1. **What do we mean when we say something is “sustainably sourced”?**

   Suppliers will be either certified against a range of leading sustainability standards, or have gone through a rigorous self-assessment against the Unilever Sustainable Agriculture Code. In all cases, farmers involved will meet a set of threshold sustainability requirements, and will be committed to improvement programmes on elements of farming covering people, planet and profit.

2. **Why do you call all these external standards “sustainable”? Surely there are differences?**

   Unilever has developed the Code over a number of years following pilots with farmers and consultation with a wide group of stakeholders. We benchmark external standards which our suppliers use against our Code. Where we find sufficient levels of similarity, in the scope and ambition level of the standard and the rigour of implementation and verification, we have decided to consider these certification schemes as equivalent to our Code.

   Several of these schemes are members of ISEAL, which is considered to be the leading organisation in developing and implementing social and environmental labelling schemes. Since many of these schemes were set up with a specific purpose (e.g. poverty alleviation, protection of rainforest), these standards have a specific focus. Although we recognise the differences in the focus of these schemes, we consider them amongst the best in class in certification schemes in this area.

3. **What is the difference between the Unilever “sustainable sourcing” and “responsible sourcing” agenda?**

   Responsible sourcing is our general approach to all first tier suppliers to Unilever, linked to the ‘supplier code’ – sustainable sourcing is specific to agricultural raw materials.

4. **How does Unilever decide which external standards to look at and include in Annexes I and II?**

   Our Sustainable Sourcing team speaks regularly to our suppliers and has a good idea about what standards they use and also what alternative standards exist. If they are widely used and relevant for our raw materials we will benchmark them against our own Sustainable Agriculture Code.

5. **What happens if some of my farmers don’t make the improvements in the improvement plan?**

   You need to work closely with farmers who you think are not making progress and if necessary provide them with extra sources of information or help to improve. If they have not been part of the sample for self-verification this may not seem relevant to them, but you need to explain why the sustainability programme is important to you and Unilever and try to make it clear what the benefit is to the farmer. The overall goal is that all farmers working with Unilever should improve their performance over time. In order for all of the volume to count as ‘sustainably sourced’, all farmers must reach the minimum score required.

6. **Why does the requirement on musts per section increase from 50% to 80%?**
Unilever requires suppliers to continuously improve sustainability practices. This requirement should ensure that farmers continue to find new ways to improve their performance over time. Even after reaching the target of 80% per section we expect to see further improvement.

7. What should I do if it looks as if I will fail the target for improvement by year 4?
If you can see in advance that some farmers are not continuously improving and you have already tried to encourage them, you should talk through the problem with your Control Union or Unilever contact to try and find a solution.

8. When are the self verification assurance spot checks likely to start?
We are currently analysing the results of a pilot of spot checks we carried out during 2012 and will be finalising the details of future spot checking by the end of 2012. The self verification spot checks will be done by an external verification company.

9. Why do you accept a biofuel standard if you are against the use of first generation biofuels?
One of our implementation principles is to seek equivalence to our code and reduce duplication of effort for our suppliers and their farmers. We partially accept the ISCC certification from our supplier partners in Germany, where the ISCC standard is prevalent in oilseed rape production and it made pragmatic sense to do this. Where on farm production practices can be demonstrated to comply with our Unilever sustainable sourcing requirements, irrespective of a food or non-food end use, we will accept them. Our policy on biofuels is not affected by this. For more details on this policy, please see http://www.unilever.com/images/sdPromotingSustainableBiofuelstcm13212663.pdf.

10. How can Unilever recognise the RTRS as a sustainability standard, when it allows GM soy?
The Unilever Sustainable Agriculture Code does not require farmers to be GM-free. Sustainability issues can exist within both GM and non-GM systems - the SAC requires farmers to implement responsible farm practices whatever the farming system, as does the RTRS standard. Unilever’s local companies are free to use ingredients derived from GM crops, as long as they have been approved by the regulatory authorities and meet our own standards for quality and acceptability. The decision whether or not such ingredients will be used is made at local and regional level, taking into account public perception, national legislation, availability and costs of alternatives and attitudes of our customers, including the retail trade.

11. Are all your raw materials sustainable now?
We cannot claim our raw materials are sustainable. We want to claim that our renewable raw materials come from farmers and suppliers who are working according to clear criteria, laid down in standards, which cover all elements of sustainable farming. We will only make such claims when we are satisfied that farmers and suppliers do indeed comply with these criteria. This is either when they have been certified against a certification scheme which we recognise as equivalent to our Sustainable Agriculture Code, or when they have fulfilled the scheme rules which we apply for suppliers who do self assessment against our Code.

12. Where and when will the annual updates be published?
The first update to the scheme rules has been completed and the new version (v2.0) will come into effect on 1 October 2012. The new version is available on the Unilever Supplier website, and communication on its release will be published in the Unilever Supplier
magazine ‘The Sustainable Source’ to be published before the end of September. A change log is also available to explain what changes have been made in v2.0.

The next review of the scheme rules will be published in approximately 12 months time, although updates to the Annexes will be made when and if standards are added. Annex updates will be published on the Unilever Supplier website.

13. **What are the main changes that have been made in v2.0?**

   The main changes fall into 3 categories:
   a. Changes to do with when material counts as sustainably sourced (Unilever will no longer backdate volumes of sustainably sourced raw materials to the beginning of the year – now it will count the volume from the date at which compliance with the Unilever SAC scheme rules is confirmed.)
   b. Changes to do with timing of re-assessments (suppliers will not have to complete a reassessment within 12 months, they will now have up to 18 months to carry out subsequent assessments.)
   c. Additions and clarifications to Annexes (we have added some new standards to Annex II, and also made it clearer which areas are NOT covered by standards, as well as the areas that ARE. This helps suppliers understand the gaps that need to be filled.)

   These changes should make things clearer and more flexible for suppliers and other stakeholders.

14. **What if I have already started an assessment? Which version of the scheme rules will apply?**

   Suppliers and farmers have a transition period of 12 months from the date of publication within which to comply with any changes. Therefore:
   - any assessment completed before the date of publication remains valid under the old scheme rules
   - any assessment started before 1 October 2012, can be finalised under v1.0 of the scheme rules
   - every assessment that is started after 1 October will follow v2.0 of the scheme rules