



Unilever Basis of Preparation 2022

For sustainability metrics selected for
independent assurance



Unilever

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1. Introduction

PricewaterhouseCoopers LLP (PwC) has been appointed to provide independent limited assurance of selected Unilever Compass and Environmental and Occupational Safety (EOS) performance measures. This Basis of Preparation document sets out how these Compass and EOS performance measures, described in Section 2 below, have been prepared and reported, including their reporting periods.

The selection of Compass and EOS performance measures for independent limited assurance is explained in the 'Independent Assurance' section of Planet & Society online. Our Compass and EOS targets and the performance results achieved are described in full in the Annual Report & Accounts <https://www.unilever.com/investors/annual-report-and-accounts/> and in our Sustainability performance data <https://www.unilever.com/planet-and-society/sustainability-reporting-centre/sustainability-performance-data/>.

Unlike financial accounting standards, currently there are no industry norms or globally recognised established practices for measuring and evaluating performance data of this type. While these practices are evolving, it is important therefore to understand the approach we have taken with our data. We have established objective measurement techniques, including appropriate estimates and assumptions, for our performance data.

2. Scope

This document summarises the definition, scope and data preparation for the performance measures listed below. The preparation of the Compass and EOS performance measures is detailed in Sections 4 and 5 respectively. Unless otherwise indicated, the performance data includes newly acquired businesses as soon as the appropriate processes and systems are implemented to enable consistent data collation and Unilever Group level consolidation.

Operations categorised as joint ventures or investments are excluded from the scope of all performance measures, unless otherwise indicated. The results of disposed businesses are included in the performance measures up to the date of disposal.

We ensure that appropriate procedures are in place to report performance data, in all material respects, as set out in this document. These procedures ensure that:

- the reported information reflects our performance;
- the data is meaningful and is consistent with the stated definitions and scope;
- any specific exclusions are stated clearly and explained;
- any assumptions we make as well as our accounting and calculation methods are clearly described; and
- the level of transparency is sufficient to enable users to have confidence in the integrity of our reporting.

2.1 Compass performance measures

Compass Indicator	Performance measure	2022 reported performance result
<p>Climate Action: Zero GHG emissions in our operations by 2030</p>	<ul style="list-style-type: none"> The percentage change in greenhouse gas (“GHG”) emissions from energy and refrigerant use in our operations between the period measured from 1 October 2014 to 30 September 2015 (“2015 baseline”) and the period measured from 1 October 2021 to 30 September 2022 (“2022 footprint”). 	<ul style="list-style-type: none"> 68% decrease in the GHG emissions in our operations
<p>Waste-free world: 100% reusable, recyclable or compostable plastic package by 2025 (actual)</p> <p>100% reusable, recyclable or compostable plastic package by 2025 (technical)</p>	<ul style="list-style-type: none"> Total tonnes of recyclable, reusable or compostable plastic packaging used in products sold as a % of total tonnes of plastic packaging used in products sold between 1 July 2021 to 30 June 2022. Total tonnes of technically recyclable, reusable or compostable plastic packaging used in products sold as a % of total tonnes of plastic packaging used in products sold between 1 July 2021 to 30 June 2022. 	<ul style="list-style-type: none"> 55% of total tonnes of reusable, recyclable or compostable plastic packaging used 71% of total tonnes of reusable, recyclable or compostable plastic packaging used
<p>Positive nutrition Double the number of products sold that deliver positive nutrition by 2025</p> <p>70% of our portfolio to meet WHO-aligned nutritional standards by 2022</p> <p>85% of our Foods portfolio to help consumers reduce their salt intake to no more than 5g per day by 2022</p>	<ul style="list-style-type: none"> The percentage of Unilever’s Nutrition and Ice Cream product sales, by number of servings sold, that meet Unilever’s Standards for “Positive Nutrition”, in the period 1 October 2021 of the previous year to 30 September 2022. The percentage of Unilever’s Nutrition and Ice Cream product sales by volume, that meet WHO-aligned nutritional standards, in the period 1 October 2021 to 30 September 2022. The percentage of Unilever’s Food product sales by volume, that meet Unilever’s standards for salt, designed to help consumers reduce their salt intake to no more than 5g per day as part of the WHO-aligned nutritional standards, in the period 1 October 2021 to 30 September 2022. 	<ul style="list-style-type: none"> 48% of our products sold delivered positive nutrition 64% of our portfolio by volume met WHO-aligned nutritional standards 82% of portfolio by volume met Unilever’s standards for salt
<p>Raise living standards Help 5 million SMEs to grow their business by 2025</p>	<ul style="list-style-type: none"> The number of small and medium-sized enterprises (SMEs) in Unilever’s retail value chain which have used a Unilever digital platform to purchase products in the reporting period from 1 October 2022 to 31 December 2022. 	<ul style="list-style-type: none"> 1.8 million SMEs

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2.2 EOS performance measures

EOS Indicator	Performance measure	2022 reported performance result
Water Reduce water use in manufacturing	<ul style="list-style-type: none"> Water abstracted in m3 per tonne of production in 2022. 	<ul style="list-style-type: none"> 1.54 m3/tonne
	<ul style="list-style-type: none"> Change in the volume of water in cubic meters (m3) abstracted in 2022 (this covers the period 1 October 2021 to 30 September 2022) compared to 2008 (1 January 2008 to 31 December 2008).* 	<ul style="list-style-type: none"> 28.24 million fewer m3 of water abstracted in 2022 than in 2008
	<ul style="list-style-type: none"> Percentage change in the water abstracted per tonne of production in 2022 (1 October 2021 to 30 September 2022) compared to 2008 (1 January 2008 to 31 December 2008).* 	<ul style="list-style-type: none"> 48% reduction in water abstracted per tonne of production in 2022 compared to 2008
	<ul style="list-style-type: none"> Chemical oxygen demand (COD) in kg per tonne of production in 2022 (this covers the period 1 October 2021 to 30 September 2022). 	<ul style="list-style-type: none"> 0.96 kg/tonne
Energy and GHG emissions Reduce GHG from manufacturing	<ul style="list-style-type: none"> CO₂ emissions from energy use in tonnes (market-based) in 2022. 	<ul style="list-style-type: none"> 557,826 tonnes (market- based)
	<ul style="list-style-type: none"> CO₂ emissions from energy use in tonnes (location-based) in 2022. 	<ul style="list-style-type: none"> 1,562,623 tonnes (location-based)
	<ul style="list-style-type: none"> CO₂ emissions from energy use in kg per tonne of production (market-based) in 2022. 	<ul style="list-style-type: none"> 30.35 kg/tonne
	<ul style="list-style-type: none"> Change in the tonnes of CO₂ from energy (market-based) in 2022 (1 October 2021 to 30 September 2022) compared to 2008 (1 January 2008 to 31 December 2008)*. 	<ul style="list-style-type: none"> 2,228,056 fewer tonnes of CO₂ from energy use in 2022 than in 2008
	<ul style="list-style-type: none"> Percentage change in CO₂ from energy use (market-based) per tonne of production in 2022 (1 October 2021 to 30 September 2022) compared to 2008 (1 January 2008 to 31 December 2008)*. 	<ul style="list-style-type: none"> 79% reduction in CO₂ from energy use (market-based) per tonne of production in 2022 compared to 2008
	<ul style="list-style-type: none"> Energy use in gigajoules per tonne of production in 2022. 	<ul style="list-style-type: none"> 1.22 GJ/tonne
Waste Reduce waste from manufacturing	<ul style="list-style-type: none"> Hazardous waste in kg per tonne of production in 2022. 	<ul style="list-style-type: none"> 0.28 kg/tonne
	<ul style="list-style-type: none"> Non-hazardous waste in kg per tonne of production in 2022. 	<ul style="list-style-type: none"> 0.03 kg/tonne
	<ul style="list-style-type: none"> Total waste sent for disposal per tonne of production in 2022. 	<ul style="list-style-type: none"> 0.31 kg/tonne
	<ul style="list-style-type: none"> Change in the tonnes of total waste sent for disposal in 2022 (1 October 2021 to 30 September 2022) compared to 2008 (1 January 2008 to 31 December 2008)*. 	<ul style="list-style-type: none"> 145,311 fewer tonnes of total waste sent for disposal in 2022 than in 2008
	<ul style="list-style-type: none"> Percentage change in the total waste sent for disposal per tonne of production in 2022 (1 October 2021 to 30 September 2022) compared to 2008 (1 January 2008 to 31 December 2008)*. 	<ul style="list-style-type: none"> 96% reduction in total waste sent for disposal per tonne of production in 2022 compared to 2008
	<ul style="list-style-type: none"> The number of occupational injury or work-related ill-health (WRIH) events which results from exposure to an occupational health and safety hazard(s), in the course of employment which results in death in 2022 (this covers the period 1 October 2021 to 30 September 2022).The Accident Rate (Total Recordable Frequency Rate) (this covers the period 1 October 2021 to 30 September 2022). 	<ul style="list-style-type: none"> 1 fatality
<ul style="list-style-type: none"> The number of occupational accidents per one million hours worked (this covers the period 1 October 2021 to 30 September 2022). 	<ul style="list-style-type: none"> 0.67 accidents per 1 million man-hours worked 	

* The baseline 12-month reporting period is comparable to the 12-month reporting period for 2022.

3. Data sources

Our objective is to gather and report reliable and robust data. We are committed to providing transparency on the quality of the data where we consider there are matters which are material to users of the information. The information we report is subject to internal review processes and, where relevant and/or required, peer review. All performance measures in the above tables, 2.1 and 2.2, are subject to external assurance unless specifically noted.

Compass performance measures

Our data reporting systems for Unilever Compass targets and performance are evolving and we continue to work to align data recording and reporting methods across the Unilever Group. This includes working with third parties where we rely on their data to provide input and support our performance.

EOS performance measures

Every year we collect data on key measures of environmental performance. This is collated and analysed using a web-based Environmental Performance Reporting tool (EPR). Since 2008, we have reported our CO₂ emissions with reference to the GHG Protocol**.

For the reporting period 1 October 2021 to 30 September 2022, 247 sites in 64 countries reported environmental performance data. In some cases, multiple factories occupy one manufacturing site. For the two occupational safety performance measures, we collect data from our manufacturing sites and non-manufacturing sites via our Occupational Safety (OS) tool. For the reporting period 1 October 2021 to 30 September 2022, 516 sites reported occupational safety performance measures.

** The Greenhouse Gas Protocol Initiative is a multi-stakeholder partnership of businesses, NGOs, governments and others convened by the World Resources Institute (WRI), US-based environmental NGO, and the World Business Council for Sustainable Development (WBCSD), a Geneva-based coalition of 200 international companies. Launched in 1998, the Initiative's mission is to develop internationally accepted greenhouse gas (GHG) accounting and reporting standards for business and to promote their broad adoption.

4. Compass performance data preparation

Sections 4.1 – 4.7 detail the basis of preparation for each Compass performance measure.

4.1 Climate Action: Zero GHG emissions our operations by 2030

Performance measure:

The percentage change in greenhouse gas ("GHG") emissions from energy and refrigerant use in our operations between the period measured from 1 October 2014 to 30 September 2015 ("2015 baseline") and the period measured from 1 October 2021 to 30 September 2022 ("2022 footprint").

Definitions:

Greenhouse gas emissions from energy and refrigerant use:

We measure CO₂ and HFC emissions from our operations, which are two of the seven GHG's required to be reported under the GHG Protocol. We do not measure the five other GHG's because our emissions are negligible. These are: methane (CH₄), nitrous oxide (N₂O), perfluorocarbons (PCFs), sulphur hexafluoride (SF₆), Nitrogen Trifluoride (NF₃). GHG and HFC emissions are classified as follows:

- GHG emissions from energy used in operations or energy sold is classified in two categories: Scope 1 (emissions from energy generated from fossil fuels) and Scope 2 (emissions from energy generated from purchased electricity and steam). Each category of energy used or sold is converted to gigajoules (GJ), using standard conversion factors and calorific values. Energy (GJ) is converted into GHG (in kg CO₂ per GJ) using a carbon emission factor for each energy type. The carbon emission factors for Scope 1 are applied based on Intergovernmental Panel on Climate Change ("IPCC") and for Scope 2 are applied in terms of the market-based method provided by the GHG Protocol. Electricity consumption is reported as renewable based on application of RE100 Reporting Guidance 2021.
- GHG Emissions from refrigerant consumption is classified in Scope 1 and refers to emissions from HFC refrigerants and refrigerant blends containing HFCs. These are unintended emissions from pressurised equipment or leaks (fugitive losses). GHG emissions are calculated by multiplying consumption volume in kg by each refrigerant type's Global Warming Potential (GWP) in kg CO₂e per kg refrigerant.

Our operations: Unilever operated manufacturing sites, non-manufacturing sites (offices, R&D sites, and data centres) and logistics sites (warehouses and distribution centres). As well as using energy at these sites, at certain manufacturing sites energy is generated and sold to third parties, for example, where Unilever sells a business and the site is split, but the boiler supplying energy for the full site is on the Unilever site, or excess electricity from combined heat and power units which is sent to the grid. Energy generated and sold is included in this performance measure.

Scope:

Operational sites: Sites covered by the performance measure are:

Manufacturing sites: All manufacturing sites are included where Unilever has operational control. By operational control we consider sites which are owned or leased by Unilever, where Unilever personnel are running/controlling the site and the site manufactures or packs Unilever or third-party products or materials used in Unilever products. For new sites being commissioned, the site will have been released for normal production for more than 72 consecutive hours; quality norms will have been achieved over a similar time period while running

at rated throughput, with all sections / modules within the plant able to perform to rated parameters; technology guarantee checks will have been performed by technology providers and R&D sign-off obtained.

Non-manufacturing sites: All R&D sites and data centres are included. We don't collect energy data from all our offices as we have many small office sites for which data collection is impractical. We collect energy data representing approximately 85% of total energy used by our offices.

Logistics sites: Logistics sites which are owned or leased by Unilever, where Unilever is the sole user of the facility under a contract minimum of a year or more and where the energy is paid for directly by Unilever, with a minimum storage capacity of 15,000 pallets.

GHG emissions excluded from the performance measure are:

- Intermittent and non-material energy use such as energy from diesel/LPG used in forklifts, fire trucks, testing power generators, emergency back-up generators and fuels used in canteens on our manufacturing sites. These exclusions do not exceed 0.5% of total energy use.
- Emissions relating to third party manufacturing and/or packaging of our products because we lack access to the site energy data (in line with the GHG Protocol).
- GHG emissions from employees working at home.

Performance data preparation and assumptions
Data collection and calculation
Energy used and sold:

Energy used and sold data is taken from meter readings/invoices and captured for each site in the Safety, Health and Environmental ("SHE") Reporting system. The SHE system contains factors to convert common units of energy (e.g. cubic metres of gas or tonnes of oil) to a standard unit of energy (GJ). The SHE system summarises and aggregates the energy data into standard reports by site and at regional and global levels.

Carbon emission factors:

Emission factors used to convert energy (GJ) into GHG (kg CO₂ per GJ) are obtained from the following sources:

- Factors for Scope 1 energy sources such as fuels are provided by the Intergovernmental Panel on Climate Change ("IPCC").
- Factors for Scope 2 purchased electricity and purchased steam are taken from contractual instruments which Unilever has purchased or entered or are provided by suppliers based on their fuel usage, in line with GHG Protocol's Scope 2 Market Based method. Where RECs are applied, electricity consumption is reported as being renewable with an emission factor of zero.

Renewable Energy Certificates (RECs):

Annual contracts are agreed with third party suppliers during the first half of each calendar year based on

estimated electricity consumption provided by each operational site to the relevant Cluster Safety, Health and Environmental ("SHE") Sustainability team. These are collated by the Group SHE Director and volumes to be contracted in each country agreed with the Procurement team.

RECs are purchased after the end of the reporting period once the total electricity purchased and generated has been reviewed and approved by the Group SHE Director. Procurement confirms volumes to the supplier and the supplier delivers the RECs to Unilever based on the volume. The electricity against which the RECs are matched is reported as renewable in EPR.

The Group SHE Director uses the energy data, carbon emission factors and RECs to calculate emissions from energy used and sold.

Refrigerant use:

HFC consumption data is taken from site maintenance records which are captured for each site in the SHE Reporting system.

No HFC consumption data was collected from logistics and non-manufacturing sites in 2015. Our analysis shows that this missing data is not material to total emissions.

Refrigerant Global Warming Potential:

The SHE Reporting system contains the Global Warming Potential (GWP) factors for each refrigerant type and converts refrigerant losses (in kg) to GHG emissions. GWP factors for HFC refrigerants are provided by the IPCC.

The Group SHE Director uses the HFC consumption data to calculate emissions from refrigerant use.

Total GHG emissions: This is the sum of GHG emissions from energy used, energy sold and from refrigerant use, reported in tonnes.

Percentage change: The percentage change in GHG emissions is the total GHG emissions in the 2022 footprint compared to total GHG emissions in the 2015 baseline.

**4.2 Waste-free world:
100% reusable, recyclable or
compostable plastic package by 2025
(actual)**

Performance measure:

Total tonnes of recyclable, reusable or compostable plastic packaging used in products sold as a % of total tonnes of plastic packaging used in products sold between 1 July 2021 to 30 June 2022.

Definitions:

- **Plastic:** refers to materials consisting of a polymer to which additives or other substances may have been added and which can function as a main structural component of final packaging. Unilever's packaging comprises a range of different plastics, comprising both rigid (such as

PET, PP, HDPE bottles) and flexible (such as laminated pouches, sachets and tubes) forms.

- **Plastic packaging used in products sold:** refers to plastic contained in the primary and secondary packaging of products that are sold by Unilever to the customer/consumer. For packaging which is made of multiple materials, those that are predominantly plastic by weight are defined as plastic packaging. This means that when each material within the packaging is considered separately, if plastic is the single greatest material by weight, the whole item is considered "plastic packaging". Conversely, if plastic is not the single greatest material by weight within a packaging item, the whole item is not considered "plastic packaging".
- **Recyclable plastic packaging:** is plastic packaging that is technically possible to recycle and for which there are established examples of it being commercially viable for plastics processors to recycle the plastic packaging in the region where the product is sold. The region refers to the country in which the product is sold and nearby countries where the disposed plastic packaging may be transported to be recycled.
- **Reusable plastic packaging:** is plastic packaging which has been designed to be used, then refilled more than once and used again for the same purpose. It must also be recyclable at the end of its life.
- **Compostable:** refers to packaging which meets the international standards and definitions for compostability i.e. the definition contained in ISO14021 and the EN 13432 standard, and for which the local country infrastructure enables composting to take place i.e. there is a system in place which is suitable for collecting and composting plastic packaging in the country where the product is sold. The porous sachets containing the tea in our tea bag products are included in the definition.

Scope:

The performance measure includes products sold in 27 countries: Argentina, Australia, Brazil, Canada, Chile, China, Egypt, France, Germany, India, Indonesia, Italy, Japan, Mexico, Netherlands, Nigeria, Pakistan, Philippines, Poland, Russia, South Africa, Spain, Thailand, Turkey, United Kingdom, United States, Vietnam.

Products for which sales volumes are not included in Unilever's 4 core systems/databases are not included in the performance measure. Any Pepsi Lipton joint venture products included in those systems are also not included.

We estimate that the performance measure covers approximately 83% of Unilever's total plastic footprint.

Performance data preparation and assumptions:

The performance measure calculation is: The total tonnes of recyclable, reusable or compostable plastic packaging used in products sold divided by total tonnes of plastic packaging used in products sold, expressed as a percentage.

Reusable plastic packaging is also recyclable and is therefore part of the calculation of percentage recyclable plastic packaging. The percentage of

reusable plastic packaging is currently not separately identified within the calculation.

The volumes of products sold (number of cases and tonnes), net of product returns, is extracted from Unilever sales systems. We assume that all products we sell to our customers are sold on to consumers.

For each product sold, the product code is used to extract the following packaging specifications from the Unilever specification system:

- Type of packaging (e.g. bottle, cap, tube, flexible packaging)
- Packaging manufacturing technology used (e.g. mono-layer bottle)
- Packaging material classification (e.g. aluminium, plastic etc)
- Packaging material type (type of plastic e.g. HDPE, PET)
- Weight of each type of packaging (grams)

This data is recorded for each product in a database. All sales of products with non-plastic packaging are discarded. For plastic packaging components which contains some non-plastic elements, the weight of the non-plastic elements is re-classified as the predominant plastic component in that packaging.

The packaging weight for each product sold is calculated by multiplying the number of units sold by the packaging weight per unit.

Approximately 13% of products based on sales volumes do not have the complete information required to undertake the calculations. Information is considered to be complete if all the required packaging weights are complete and within an accepted range for the type of packaging as determined by R&D packaging experts and validated by the R&D Packaging Directors. Where the information is incomplete, values are automatically allocated based on the average of the most similar products available with complete data - products in the same Unilever category, country, brand and with the same type of packaging and packaging material type. A list of all those products which did not have complete information so new values have been applied is reviewed by the before mentioned packaging experts.

Calculate total tonnage of plastic packaging sold:

The weight of all packaging classified as plastic for each product sold is calculated by multiplying the number of units sold by the packaging weight. This is summed to provide the total tonnes of plastic packaging used in products sold.

Calculate total tonnage of recyclable or compostable plastic packaging sold:

The global packaging team researches and uses their expert knowledge to develop a list of the types of plastic packaging e.g. HDPE bottle, multi-material flexibles, which are widely collected (formally or informally) and are recyclable or are compostable in each of the 27 markets. This information is gathered from various sources, such as governmental organisations, global packaging sustainability experts and Unilever environmental experts, throughout the year and recorded in a table. The table is reviewed and signed-off annually by the Global Head of Packaging.

The types of plastic packaging for each of the products sold are mapped to the table containing the types of plastic packaging which are recyclable or compostable by assigning:

- “Y” = Yes, the plastic packaging component is recyclable or compostable.
- “N” = No, the plastic packaging component is neither recyclable nor compostable.

The global packaging team reviews and updates the mapping annually. Any exception to the automatic mapping process is following an off-line and recorded approval process. The global packaging team makes manual adjustments, based on their expert knowledge, for any specific plastic recycling practices which can't be captured in the mapping due to the inability to extract the required detailed data from the specification system. For example, the plastic packaging material HDPE is a type of plastic that is often recyclable, however, if the plastic is black, it is often not seen or scanned by the recycling plants and is not recycled. The “colour” is a specification detail which can't be extracted. Therefore, the global packaging team manually identifies products which contain black plastics and changes the recyclability score from Y to N. Manual adjustments are monitored and recorded in a separate list which is reviewed by the Global Head of Packaging annually.

The weight of all packaging classified as plastic which is recyclable, reusable or compostable (identified by “Y”) is summed to provide the total tonnes of recyclable or compostable plastic packaging used in products sold.

4.3 Waste-free world: 100% reusable, recyclable or compostable plastic package by 2025 (technical)

Performance measure:

Total tonnes of technically recyclable, reusable or compostable plastic packaging used in products sold as a % of total tonnes of plastic packaging used in products sold between 1 July 2021 to 30 June 2022.

Definitions:

- **Plastic:** refers to materials consisting of a polymer to which additives or other substances may have been added and which can function as a main structural component of final packaging. Unilever's packaging comprises a range of different plastics, comprising both rigid (such as PET, PP, HDPE bottles) and flexible (such as laminated pouches, sachets and tubes) forms.
- **Plastic packaging used in products sold:** refers to plastic contained in the primary and secondary packaging of products that are sold by Unilever to the customer/consumer. For packaging which is made of multiple materials, those that are predominantly plastic by weight are defined as plastic packaging. This means that when each material within the packaging is considered separately, if plastic is the single greatest material by weight, the whole item is considered “plastic packaging”. Conversely, if plastic is not the single greatest material by weight within a

packaging item, the whole item is not considered “plastic packaging”.

- **Technically recyclable plastic packaging:** refers to plastic packaging that has material specifications that allow it to be recycled if the required waste management infrastructure exists in the country where the plastic packaging is sold.
- **Reusable plastic packaging:** refers to plastic packaging which has been designed to be used, then refilled more than once and used again for the same purpose. It must also be recyclable at the end of its life.
- **Compostable plastic packaging:** refers to packaging which meets the international standards and definitions for compostability i.e. the definition contained in ISO14021 and the EN 13432 standard, and for which the local country infrastructure enables composting to take place i.e. there is a system in place which is suitable for collecting and composting plastic packaging in the country where the product is sold. The porous sachets containing the tea in our tea bag products are included in the definition.

Scope:

The performance measure includes products sold in 27 countries: Argentina, Australia, Brazil, Canada, Chile, China, Egypt, France, Germany, India, Indonesia, Italy, Japan, Mexico, Netherlands, Nigeria, Pakistan, Philippines, Poland, Russia, South Africa, Spain, Thailand, Turkey, , United Kingdom, United States, Vietnam.

Products for which sales volumes are not included in Unilever's 4 core systems/databases are not included in the performance measure. The Pepsi Lipton joint ventures are also not included.

We estimate that the performance measure covers approximately 83% of Unilever's total plastic footprint.

Performance data preparation and assumptions:

The performance measure calculation is: The total tonnes of recyclable, reusable or compostable plastic packaging used in products sold divided by total tonnes of plastic packaging used in products sold, expressed as a percentage.

Reusable plastic packaging is also recyclable and is therefore part of the calculation of percentage recyclable plastic packaging. The percentage of reusable plastic packaging is currently not separately identified within the calculation.

The volumes of products sold (number of cases and tonnes), net of product returns, is extracted from Unilever sales systems. We assume that all products we sell to our customers are sold on to consumers.

For each product sold, the product code is used to extract the following packaging specifications from the Unilever specification system:

- Type of packaging (e.g. bottle, cap, tube, flexible packaging)
- Packaging manufacturing technology used (e.g. mono-layer bottle)
- Packaging material classification (e.g. aluminium, plastic etc)
- Packaging material type (type of plastic e.g. HDPE, PET)

- Weight of each type of packaging (grams)

This data is recorded for each product in a database. All sales of products with non-plastic packaging are discarded. For plastic packaging components which contains some non-plastic elements, the weight of the non-plastic elements is re-classified as the predominant plastic component in that packaging.

The packaging weight for each product sold is calculated by multiplying the number of units sold by the packaging weight per unit.

Approximately 13% of products based on sales volumes do not have the complete information required to undertake the calculations. Information is considered to be complete if all the required packaging weights are complete and within an accepted range for the type of packaging as determined by R&D packaging experts and validated by the R&D Packaging Directors. Where the information is incomplete, values are automatically allocated based on the average of the most similar products available with complete data - products in the same Unilever category, country, brand and with the same type of packaging and packaging material type. A list of all those products which did not have complete information so new values have been applied is reviewed by the before mentioned packaging experts.

Calculate total tonnage of plastic packaging sold:

The weight of all packaging classified as plastic is summed to provide the total tonnes of plastic packaging used in products sold.

Calculate total tonnage of technically recyclable or compostable plastic packaging sold:

The global packaging team gathers information from various sources such as government organisations and packaging recycling organisations, and uses their expert knowledge, to develop a list of the types of plastic packaging e.g. HDPE bottle, multi-material flexibles, which are technically recyclable or are compostable. The list is reviewed annually by the Unilever Global Packaging Director.

The types of plastic packaging for each product sold are mapped to the list containing the types of plastic packaging which are technically recyclable or compostable by assigning:

- "Y" = Yes, the plastic packaging component is technically recyclable or compostable.
- "N" = No, the plastic packaging component is not technically recyclable nor compostable.

The global packaging team updates the mapping quarterly. The global packaging team makes manual adjustments to the mapping, based on their expert knowledge, for specific plastic recycling practices which can't be captured in the mapping due to the inability to extract the required detailed data from the specification system, such as transparency. For example, the plastic packaging material PET is a type of plastic that is often recyclable, however, if the plastic is opaque, it is often rejected by the recycling plants and is not recycled. Therefore, the global packaging team manually identifies products which contain opaque PET and changes the recyclability score from Y to N. Manual adjustments are monitored

and recorded in a separate list which is reviewed by the Global Packaging Director annually. The weight of all packaging classified as plastic which is technically recyclable, reusable or compostable (identified by "Y") is summed to provide the total tonnes of technically recyclable or compostable plastic packaging used in products sold.

4.4 Positive nutrition: Unilever's Standards for "Positive nutrition"

Performance measure:

The percentage of Unilever's Nutrition and Ice Cream product sales, by number of servings sold, that meet Unilever's Standards for "Positive Nutrition", in the period 1 October 2021 to 30 September 2022.

Definitions:

Unilever Nutrition and Ice Cream (N&I) products: All Nutrition and Ice Cream products sold by Unilever's Nutrition and Ice Cream business group except sales through distributors' own brand (DOB) products, inclusive of:

- Unilever N&I products
- Pepsi Lipton joint-venture (JV) products

Serving: The quantity (in grams) of Unilever N&I products consumed on a single occasion by a single person or in mL for a Pepsi Lipton joint-venture products.

Sales volumes: The total weight (excluding packaging), measured in tonnes, of Unilever N&I products sold or in mL for a Pepsi Lipton joint-venture product.

Distributors' own brand (DOB) products (private label products): Products that are manufactured by Unilever for specific customers who put their own labels on the products.

Unilever's Standards for "Positive Nutrition": A set of technical criteria and threshold values, for selected ingredients, macronutrients and micronutrients, established by Unilever nutrition experts and approved by the Vice President (VP) Diet & Health Nutrition & Ice Cream business group, in line with external global and regional standards e.g. WHO, that are important for human health. The threshold values determine the amount of ingredients, macronutrients and micronutrients that need to be present in an N&I product to deliver "Positive Nutrition". A product that contains ingredients, macronutrients or micronutrients meeting at least one of the threshold values is considered to deliver "Positive Nutrition". The selected ingredients, macronutrients and micronutrients are:

- Ingredients: Fruits, vegetables, legumes, pulses, fungi, nuts, seeds, wholegrains and dairy in products designed for kids.
- Macronutrients: Protein, fiber and omega 3.
- Micronutrients: Iron, iodine, zinc, vitamin A, vitamin D, calcium, magnesium, potassium, vitamin B12, folate, vitamin B2, vitamin C and vitamin E.

Outliers: Products for which the nutritional data recorded is clearly inaccurate (e.g. >105g/100g which is not possible). For products with such values the outlier

nutrient value is excluded from the assessment of compliance.

Unilever's sales system ("CoRe"): A database of global sales volume, in tonnes per SKU for Unilever products.

Pepsi Lipton sales system (HFM): A database of sales volume data for Pepsi Lipton joint venture products, in number of 8oz cases per SKU, which is manually converted to litres.

Unilever's Product Specification Management system (PLM):

A database used by product formulators to record product composition information for Unilever N&I products and Pepsi Lipton products sold in Europe and Asia, Middle East and Africa regions, including ingredients, macronutrients and micronutrient data. Based on the product composition data, PLM automatically calculates and stores macro- and micro-nutrient levels for each SKU.

Pepsi Lipton Formulation Specification System (FSS):

A database used by product formulators to record product composition information for Pepsi Lipton products sold in North and Latin America, including ingredients, macronutrients and micronutrient data. Based on the product composition data, FSS automatically calculates and stores macro- and micro-nutrient levels for each SKU.

- Unilever's Nutritional data system ("Ganesh"): A database that aggregates Unilever N&I sales volume data from CoRe and product specification data from PLM.
- Pepsi Lipton Nutritional data system: A database that aggregates Pepsi Lipton sales volume data from HFM and product specification from the FSS and PLM.

Scope:

The performance measure covers all Unilever Nutrition and Ice Cream (N&I) products except for sales from SKUs:

- Having different product codes in different systems which means that the required nutritional data cannot be accessed.
- Part of acquired businesses whose data is not integrated into Unilever's core systems. Sales from newly acquired companies are included within two years from acquisition date.

The products out of scope in 2022 represent 0.6% of number of servings sold in the N&I portfolio.

Performance data preparation and assumptions

Unilever N&I products, excluding Pepsi Lipton JV products

Data collection, analysis and calculation:

- Macro- and micronutrients data, sales volumes and serving size by SKU for Unilever products is manually extracted from the Ganesh database.
- Sales by number of servings sold is calculated by dividing the sales volume measured in tonnes by the serving size of the product. Where no serving size is available a standard serving size per product group is applied. These are determined

by the global Nutrition team, based on globally recognised nutrition databases. The standard serving size is for the product as sold. As serving size data rarely changes a check is conducted every three years. Any changes to standard serving sizes are approved by the VP Diet & Health Nutrition & Ice Cream Business Group (BG).

- A second report is extracted from PLM containing a list of all Unilever Product SKUs, their ingredient codes and the levels of each ingredient within the SKU.
- Unilever Product SKUs that contain at least one of the ingredients in-scope are selected.
- Data on the ingredients and ingredient composition levels of the selected data from the second report is merged with the Ganesh database, to form a complete list of SKUs with ingredients, macro- and micronutrient levels, and number of servings per SKU.
- This list is analysed, and SKUs are tagged as "compliant" if they pass the threshold levels of in-scope ingredients, and / or macronutrients, and / or micronutrients, as per thresholds defined in Unilever's Standards for "Positive Nutrition". This produces a list of compliant SKUs.
- The total number of servings sold is summed for all compliant SKUs.

Pepsi Lipton JV products

Data collection, analysis and calculation:

- Ingredients, macro- and micronutrients data by SKU for Pepsi Lipton JV products is manually extracted from the FSS and PLM databases. For the Suntory and Morinaga partnerships sales volume per SKU and product composition data, including nutrition, is obtained from the respective external partners.
- Pepsi Lipton JV Product SKUs that contain at least one of the ingredients, macro- or micronutrients in-scope are selected.
- This list is analysed, and SKUs are tagged as "compliant" if they pass the threshold levels of in scope ingredients, and / or macronutrients, and / or micronutrient to create an offline list of compliant SKUs.
- This list of compliant SKUs from the FSS and PLM databases is merged with the Pepsi Lipton sales system (HFM), to form the Pepsi Lipton Nutritional Data System. Sales by number of servings sold is calculated by dividing the sales volume measured in litres by the serving size of the product. Where no serving size is available a standard serving size of 250mL is applied.
- The total number of servings sold is summed for all compliant SKUs.

Unilever and Pepsi Lipton products

Data collection, analysis and calculation:

- The total number of servings sold, of compliant Unilever N&I products and Pepsi Lipton products is summed to equal the number of servings sold of products delivering "Positive Nutrition".
- The percentage is manually calculated, using Unilever's total number of servings sold of all N&I products.
- The supporting documentation and calculation are uploaded into Unilever's online secure reporting platform (ELMA) for review by the Director of Nutrition Standards and approval by

the VP Diet & Health Nutrition & Ice Cream Business Group (BG).

Calculation:

The number of servings sold of N&I products that meet Unilever's Standards for "Positive nutrition", divided by the number of servings sold of N&I products.

4.5 Positive Nutrition: WHO-aligned nutritional standards

Performance measure:

The percentage of Unilever's Nutrition and Ice Cream product sales by volume, that meet WHO-aligned nutritional standards, in the period 1 October 2021 to 30 September 2022.

Definitions:

- **Sales by volume:** The total weight (excluding packaging), measured in tonnes, of Unilever Nutrition and Ice Cream products sold.
- **Unilever Nutrition and Ice Cream (N&I) products:** All Nutrition and Ice Cream products sold by Unilever's N&I business group except sales through distributors' own brand (DOB) products, inclusive of:
 - Unilever N&I products
 - Pepsi Lipton joint-venture (JV) products
- **Distributors' own brand (DOB) products (private label products):** Products that are manufactured by Unilever for specific customers who put their own labels on the products.
- **Outliers:** Observations in nutritional data which, based on statistical analysis, significantly deviate from other nutritional values in the same product group and are assumed to be inaccurate.
- **WHO-aligned nutritional standards:** A set of technical criteria and threshold values, for nutrients such as sodium, saturated fatty acids (SAFA), trans fatty acids (TFA), sugar and calories established by Unilever nutrition experts and approved by the VP Diet & Health Nutrition & Ice Cream business group. The technical criteria and threshold values are in line with WHO standards and other external global and regional standards that align with WHO standards as determined by Unilever. The threshold values determine the amount of nutrients and calories that need to be present in an N&I product to be in line with WHO-aligned standards. A product that does not exceed any of the threshold values defined is considered to be compliant.
- **Unilever's sales system ("CoRe"):** A database of global sales volume, in tonnes per SKU for Unilever Products.
- **Pepsi Lipton sales system (HFM):** A database of sales volume data for Pepsi Lipton joint venture products in number of 8oz cases which is manually converted to tonnes.
- **Unilever's Product Specification Management system (PLM):** A database used by product formulators to record product composition information for Unilever N&I products and Pepsi Lipton products sold in Europe and Asia, Middle East and Africa regions. Based on the product composition data, PLM automatically calculates and stores nutrient levels for each SKU.

- **Pepsi Lipton Formulation Specification System (FSS):** A database used by product formulators to record product composition information for Pepsi Lipton products sold in North and Latin America. Based on the product composition data, FSS automatically calculates and stores nutrient levels for each SKU.
- **Unilever's Nutritional data system ("Ganesh"):** A database that aggregates Unilever N&I sales volume data from CoRe and product specification data from PLM and automatically determines the compliance of SKUs with WHO-aligned nutrition standards.
- **Pepsi Lipton Nutritional data system:** A database that aggregates Pepsi Lipton sales volume data from HFM and product specification from the FSS and PLM.

Scope:

The performance measure covers all Unilever Nutrition and Ice Cream (N&I) products except for sales from SKUs:

- Having different product codes in different systems which means that the required nutritional data cannot be accessed.
- Part of acquired businesses whose data is not integrated into Unilever's core systems. Sales from newly acquired companies are included within two years from acquisition date.
- Outliers

Products out of scope in 2022 represent 1.8% of the sales volume in the N&I portfolio.

Performance data preparation and assumptions

Unilever N&I products

Data collection, analysis and calculation:

- Nutrient compliance data by SKU for Unilever N&I products is extracted from the Ganesh database.
- The total sales volume for all compliant SKU's is summed in Ganesh.

Pepsi Lipton JV products

Data collection, analysis and calculation:

- Nutrient compliance data by SKU for Pepsi Lipton JV products is manually extracted from the FSS and PLM databases. For the Suntory and Morinaga partnerships sales volume per SKU and product composition data, including nutrition, is obtained from the respective external partners. SKUs are tagged as "compliant" if they pass the defined threshold levels.
- This list of compliant SKUs from the FSS and PLM databases is merged with the Pepsi Lipton sales system (HFM), to form the Pepsi Lipton Nutritional Data System.
- The total sales volume is summed for all compliant SKUs.

Unilever and Pepsi Lipton product

Data collection, analysis and calculation:

The total volume of compliant Unilever N&I products and Pepsi Lipton products is summed to equal the total sales volume of compliant products.

- The percentage is manually calculated, using Unilever's total volume of all N&I products
- The supporting documentation and calculation

are uploaded into Unilever's online secure reporting platform (ELMA) for review by the Director of Nutrition Standards and approval by the VP Diet & Health Nutrition & Ice Cream business group.

Calculation:

The sales volume of N&I products that meet WHO-aligned nutritional standards, divided by the total sales volume of N&I products.

4.6 Positive Nutrition: Reduce Salt Intake

Performance measure:

The percentage of Unilever's Food product sales by volume, that meet Unilever's standards for salt, designed to help consumers reduce their salt intake to no more than 5g per day as part of the WHO-aligned nutritional standards, in the period 1 October 2021 to 30 September 2022.

Definitions:

- **Sales by volume:** The total weight (excluding packaging), measured in tonnes, of Unilever Foods products sold.
- **Unilever Food products:** All products sold by Unilever's Nutrition business group except sales of beverages (including Pepsi Lipton), , distributors' own brand (DOB) products and sales of salt as a product (via Annapurna and Captain Cook brands).
- **Distributors' own brand (DOB) products (private label products):** Products that are manufactured by Unilever for specific customers who put their own labels on the products.
- **Outliers:** observations in nutritional data which, based on statistical analysis, significantly deviate from other nutritional values in the same product group and are assumed to be inaccurate.
- **Unilever's standards for salt:** A set of threshold values for salt established by Unilever nutrition experts and approved by the VP Diet & Health Nutrition & Ice Cream business group, designed to help consumers reduce their salt intake to no more than 5g per day, in line with WHO standards. A product that does not exceed any of the threshold values is considered to be compliant.
- **Salt:** Salt refers to sodium. This Basis of Preparation (BOP) uses the term Salt to align with our commitment.
- **Unilever's sales system ("CoRe"):** A database of global sales volume, in tonnes per SKU for Unilever Products.
- **Unilever's Product Specification Management system (PLM):** A database used by product formulators to record product composition information for Unilever Nutrition and Ice Cream (N&I) products. Based on the product composition data, PLM automatically calculates and stores salt levels for each SKU.
- **Unilever's Nutritional data system ("Ganesh"):** A database that aggregates Unilever N&I sales volume data from CoRe and product specification data from PLM and automatically determines the compliance of SKU's with Unilever standards for salt.

Scope

The performance measure covers all Unilever Food products, except sales from SKUs:

- Having different product codes in different systems which means that the required nutritional data cannot be accessed.
- Part of acquired businesses whose data is not integrated into Unilever's core systems. Sales from newly acquired companies are included within two years from acquisition date.
- Outliers.

The products out of scope in 2022 represent 3.0% of Unilever Food sales volumes.

Performance data preparation and assumptions Data collection, analysis and calculation:

- Nutrient compliance data by SKU for Unilever Food products is extracted from the Ganesh database.
- The total sales volume for all compliant SKU's is summed in Ganesh.

Data consolidation

- The percentage is manually calculated, using the total volume of all Unilever Food products.
- The supporting documentation and calculation are uploaded into Unilever's online secure reporting platform (ELMA) for review by Director of Nutrition Standards and approval by VP Diet & Health Nutrition & Ice Cream business group.

Calculation

The sales volume of Food products that meet Unilever's standards for salt, divided by the total sales volume of Foods products.

4.7 Raise living standards: Helping 5 million small and medium-sized enterprises grow

Performance measure:

The number of small and medium-sized enterprises (SMEs) in Unilever's retail value chain which have used a Unilever digital platform to purchase products in the reporting period from 1 October 2022 to 31 December 2022.

Definitions:

- Small and medium-sized enterprises (SMEs): A business in one of the following countries – India, Indonesia, Philippines, Bangladesh, Vietnam, Turkey, Thailand, and Pakistan, historically serviced by a distributor, wholesaler or cash & carry, as opposed to directly by Unilever.
- Retail value chain: All businesses that are selling Unilever goods to consumers (e.g. retailers).

Scope:

No limitations

Performance data preparation and assumptions:

A mobile app or website is used by SMEs to register to purchase products from Unilever and to make orders of products from Unilever. Upon registration, each SME is assigned a unique code.

Registered SMEs and details of the purchases they make from Unilever are recorded in a Unilever Customer Development (“CD”) database in each country.

At the end of the reporting period, the Unilever CD team extracts the following data for each country from the CD database in a standard excel template:

- Number of SMEs which have purchased products through a Unilever digital platform in the reporting period from 1 October to 31 December

The global Unilever CD team stores this data by country in a centralised spreadsheet and checks for any anomalies or discrepancies in the data.

The number of SMEs which have purchased products from 1 October to 31 December in each country is summed to calculate the total SME’s which have purchased products from 1 October to 31 December. The supporting documentation and calculation are uploaded into Unilever’s online secure reporting platform (ELMA) for review and approval by the VP for Global Customer Development.

5. Environment al and Occupational Safety performance data preparation

Sections 5.1 – 5.6 detail the basis of preparation for each EOS performance measure.

5.1 Water: Quantity of water abstracted by manufacturing sites

Performance measures:

- Water abstracted in m3 per tonne of production.
- Change in the volume of water in cubic meters (m3) abstracted in 2022 (this covers the period 1 October 2021 to 30 September 2022) compared to 2008 (1 January 2008 to 31 December 2008).
- Percentage change in the volume of water abstracted per tonne of production in 2022 (1 October 2021 to 30 September 2022) compared to 2008 (1 January 2008 to 31 December 2008).

Definitions:

Each factory records water abstracted for use in manufacturing from various sources. These sources are classified as; municipal/piped sources, groundwater (direct abstraction by site), surface water (direct abstraction from river or lake), brackish/saline sources (direct abstraction from estuary or sea), water delivered to site by tanker, noncontact cooling water (any source).

Total water abstracted is the sum of these sources, measured in cubic metres.

We calculate water abstracted per tonne of production, based on total water abstracted in cubic metres divided by the sum of production volume in tonnes reported by each manufacturing site.

Scope:

Manufacturing sites included in the performance measures are those which meet all the following criteria:

- The site is owned or leased by Unilever.
- Unilever personnel are running/controlling the site.
- The site manufactures or packs Unilever products or materials used in Unilever products.
- Production lines on new sites are only included once fully commissioned, which occurs once there has been sign-off by technology providers and R&D sign-off.

A manufacturing site may have one or more factories. Reporting will be performed for individual factories on a manufacturing site when the above conditions are met for one or more of the factories on the site.

Manufacturing sites excluded from the performance measures are those that meet the following criteria:

- Sites which are owned by Unilever but are run by third party companies.
- Sites owned by third parties that produce (pack or make) our products.
- Sites that are under commissioning. Indicators for when a site is still under commissioning, includes:
 - Site not been released for normal production for more than 72 consecutive hours.
 - No quality norms being achieved over a similar time period while running at rated throughput.
 - Not all sections / modules within the plant being able to perform to rated parameters.
 - Site not yet being depreciated.
 - Technology guarantee checks not yet performed.
 - Sites where decommissioning has started.

Non-manufacturing sites are offices, research laboratories and marketing/sales organisations.

Water used at our manufacturing sites from the following sources are excluded from total water abstracted:

- Rainwater captured and treated on the manufacturing site and,
- Embedded water or water contained in raw materials.

Performance data preparation and assumptions:

Water abstraction data is taken from meter reads/invoices and captured by each manufacturing site in the EPR system. All data is recorded in cubic metres. The EPR system summarises and aggregates the data into standard reports by manufacturing site and at regional and global levels.

5.2 Water: Emissions of chemical oxygen demand (COD) by manufacturing sites

Performance measure:

Chemical oxygen demand (COD) in kg per tonne of production in 2022 (this covers the period 1 October 2021 to 30 September 2022).

Definitions:

COD represents the ingredients and product lost from our manufacturing processes in process wastewaters. It arises mainly during cleaning operations. COD is widely used by regulatory bodies to control industrial wastewaters and to calculate the correct level of charges for downstream municipal wastewater treatment, which is designed to remove most of the COD before the wastewater is discharged to the environment.

Scope:

Manufacturing sites included in the performance measures are those which meet all the following criteria:

- The site is owned or leased by Unilever.
- Unilever personnel are running/controlling the site.
- The site manufactures or packs Unilever products or materials used in Unilever products.
- Production lines on new sites are only included once fully commissioned, which occurs once there has been sign-off by technology providers and R&D sign-off.

A manufacturing site may have one or more factories. Reporting will be performed for individual factories on a manufacturing site when the above conditions are met for one or more of the factories on the site.

Manufacturing sites excluded from the performance measures are those that meet the following criteria:

- Sites which are owned by Unilever but are run by third party companies.
- Sites owned by third parties that produce (pack or make) our products.
- Sites that are under commissioning. Indicators for when a site is still under commissioning, includes:
 - Site not been released for normal production for more than 72 consecutive hours.
 - No quality norms being achieved over a similar time period while running at rated throughput.
 - Not all sections / modules within the plant being able to perform to rated parameters.
 - Site not yet being depreciated.
 - Technology guarantee checks not yet performed.
 - Sites where decommissioning has started.

Non-manufacturing sites are offices, research laboratories and marketing/sales organisations.

The Unilever COD data represents the effluent load discharged from the boundary of the manufacturing site. It is typically calculated from a representative concentration of COD in the wastewater and volumetric flow of the wastewater.

Reuse of COD on-site, for example through irrigation of land on the Unilever site, is excluded from reported COD.

Performance data preparation and assumptions:

The COD load is typically calculated using COD concentration data measured in on site laboratories or those of wastewater treatment companies and volumetric flow data from effluent flow meters on site.

Where direct measurement of COD is not carried out, estimation methodologies are applied by applying standard conversion factor to COD measurement with reference to BOD (Biological Oxygen Demand) measurements and COD:BOD ratios for sites with similar product output or by using an average COD concentration per tonne of production based on similar manufacturing sites or those obtained during production trials.

The data does not make any allowance for the fact that based on individual site data we estimate that around a further 90% of this material is removed in municipal wastewater treatment plants. Consequently the COD load which actually reaches the environment is much lower.

5.3 GHG: Greenhouse gas emissions and energy use by manufacturing sites

Performance measures:

- CO₂ emissions from energy use in tonnes (market-based) in 2022.
- CO₂ emissions from energy use in tonnes (location-based) in 2022.
- CO₂ emissions from energy use in kg per tonne of production (market-based) in 2022.
- Change in the tonnes of CO₂ from energy (market-based) in 2022 (1 October 2021 to 30 September 2022) compared to 2008 (1 January 2008 to 31 December 2008)*.
- Percentage change in CO₂ from energy use (market-based) per tonne of production in 2022 (1 October 2021 to 30 September 2022) compared to 2008 (1 January 2008 to 31 December 2008)*.
- Energy use in gigajoules per tonne of production in 2022.

Goal setting and tracking is performed using market-based CO₂ emissions.

Definitions:

Each factory records energy used in manufacturing under various energy sources e.g. gas, oil (Scope 1 sources), purchased electricity and steam (Scope 2 sources) etc. Each energy use is converted to gigajoules (GJ), using standard conversion factors and calorific values.

CO₂ emissions from energy used in manufacturing sites is calculated from energy use in GJ multiplied by the carbon emission factor for each energy type (in kg CO₂ per GJ).

The carbon emission factors for scope 2 emissions are applied in terms of the two methods provided by the GHG Protocol:

- Location-based: All electricity purchased is converted into CO₂ emissions using the average grid emissions factor for electricity in the country

in which it is purchased. Renewable Energy Certificates ('RECs') are not applied to the total scope 2 emissions.

- Market-based: All electricity purchased is converted to CO₂ using emissions factors from contractual instruments which Unilever has purchased or entered into. Renewable energy certificates ("RECs") are applied based on RE100 guidance which allows for REC's to be used against electricity consumed in the same country as where the REC's are purchased, or used within the same single market (only Europe and North America).

The total amount of CO₂ emissions is the sum of CO₂ emissions for each energy source. This is measured in tonnes.

CO₂ emissions per tonne of production is the total amount of CO₂ emissions divided by the sum of production volume in tonnes reported by each manufacturing site. This is measured in kg per tonnes of production.

Energy from diesel/LPG used in forklifts, fire trucks and testing power generators on our manufacturing sites is excluded. CO₂ emissions from use of biogenic fuels (biomass, wood pellets, etc.) is also excluded.

Scope:

Manufacturing sites included in the performance measures are those which meet all the following criteria:

- The site is owned or leased by Unilever.
- Unilever personnel are running/controlling the site.
- The site manufactures or packs Unilever products or materials used in Unilever products.
- Production lines on new sites are only included once fully commissioned, which occurs once there has been sign-off by technology providers and R&D sign-off.

A manufacturing site may have one or more factories. Reporting will be performed for individual factories on a manufacturing site when the above conditions are met for one or more of the factories on the site.

Manufacturing sites excluded from the performance measures are those that meet the following criteria:

- Sites which are owned by Unilever but are run by third party companies.
- Sites owned by third parties that produce (pack or make) our products.
- Sites that are under commissioning. Indicators for when a site is still under commissioning, includes:
 - Site not been released for normal production for more than 72 consecutive hours.
 - No quality norms being achieved over a similar time period while running at rated throughput.
 - Not all sections / modules within the plant being able to perform to rated parameters.
 - Site not yet being depreciated.
 - Technology guarantee checks not yet performed.

- Sites where decommissioning has started.

Non-manufacturing sites are offices, research laboratories and marketing/sales organisations.

We measure the reduction in CO₂ which is one of the four main GHGs. We do not measure the three other main GHGs because our emissions are negligible. These are: nitrous oxide (produced mainly in nitric oxide manufacture), perfluorocarbons (mainly associated with aluminium and magnesium production) and sulphur hexafluoride (used in some electrical equipment). GHG emissions associated with fugitive losses of HFC refrigerants are not included within the scope of CO₂ emissions from energy used in manufacturing. These are not material compared to emissions from energy used.

Performance data preparation and assumptions:

Energy use data is taken from meter reads/invoices and captured for each manufacturing site in the EPR (Environmental Performance Reporting) system. The EPR system contains factors to convert common units of energy (e.g. cubic metres of gas or tonnes of oil) to a standard unit of energy (GJ). The EPR system summarises and aggregates the energy data into standard reports by manufacturing site and at regional and global levels. The total GJ of all energy used is calculated as the sum of all energy used.

Carbon emission factors are used to convert energy used in manufacturing to CO₂ emissions. Carbon emission factors for scope 1 energy sources such as fuels are provided by the Intergovernmental Panel on Climate Change ('IPCC').

Carbon emission factors for scope 2 energy sources such as grid electricity, applied according to the location-based method, reflect the country where each manufacturing site is located and are provided by the International Energy Agency (IEA).

Carbon emission factors for grid electricity calculated according to the 'market-based method' are determined by contractual instruments which Unilever has purchased or entered into such as RECs, guarantees of origin, power purchasing agreements and utility contracts. Where supplier-specific emissions factors are not available a location-based factor is used.

The most recent IEA data set, which usually has a 3-year time lag, is applied to each reporting year e.g. national grid electricity emissions factors used in the calculation of factors having been derived from IPCC 2021 emissions comes from 2018 IEA data.

Total production volume is obtained from the EPR system.

5.4 Waste: Total waste (hazardous and non-hazardous) disposed by manufacturing sites

Performance measures:

- The amount of total waste (hazardous and non-hazardous) sent for disposal in kg per tonne of production in 2022 (this covers the period 1

October 2021 to 30 September 2022).

- Change in the tonnes of total waste sent for disposal in 2022 (1 October 2021 to 30 September 2022) compared to 2008 (1 January 2008 to 31 December 2008).
- Percentage change in total waste sent for disposal per tonne of production in 2022 (1 October 2021 to 30 September 2022) compared to 2008 (1 January 2008 to 31 December 2008).

Definitions:

Waste is defined as hazardous or non-hazardous as classified under local legislation where the manufacturing site is located.

Disposal of waste refers to solid or liquid wastes that are exported by vehicle from a Unilever manufacturing site to landfill or to incineration without energy recovery.

We calculate kg disposed waste per tonne of production, based on total tonnes of disposed waste divided by the sum of production volume in tonnes reported by each manufacturing site.

Scope:

Manufacturing sites included in the performance measures are those which meet all the following criteria:

- The site is owned or leased by Unilever.
- Unilever personnel are running/controlling the site.
- The site manufactures or packs Unilever products or materials used in Unilever products.
- Production lines on new sites are only included once fully commissioned, which occurs once there has been sign-off by technology providers and R&D sign-off.

A manufacturing site may have one or more factories. Reporting will be performed for individual factories on a manufacturing site when the above conditions are met for one or more of the factories on the site.

Manufacturing sites excluded from the performance measures are those that meet the following criteria:

- Sites which are owned by Unilever but are run by third party companies.
- Sites owned by third parties that produce (pack or make) our products.
- Sites that are under commissioning. Indicators for when a site is still under commissioning, includes:
 - Site not been released for normal production for more than 72 consecutive hours.
 - No quality norms being achieved over a similar timeperiod while running at rated throughput.
 - Not all sections / modules within the plant being able to perform to rated parameters.
 - Site not yet being depreciated.
 - Technology guarantee checks not yet performed.
 - Sites where decommissioning has

started.

Non-manufacturing sites are offices, research laboratories and marketing/sales organisations.

The metric does not include:

- Waste from building/demolition projects that are not directly related to production.
- Waste that is kept permanently on-site through recycling, for example, wastes that are mixed with concrete and used as building materials.
- Waste temporarily held on site until an economic batch quantity is available for transportation offsite.
- Waste from innovation and product trials carried out at manufacturing sites.
- Medical, sanitary or clinical waste.

Performance data preparation and assumptions:

Sites have access to primary waste data. This is typically from weighbridge tickets and invoices from waste providers and is captured by each manufacturing site in the EPR system.

This metric is measured in the same way for all manufacturing sites. The EPR system summarises and aggregates the data into standard reports by manufacturing site and at regional and global levels.

5.5 Occupational safety: Reduce workplace injuries and accidents (fatalities)

Performance measure:

The number of occupational injury or work-related ill-health (WRIH) events which results from exposure to an occupational health and safety hazard(s), in the course of employment which results in death in 2022 (this covers the period 1 October 2021 to 30 September 2022).

Definitions and scope:

The following are referred to as Class A fatalities and are included in the scope of this performance measure:

- Fatal occupational injuries and/or fatal work-related ill-health (WRIH) cases which occur on, or across the immediate external perimeter, of a Unilever site to a Unilever employee, while he/she is on duty, a contractor while he/she is working for Unilever (including on-site third-party operations) or a person visiting the Unilever site.
- Fatal occupational injuries or work-related ill-health (WRIH) which occur while a Unilever employee is away from a Unilever site but on company business (i.e. while on duty).

We record any of the following types of fatality, categorised as Class B and C separate to those described above. They are not included in the scope of the fatal accident performance measure but are reported separately internally:

- All fatal accidents involving members of the public which are associated with Unilever's own operations and/or associated with a Unilever employee while they are on duty. This does not include outsourced activities undertaken for us by third parties other than any fatal accidents at contract manufacturers/packers which occur while their employees are engaged in work for Unilever.
- In 2013, we introduced the recording of deaths from natural causes and suicides of anyone within a Unilever site. These incidents are only reportable internally.

Occupational safety metrics are recorded for all Unilever manufacturing and non-manufacturing sites (offices, research laboratories and marketing/sales organisation).

Performance data preparation and assumptions:

We collect data and report on three categories of fatal accidents: employee on-site, employee off-site and contractor on-site.

In addition to this fatality data, where such accidents may be deemed to be associated with our operations, Unilever also requires its individual organisations/units to report fatal accidents involving members of the public and those which occur at third-party contract manufacturers where they are producing goods and services for us. In common with other companies in our industrial sector, these incidents are only reportable internally.

5.6 Occupational safety: Reduce workplace injuries and accidents (Accident rate: Total Recordable Frequency Rate)

Performance measure:

The number of occupational accidents per one million hours worked (this covers the period 1 October 2021 to 30 September 2022).

Definitions and scope:

- Accidents are measured as a Total Recordable Frequency Rate (TRFR) per 1,000,000 (one million) man-hours. TRFR is defined as all workplace accidents, excluding only those that require simple first-aid treatment.
- The TRFR calculation is the sum of all employee Class A fatalities plus lost-time accidents (LTA) plus restricted work cases (RWC) plus medical treatment cases (MTC) expressed as a rate per one million hours worked.
- TRFR is the preferred reporting performance measure for accidents at work.
- In line with industry best practice, we include in our definition of an 'employee', temporary staff and contractors who work under our direct supervision.

Occupational safety metrics are recorded for all Unilever manufacturing and non-manufacturing sites (offices, research laboratories and marketing/sales organisation).

Performance data preparation and assumptions:

Recordable accidents include recordable occupational injuries occurring to Unilever employees and lost-time accidents occurring to contractors working on behalf of, but directly supervised by, Unilever.

Injuries which occur while travelling on business must be included in the organisation's (site's) safety statistics unless the injured person is travelling between their home and their normal place of work.

Man-hours worked includes the total number of paid hours worked by all Unilever site employees. Information on manhours worked is obtained directly from personnel in our Human Resources (HR) function or estimated via employee numbers, average number of hours worked, absences and overtime information provided by HR if actual data is not readily available.