil products from any supply chain option - own brand

2012

Comment:

We achieved our target of 100% sustainably sourced palm oil mainly via GreenPalm certificates in 2012, ahead of our 2015 schedule.

Unilever is committed to source traceable and certified palm oil by 2020. Year on year, we are making progress as indicated above. For the volumes declared under mass balance, these have been sourced from the facilities of suppliers that have been certified against the RSPO supply chain certification systems and where proof of evidence in the form of physical invoices demonstrated MB can be provided.

3.3 Date expected to be using 100% RSPO certified palm oil from physical supply chains (Identity Preserved, Segregated and/or Mass Balance) - own brand products

2020

Comment:

Our target is 100% traceable and certified materials by 2020.

3.4 Do your (own brand) commitments cover your company's companies' global use of palm oil?

y

3.5 Does your company use palm oil in products in goods you manufacture on behalf of other companies?

y

When do you expect to actively promote the use of certified sustainable palm oil in other manufacturers' brands that you sell?

2020

3.6 Which countries that your organization operates in do the above commitments cover?

Algeria, Angola, Argentina, Australia, Bahrain, Bangladesh, Belgium, Bolivia, Brazil, Burundi, Canada, Chile, China, Costa Rica, Cote d'Ivoire, Czech Republic, Denmark, Dominican Republic, Ecuador, Egypt, El Salvador, Finland, France, Germany, Ghana, Greece, Guatemala, Honduras, Hungary, India, Indonesia, Iran (Islamic Republic of), Iraq, Ireland, Israel, Italy, Japan, Jordan, Kenya, Korea, Democratic People's Republic of, Korea, Republic of, Kuwait, Lebanon, Libyan Arab Jamahiriya, Malawi, Malaysia, Mexico, Morocco, Mozambique, Myanmar, Nepal, Netherlands, New Zealand, Nicaragua, Nigeria, Oman, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Puerto Rico, Qatar, Romania, Russian Federation, Rwanda, Saudi Arabia, Singapore, Slovakia (Slovak Republic), South Africa, Spain, Sri Lanka, Sudan, Sweden, Switzerland, Syrian Arab Republic, Taiwan, Province of China, Tanzania, United Republic of, Thailand, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukraine, United Arab Emirates, United Kingdom, United States, Uruguay, Venezuela, Vietnam, Yemen, Zambia, Zimbabwe

3.7 What are your interim milestones towards achieving RSPO certification commitment to your own-brands (year and progressive CSPO%) - please state annual targets/strategies

In 2009, Unilever made a commitment to cover 100% of our palm oil use with certified sustainable palm oil (CSPO) by 2015. We achieved this in 2012, three years ahead of our goal mainly through GreenPalm certificates. In 2012, we made a further commitment to physical traceable and certified palm oil by 2020, ensuring year on year, we will increase the volumes of physical traceable and certified palm in our supply chain.

At the end of 2014, all the palm oil (PO and PKO) bought for Unilever's food business in Europe will be RSPO segregated. This will represent approximately 12% of our global palm oil purchases. (Unilever also started to introduce mass balance into our supply chain at the end of 2014 for selected markets including Australia, and for brands like Dove. We have made a commitment to source all our palm oil purchases as mass balance for Australia by end 2015.

In addition, Unilever has committed to traceability to known origins. We ended 2014 with 70% traceability, having made progress from 58% traceability in September 2014 as reported in our Sustainable Palm Oil Progress Report, released in November 2014. Unilever's journey on traceability has highlighted many complexities in the supply chain. However, we will continue working towards achieving 100% traceability, and will report on our progress yearly.

3.8 Date of first supply chain certification (planned or achieved)

2011

Comment:

23 facilities in Europe were first certified in 2011 under Unilever Supply Chain Company (USCC).

Trademark Related**4.1 Do you use or plan to use the RSPO trademark on your own brand products?**

Yes

Please state for which product range(s) you intend to apply the Trademark and when you plan to start

Year: 2016

GHG Emissions**5.1 Are you currently assessing the GHG emissions from your operations?**

Yes

5.2 Do you publicly report the GHG emissions of your operations?

Yes

Actions for Next Reporting Period

6.1 Outline actions that will be taken in the coming year to promote sustainable palm oil.

- 1) Unilever will continue to increase the physical purchase of RSPO certified palm oil and palm kernel oil globally. We purchased 100% RSPO segregated palm oil materials into Europe for our foods business by the end of March 2015. We also started purchasing RSPO mass balance volumes at the end of 2014 for markets like Australia and for our home and personal care products. Will continue to increase our uptake in 2015, and have made a commitment to source all our purchased palm oil for Australia as mass balance by end 2015.
- 2) In 2014 Unilever required our palm oil suppliers to provide palm oil traceability information through the Known Sources traceability reporting platform. We define traceability as knowing the origin of palm oil used in the manufacturing of our products. This requires that our direct suppliers disclose the universe of mills for all the volumes of palm oil received in their processing sites that supply Unilever directly. Unilever requires that our suppliers continue to report traceability information in 2015.
- 3) Unilever has appointed the consortium of Proforest, Rainforest Alliance, and Daemeter Consulting to implement our Palm Oil Assurance Programme, launched in September 2014. The programme will work with suppliers to develop time-bound plans to achieve sustainability for identified originating CPO mills and plantations or smallholders that need support to achieve RSPO certification.
- 4) Unilever entered a partnership with the World Resource Institute (WRI) in September 2014, which will focus on the transparency of Unilever's supply base through the Global Forest Watch (GFW) online database. In 2015, the consortium will work with WRI on risk assessment methods to identify deforestation risks that exist in our supply chain. This will enable Unilever to work closely with our suppliers on joint sustainability roadmaps to reduce the risks associated with sourcing palm oil in our supply chain.
- 5) Unilever has also invested in a fractionation plant in North Sumatra, Indonesia that will require RSPO certified palm kernel oil from RSPO certified plantations and smallholders. The plant will be operational in 2015. In line with the fractionation plant, in 2013 Unilever entered into an MoU partnership with IDH, RSPO, and PT Perkebunan Negara III, which will focus on smallholder sustainability improvements to enable inclusion into the sustainable supply chain. This partnership focuses on increased crop productivity and quality, and access to finance and RSPO certification for smallholders. The partnership will enter a new implementation phase in 2015. This short-term pilot project is located within a 100km catchment of our oleochemical plant in Sei Mangkei, North Sumatra.
- 6) In parallel, Unilever has initiated a medium to long-term project to develop a landscape management framework which includes a design model to support smallholders' yield increase and livelihoods. The partnership between Unilever, Climate Policy Initiative and IDH (The Sustainable Trade Initiative) to develop this framework will look beyond individual mills and their plantation base to an integrated landscape where net positive impacts for local governments, businesses, and smallholders can be realized.
- 7) In 2014, Unilever became an active member of the Working Group to develop a Controlled Supply from Smallholder (CSS) approach under the Smallholder Acceleration and REDD + Programme (SHARP) – which aims to develop a more inclusive means for smallholders to achieve sustainable certification. In addition, Unilever participates in the RSPO Smallholder Working Group and FFB Legality Working Group, as well as the Traceability Working Group led by IDH (The Sustainable Trade Initiative) with the purpose of coming to an industry alignment on a traceability definition and risk assessment methodology. In addition to this, Unilever continues to work on existing partnerships with Solidaridad West Africa Palm Programme.
- 8) Unilever continues to take an active leadership role in the RSPO and to push for change among members, especially from the buyer end of sustainable palm oil, through co-chairing the Consumer Goods Forum, where we have challenged our peers to step up on their own commitments. The launch of Unilever's interim commitments to 100% purchased palm oil from known sources by end 2014, and the Sustainable Palm Oil Sourcing Policy inspired many other peer companies to also come out with similar goals, which will mean a further acceleration of industry change. We continue to co-chair the RSPO board, calling for stronger policing of its members and advocating for No deforestation standards.
- 9) Unilever obtained RSPO supply chain certification in 2014 and 2015 for two of our Australia sites, and will be certifying more of our sites in 2015.
- 10) Unilever's CEO continues to provide leadership in the Tropical Forest Alliance that will focus on the solutions to stop deforestation, and will engage with governments, private sector and NGOs to work collectively together.
- 11) Unilever is involved in multi-stakeholder work to define High Carbon Stock and implement a definition. We sit on the Steering Committee of the High Carbon Stock Study, which is led by a panel of independent scientists. The research team is headed by Professor John Raison, Chief Research Scientist and is undertaken under the auspices of the Sustainable Palm Oil Manifesto group. Unilever is also involved in the High Carbon Stock Approach (HCS), which is being developed as a tool to help companies and other stakeholders implement commitments to end deforestation. The tool-builds on a methodology developed by Greenpeace and TFT (The Forest Trust). It aims to provide practical and credible way to identify degraded areas suitable for potential plantation development and forest areas that merit protection to maintain and enhance carbon, biodiversity and social values. Our rationale for being involved in both processes is to help ensure that all stakeholders can align around a widely agreed and shared way of defining HCS forest that is both meaningful and practical. A globally-agreed standard for HCS will then need to be re-integrated into the RSPO, alongside HCV and Free Prior and Informed Consent (FPIC) for local people and communities.

Reasons for Non-Disclosure of Information

7.1 If you have not disclosed any of the above information, please indicate the reasons why

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- Others:

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Application of Principles & Criteria for all members sectors

8.1 Related to your sourcing, do you have (a) policy/ies, that are in line with the RSPO P&C such as:

- Water, land, energy and carbon footprints
[M-Policies-to-PNC-waterland.pdf](#)
 - Land Use Rights
[M-Policies-to-PNC-landuseright.pdf](#)
 - Ethical conduct and human rights
[M-Policies-to-PNC-ethicalconducthr.pdf](#)
 - Labour rights
[M-Policies-to-PNC-laborrights.pdf](#)
 - Stakeholder engagement
[M-Policies-to-PNC-stakeholderengagement.pdf](#)
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8.2 What steps will/has your organization taken to support these policies?

Unilever launched its Responsible Sourcing Policy (RSP) in April 2014, which supersedes our previous Unilever Supplier Code. This policy has introduced our continuous improvement ladder for suppliers and demonstrates a new, more rigorous but more rewarding approach to sustainable sourcing. Fundamental principles include fair compensation, land rights, lawful business conduct and reasonable working hours for workers.

Unilever measures reduction in GHG emissions, waste, and water use in our Unilever Sustainable Living Plan. Our commitment is to halve our environmental footprint from a baseline of 2009 in 2020. Additionally, Unilever is involved in multi-stakeholder work to define High Carbon Stock and implement a definition. We sit on the Steering Committee of the High Carbon Stock Study, undertaken under the auspices of the Sustainable Palm Oil Manifesto group. Unilever is also involved in the High Carbon Stock Approach (HCS), which is being developed as a tool to help companies and other stakeholders implement commitments to end deforestation. Unilever is engaging with key stakeholders including Greenpeace, the World Wildlife Fund (WWF), the Forest People's Programme (FPP), Rainforest Alliance and others to ensure a proper governance structure is being put in place to implement the output of this process.

Additionally, our Eliminate Deforestation position commits to ensuring no deforestation, that HCV, HCS, and tropical forests on peat soil are conserved, and that our RSP is implemented in our supply chains, requiring Free Prior and Informed Consent (FPIC).

In 2014, Unilever formalized our commitment to advancing human rights across our value chain as part of our Unilever Sustainable Living Plan. We released our first ever human rights report which outlines our goal not only to respect human rights but to actively advance them across all areas of the business. It describes how we are embedding respect for human rights in everything we do and highlights key areas of progress, including Unilever's work to empower women, our progress in the fight against sexual harassment, and addressing health and safety issues across the supply chain.

Greenhouse Gas Emissions Reduction -

<http://www.unilever.com/sustainable-living/the-sustainable-living-plan/reducing-environmental-impact/greenhouse-gases/>

Water, land, energy and carbon footprints –

<http://www.unilever.com/sustainable-living/the-sustainable-living-plan/reducing-environmental-impact/greenhouse-gases/>

Land use rights –

http://www.unilever.com/Images/slp-Unilever-Responsible-Sourcing-Policy-2014_tcm244-409819.pdf

Ethical conduct and human rights –

http://www.unilever.com/Images/sd_Unilever-Human-Rights-Report-29-June-2015_tcm244-429448.pdf

Labour rights -

<http://www.unilever.com/sustainable-living/the-sustainable-living-plan/enhancing-livelihoods/fairness-in-the-workplace/index.html>

Stakeholder engagement -

<http://www.unilever.com/sustainable-living/the-sustainable-living-plan/our-approach-to-reporting/engaging-with-stakeholders/index.html>

Commitments to CSPO uptake

As you don't source 100% CSPO through physical supply chains (IP/SG/MB), please answer the following questions: Do you have plans to?

Yes

Please specify

Our plan is to source all our palm oil traceable to known and certified sources by 2020.

9.1 Do you have plans to immediately cover the gap using Book & Claim?

Yes

How and when do you plan to immediately cover the gap using Book & Claim?

Since 2012, we have covered 100% of our palm oil use mainly with Greenpalm certificates and will progressively increase the volumes of mass balance and segregated palm oil into our supply chain.

Concession Map

Do you agree to share your concession maps with the RSPO?

No

Please explain why

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Challenges

1 What significant economic, social or environmental obstacles have you encountered in the production, procurement, use and/or promotion of CSPO and what efforts did you make to mitigate or resolve them?

Consumers still lack a sound understanding of palm oil, which is seen to have a strong link to deforestation. This has been a challenge for Unilever in some markets, particularly in Europe and Australia. As such, we can say that all the palm oil purchased for our Europe foods business is RSPO segregated, and are working towards mass balance for palm oil purchased for Australia by end 2015.

Additionally, NGOs are calling on companies - users and growers - to go beyond RSPO standards and to adopt stronger stances on no deforestation and human rights, and to have time-bound plans for suppliers. Unilever is continuously engaging our suppliers and are working with the consortium of Proforest, Daemeter and Rainforest Alliance to implement our risk assurance programme.

Since embarking on traceability, we have identified several major difficulties that make traceability particularly difficult for palm oil, including supply chain complexities, lack of readiness of the industry for traceability reporting, purchases through commodities trading, government controlled palm oil purchases, complexities with oleochemicals and derivatives, and difficulty in tracing palm kernels. One of our next steps is our new processing plant in Sei Mangkei, Indonesia. The plant will be operational in 2015 and will be sourced with palm oil from certified origin by 2020 at the latest. This will give us greater traceability within our own supply chain. We are building relationships with selected palm kernel oil suppliers to secure the long-term sourcing of palm kernel oil – and asking our suppliers to commit to accelerating this oil first to traceable and then to certified sources.

Integrating smallholders into sustainable supply chains also remains a critical challenge, though Unilever is working together with industry partners including RSPO, IDH, PTPN III and CPI on a model to further engage smallholders. This work focuses on increased crop productivity and quality, and access to finance and RSPO certification, which would increase the supply of available certified sustainable palm oil. At present, there are still insufficient supplies of segregated palm oil volumes globally to meet Unilever's sourcing requirements.

It is clear that there is a need for the industry to work together towards palm oil traceability, transparency, and effective engagement with suppliers and industry stakeholders in transforming the palm oil industry to eliminate deforestation and help us meet our sustainable palm oil commitments. We purchase 3% of the world's palm oil and know we cannot end deforestation by ourselves – we need the wholesale transformation of supply chains towards more sustainable models.

Until this is achieved, palm oil, and other commodities that drive deforestation, will continue to be stigmatised in ways that will negatively affect Unilever, even if our entire supply chain is traceable and certified as sustainable. Until 100% of globally traded palm oil is sustainable, none of it is.

2 How would you qualify RSPO standards as compared to other parallel standards?

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Cost Effective:

No

Robust:

Yes

Simpler to Comply to:

Yes

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

We want to work with key stakeholders in the industry to transform both our own supply chain and the sector as a whole. We do not expect our suppliers to be fully compliant with our sourcing policy today, but we do require that they declare to us the origin of mills and demonstrate a willingness to work together to achieve the goals set out in our policy.

No one company can protect forests on its own, which is why governments, business and civil society must work together. We are proud to play our part in the Consumer Goods Forum (CGF), where we co-chair the Consumer Goods Forum (CGF) working group charged with delivering the CGF Board Resolution to help achieve zero net deforestation by 2020, and collaborative initiatives such as the Tropical Forest Alliance 2020 (TFA). This is a partnership between the CGF, the governments of Norway, USA, UK, the Netherlands, Indonesia and Liberia, and a large number of NGOs with the goal to eliminate deforestation from supply chains of consumer goods companies.

In 2014, Unilever appointed the third-party Consortium of Proforest, Daemeter and Rainforest Alliance to implement our Palm Oil Assurance Programme. The intention of the programme is to identify areas where Unilever can jointly work together with our suppliers at ground-level to meet our Sustainable Palm Oil Sourcing Policy commitment by 2020 or earlier. The data on certified palm oil mills provided by our suppliers through Known Sources will allow us to analyse and identify deforestation trends and sustainability risks where palm oil is being produced. The Consortium is working with WRI, with whom Unilever signed a partnership in 2014, to align risk assessment methods. Unilever's will use WRI's Global Forest Watch Commodities (GFW Commodities) tool to overlay our palm oil mill map with their deforestation hotspot map to monitor forest cover change around commodity supply chains and processing facilities, and better determine what risks linked to deforestation exist in our supply chain.

Unilever is also engaging with other industry stakeholders as an active participant in the Traceability Working Group, chaired by IDH (The Sustainable Trade Initiative), and on RSPO's Smallholder Working Group and FFB Legality Working Group.

4 Other information on palm oil (sustainability reports, policies, other public information)

(1) Unilever's sustainable sourcing reporting is officially done on a calendar year basis. This report contains information covering January 2014 - December 2014 which is based on our full year data.

(2) Note on question 2.3, In Your Own Brands: i) Unilever has included our mass balance volumes purchased in 2014. Though the site has not yet been RSPO MB certified, we have the necessary invoices and documentation showing our MB purchases, and are in the process of getting supply chain certified, ii) However, in 2014, Unilever redeemed more GreenPalm certificates than actual volume needed – the MB volumes reported have actually been covered by GP certificates.

(3) Note on question 2.5 and 2.6, our MB volumes were incorporated into this calculation.

(4) Note on question 6.1, Unilever's purchase of MB is as the terms of (2(i)) above.

(5) Please note that information for Unilever as a global company has been submitted for both the Unilever and USCC reports.
