# MODERN SLAVERY& HUMAN TRAFFICKING STATEMENT



Unilever welcomes the requirements of Section 54 of the UK Modern Slavery Act and sees the transparency it encourages as coherent with our support for the UN Guiding Principles on Business and Human Rights and their requirement to 'know and show' that we are working to respect human rights.

We have long been committed to improving the working conditions of the many people around the world who are part of our business. We have striven to protect people from unlawful and immoral practices, and have policies and processes in place that make our position clear, and help to remedy situations that do not meet our required high standards.

According to the ILO there are currently 21 million victims of forced labour. This is unacceptable and must stop. Instances of forced labour take many forms. But each time a person is working or providing a service against their freedom of choice, and cannot leave that work or service without penalty or the threat of penalty, it is forced labour.

We acknowledge the risk of forced labour occurring in global supply chains. We know there is more we can do to strengthen our process and oversight in this area. In order for effective and lasting solutions to be found, the root causes of human rights abuses need to be addressed. No one sector (for example government, business, NGOs or others) can successfully address these issues alone. That is why we will continue to work both bilaterally with our business partners and more widely to create positive change.



Paul Polman Chief Executive Officer, Unilever

This document explains the steps Unilever has taken to prevent, detect and respond to slavery and human trafficking within our business and throughout our supply chain. This Statement covers Unilever PLC and Unilever N.V. and their group companies, with reporting companies proceeding with their own board approvals according to the Act. It covers the period of 12 months prior to January 2017.

#### **CONTENTS**

- 2 ABOUT USOur organisation, structure and supply chainOur approach
- 4 OUR POLICIES
  Policies for our own business
  Polices for our suppliers and other business
  partners
- 5 EMBEDDING OUR POLICIES

- 6 ASSESSING AND MANAGING RISK
- 7 ADDRESSING KEY RISK AREAS
- 8 REMEDIATION PROCESSES TRACKING PROGRESS
- 9 WORKING WITH OTHERS TO INCREASE OUR IMPACT
- 10 LOOKING AHEAD

## **ABOUT US**

### **OUR ORGANISATION, STRUCTURE AND SUPPLY CHAIN**

Unilever is a multinational consumer goods company that produces food, drink, personal care and home care products.

About 2.5 billion people use our products every day. Thirteen of our brands have sales of more than €1 billion a year and our group turnover was €52.7 billion in 2016. Emerging markets now account for 58% of our business. We have customers and consumers in about 190 countries, employ approximately 169,000 people (of whom about 100,000 work in our Supply Chain) and have 76,000 suppliers. This illustrates the extent and complexity of our business.

Further details of our company can be found in our <u>annual report and accounts</u><sup>1</sup>.







OUR SUPPLY CHAINS CAN BE BROADLY DIVIDED INTO SIX CATEGORIES Production items (PI): These include raw materials, ingredients and packaging. These are the main items used to make and manufacture our products.

Capital expenditure: This comprises factory and Unilever group-owned capital equipment.

Marketing and business services:
This comprises our internal procurement such as marketing services, marketing materials, IT & telecoms, innovation and professional services, HR services and workplace and travel spend.

Third party manufacturing: These are arrangements under which a third party manufactures for us either goods for sale or ingredients for consumer goods.

Logistics: This covers the warehousing and transportation of items within the supply chain.

Distribution and sales agents:
This covers the movement and sale of finished products from factories to wholesale or retail distributors or other points of sale.

<sup>1</sup> www.unilever.com/investor-relations/annual-report-and-accounts/annual-report-and-accounts-2015-downloads.html

#### **OUR APPROACH**

From its origins, Unilever has been a purpose-driven company. Today our purpose is to make sustainable living commonplace.

**USLP PILLAR:** 

## FAIRNESS IN THE WORKPLACE

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



Implement UN Guiding Principles on Business and Human Rights

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

Create framework for fair compensation

Improve employee health, nutrition and well-being

Reduce workplace injuries and accidents

For more information on the USLP, please see the link above.

We articulate this in our <u>Unilever</u> <u>Sustainable Living Plan</u> (USLP). We foster an organisational culture that respects dignity and human rights.

In June 2015 we published our inaugural Human Rights Report<sup>2</sup>, which explains how we are implementing the UN Guiding Principles on Business and Human Rights throughout our operations. We were the first company to comprehensively use the UN Guiding Principles Reporting Framework. In our report, we identified forced labour as one of our eight salient human rights issues and are especially mindful of the risk of forced labour perpetuating abusive conditions for migrant workers around the world.

To give human rights issues the focus they require, in 2013 we appointed a Global Vice President for Social Impact within our Chief Sustainability Office and devised a five-year strategy on human rights. In July 2016, we expanded this role to Global Vice President Integrated Social Sustainability and moved it inside our Supply Chain function. The role now has responsibility for all areas of Supply Chain Social Sustainability including accountability, compliance and audit. This move enables us to focus on effective integration and implementation of our policies and commitments in our vast supply chain.

To see more about our key milestones in respecting human rights, see our <u>Human Rights Report</u> (pages 2 and 3).



<sup>2</sup> www.unilever.com/Images/unilever-human-rights-report-2015\_tcm244-437226\_en.pdf

## **OUR POLICIES**

#### **OUR POLICIES IN RELATION TO SLAVERY AND HUMAN TRAFFICKING**

We believe that a strong internal Business Integrity framework is an essential precursor to tackling human rights issues like modern slavery and human trafficking.

Our Business Integrity framework helps us to set clear and consistent expectations, and allows us to enforce compliance effectively. It enables our employees to work with partners, governments, community leaders and other stakeholders to seek effective implementation as we work to operationalise the UN Guiding Principles on Business and Human Rights.

We have strengthened our Business Integrity framework by explicitly incorporating the prohibition of human trafficking into our public Human Rights Policy Statement, as well as into our Code of Business Principles (Code) and the associated internal Code Policy on Respect, Dignity and Fair Treatment. Information on our Code, Code Policies and related complaints mechanisms is provided to employees globally.

We have also incorporated human trafficking and forced labour guidelines into our supply chain and external business partner policies: the Responsible Sourcing Policy (RSP), and the Responsible Business Partner Policy (RBPP). For more information on our Business Integrity architecture, see pages 14-19 in our Human Rights Report.

We recognise the need to continually evaluate the effectiveness of our framework and operating procedures to confirm compliance with laws, disclose legally mandated and/or voluntary information on due diligence and, most importantly, ensure that trusted and effective preventive mechanisms are in place.

#### **POLICIES**

#### Our own business

All Unilever employees are bound by the Code of Business Principles (Code) and related <u>Code Policies</u>. The Code clearly states:

"We will not use any form of forced, compulsory, trafficked or child labour."

We refreshed our Code Policies and published them externally for the first time in 2016. They include a Code Policy on Respect, Dignity and Fair Treatment which states that:

"Unilever companies **must not:**Use, or permit to be used, forced or compulsory or trafficked labour. We have a zero tolerance of forced labour."

#### Our suppliers

We work with our suppliers to implement the Responsible Sourcing Policy (RSP) which we launched in 2014. The RSP lays out our commitment to do business with those suppliers who are working to ensure transparency, remedy shortcomings and drive continuous improvement in the area of responsible sourcing and labour rights.

It is based on 12 fundamental principles that are aligned with our Code and other business growth goals of reducing our environmental footprint and increasing our social impact. The 12 principles are both the foundation and vision to achieve our responsible business ambitions and mirror internationally recognised standards.

The RSP's mandatory requirements include that:

"forced labour, whether in the form of indentured labour, bonded labour or other forms, is not acceptable. Mental and physical coercion, slavery and human trafficking are prohibited."

Initially, we launched the RSP with existing strategic suppliers, and are continuing to share it with a wide range of other Production Items (PI), Capital Expenditure (Capex), Logistics and other suppliers. The expectation is for such suppliers to meet the mandatory requirements of the RSP, highlight operational gaps and improve any non-conformity before moving up the

continuous improvement ladder to good practice and best practice. We give further guidance in the Good and Best Practice Benchmarks of the RSP including guidance in relation to forced labour and trafficking.

In addition, we ensure our sector specific policies such as the <u>Unilever Sustainable Agriculture Code</u>, <u>Sustainable Wood Fibre-Based Material Policy</u>, and the <u>Unilever Sustainable Palm Oil Sourcing Policy</u> incorporate the principles of the Responsible Sourcing Policy. We recognise the complexities of global supply chains and the particular challenges of agricultural supply chains and we are committed to working closely with our suppliers to pursue sustainable solutions.

#### Our other business partners

We introduced the Responsible Business Partner Policy (RBPP) to bring focus to our non-supplier, downstream business partners. This work is led by our Customer Development team. The RBPP is closely aligned with the mandatory requirements of the RSP and is being deployed in over 100 countries to agents and distributors used by our sales teams. The RBPP includes the same prohibition on forced labour and human trafficking.

## **EMBEDDING OUR POLICIES**

We know that policies can only be valuable when they are understood and adhered to. Therefore, we make training about slavery and human trafficking available to our employees and business partners.



Significant efforts go into maintaining high awareness of the Code of Business Principles (Code). We provide employees with regular training, both online and face-to-face, designed to address key risks and user needs. Corporate leaders, including our Chief Executive Officer and Unilever Board Members, also receive training.

Our Business Integrity team, led since 2015 by a Chief Business Integrity Officer, helps local stakeholders develop mitigation plans tailored to local needs. Our training is not only for office-based employees, but also those working in factories or remote areas.

We monitor and benchmark our efforts to ensure continuous improvement and successfully embed a culture of Business Integrity across all operations. Where needed, and with input from our subject-matter experts, we develop advanced guidance on specific areas covered by our Code Policies for employees in higher risk positions.

Training is complemented by globally designed but locally implemented communications campaigns. Our 2016 approach focuses on the important role every individual plays in living our values.

Members of our Business Integrity community liaise regularly to ensure global coherence and two-way exchanges on compliance activities – so best practices can be shared, and any feedback or specific queries addressed promptly.



RESPONSIBLE SOURCING POLICY (RSP)

Training was provided to procurement professionals at the launch of the RSP in 2014 with refresher training provided mid-year 2016.

In addition, we have hosted conferences in Brazil, India, Vietnam, China and Costa Rica to engage with our suppliers, build their understanding of the RSP and provide basic tools for improving responsible sourcing.

We have carried out training, coaching and capability building for suppliers in a variety of formats. We provide: gap assessment

tools for suppliers for initial evaluation; support materials including understanding the audit assessment and system use; white papers on individual topics; and audio conferences with specific suppliers according to needs.

In October 2016 we held a virtual conference in Turkey and an industry collaboration event in Thailand. Both had a strong focus on migrant workers.

Non supplier business partners e.g. distributors

> RESPONSIBLE BUSINESS PARTNER POLICY (RBPP)



We are training internal sales managers through structured communications and training materials. This equips them to manage third party relationships locally, through a structured communications and training programme, including supporting

materials, guidance notes, calls, webcasts and specific training on the RBPP assessment and input tools. Training of business partners is being deployed progressively at a country level according to local needs.

## **ASSESSING AND MANAGING RISK**

# Forced labour and the remit of the UK Modern Slavery Act have been highlighted as one of our eight salient human rights issues.

Full details on our human rights due diligence and the case studies of our due diligence processes in action can be found in our <u>Human Rights Report</u>.

We know that auditing our suppliers helps to bring accountability and deliver credibility to the supply chain by providing a verification point and by helping us to understand the overall direction of improvement. We understand that audits are not an end in themselves, providing only a snapshot in time, and work best as part of a broader approach to engagement, collaboration and continuous improvement.

We are therefore moving towards an integrated social sustainability and accountability approach which includes proactively identifying and addressing existing and emerging issues through human rights impact assessments, capacity building and stronger engagement with workers.

To address the complexity of global supply chains we use different approaches. For our key agricultural commodities, we participate in certification schemes that define shared industry standards and build awareness, understanding and capacity to address issues. We are working to integrate the principles of the Responsible Sourcing Policy into these certification standards and are continuing to strengthen the certification model, particularly regarding labour rights and working conditions. We also use independent assessments to verify alignment with our Policies.

#### Ensuring suppliers adhere to our Responsible Sourcing Policy (RSP)

In 2016 we expanded our RSP to cover more suppliers, including an increased focus on anti-bribery and corruption. We require suppliers to acknowledge alignment with the RSP in our contract with them and by completing a self-assessment questionnaire. Depending on the risk level identified, we may require suppliers to be evaluated by one of five independent audit firms using the Understanding Responsible Sourcing Audit ('URSA') tool, which assesses their alignment with the requirements of the RSP. These site audits include interviews with workers which help to give a true picture of a supplier's ability to put policies into practice.

The audit process includes an alarm trigger where issues which pose a high risk are

immediately raised to Unilever when found. Key incidents that would trigger an alarm include indications of potential forced labour such as the withholding or confiscation of passports or locked dormitories. This process allows for focused action to be taken immediately, rather than waiting for the completion of the assessment.

Questions throughout the RSP audit protocol look to uncover issues related to forced labour or trafficking, examining the supplier as a direct employer and, if relevant, as a user of agencies to recruit contract or migrant labour.

Where suppliers are found to fall short against the RSP's requirements, they are required to work to close the gaps through risk mitigation and the development and implementation of a corrective action plan. A supplier must close all of its nonconformances in full before it can be considered compliant. Our approach is to work with the supplier to remediate the issue in the best interest of the workers.

If, however, a supplier is not willing to comply, or has continual non-conformances with no remediation plans, then our global Procurement Business Integrity Committee is empowered to make the decision to terminate the business relationship.

For further details please refer to the following guides on our website:

- <u>Understanding the Responsible Sourcing</u>
   <u>Audit (URSA)</u> Guide for Suppliers
- Guide for MBS, Capex and MRO Suppliers

## Our Responsible Business Partner Policy (RBPP) process

As we are rolling out the RBPP, all existing and new downstream agents and distributors are required to sign a statement confirming that the company and its representatives commit to be compliant with the RBPP.

The RBPP includes specific elements relating to forced labour, slavery, human trafficking, employment terms and conditions, freedom to associate and prior investigations or prosecutions for breaches of human rights (including labour rights). Within the RBPP programme our downstream agents and distributors are the subject of screening and a risk analysis performed by the on-boarding Unilever Customer Development manager to determine whether further in-depth due diligence is required. The screening under the RBPP looks out for known breaches of human rights. The auditing processes for the RBPP human rights concerns remain under development; learnings from the approach under the RSP will be factored in.



# PEOPLE ARE VICTIMS OF FORCED LABOUR ACROSS THE WORLD

SOURCE: ILO

### Acquisitions and joint ventures process

New business activities such as mergers and acquisitions or country and market expansion can carry additional risks which require increased focus. In mergers and acquisitions, for example, we ensure that our due diligence process looks at issues such as employment contract status of all the workforce (directly employed, contracted, etc.), union presence and any ongoing disputes or issues. In some circumstances, we address concerns by commissioning an expert review and investigation.

We are reviewing how best to integrate our wider Unilever Business Integrity framework into the systems of much smaller scale supply chains and business structures that operate largely independently of our main supply chain and are managed on a semi-autonomous basis. We recognise that we have more to do in this area.

## **ASSESSING KEY RISK AREAS**

We are particularly concerned about how to protect vulnerable workers. Within our sector, we see these groups as including migrant labourers, particularly in agriculture, and third party labourers in factories.

#### Migrant labour

Working with an external independent expert organisation, we developed best practice guidelines on the use of migrant labour. This includes paying particular attention to the recruitment process, including but not limited to: ensuring that any contract terms are clear and legal; that wages or benefits are not falsely promised; and that repatriation terms are clear, migrants are free to return home and their passports not withheld.

We support the <u>Dhaka Principles for</u> <u>Migration with Dignity</u>, which enhance respect for the rights of migrant workers from the moment they are recruited, during their overseas employment and, afterwards, on to further employment or a safe return to their home country.

Unilever is a member of the <u>Leadership</u> <u>Group for Responsible Recruitment</u>, a collaboration between five leading global companies and expert organisations working towards a new business model in responsible recruitment of migrant workers. It includes the commitment to the 'employer pays' principle, meaning that no worker should pay for a job.

Lack of payment for work and/or illegal wage deductions are considered by us as instances of forced labour.

### Third party labour in our factories

We are working to control more closely the terms and conditions of third party contracted labour at our factories by reducing the number of vendors, where market conditions allow. For instance, we use very limited numbers of labour provider contractors in North America, Europe and South America but larger numbers in

In addition to paying particular attention to specific groups of vulnerable people, we aim to address human rights issues in high-risk commodities and geographies.

For example, we carried out an independent Human Rights Impact Assessment in Myanmar in March 2016, reviewing our operations and a sample of our suppliers and other business partners. Although no forced labour was identified during this assessment, we remain vigilant about this risk in this rapidly developing market. We will carry out further country Human Rights Impact Assessments.

In 2013, we worked in partnership on a programme to bring about transparency in our supply chain by tracing materials such as salt back to their extraction sites, and understanding the challenges, labour standards and working conditions there. We followed this with detailed sessions with our suppliers, holding workshops to co-create a mining code for responsible mineral extraction (CORE). In 2016 we started rolling out the code to key suppliers in India and China.

We believe that more must be done to improve conditions for tea estate workers and their families through working together with partners and others in the industry. The strengthening of certification models, particularly regarding labour rights and working conditions, is a key part of the solution. We continue to work with the Rainforest Alliance to make improvements. We are also aware that tea communities face issues such as human trafficking and we are reviewing how we can best work with others to address this.

We are carrying out a human rights risk mapping exercise and impact assessment for palm oil and will report on progress in due course. Many of these key risk areas are caused by structural and systemic challenges and their resolution will require the commitment, resources and expertise from all those involved – businesses, governments and civil society.



## REMEDIATION PROCESSES

We expect and encourage employees to report any breach of our Code of Business Principles. A 24-hour toll-free 'ethics hotline' and internet site are available for individuals who wish to raise concerns, in confidence or anonymously (where local laws allow this). Details are also published externally to allow third parties to raise concerns. All reported concerns are reviewed and, if necessary, investigated by the Business Integrity team. Cases are monitored by local or regional Business Integrity

Committees as well as by a Global Code and Policy Committee that is chaired by the Chief Legal Officer. Serious breaches can lead to dismissal.

We are working to ensure that we offer one integrated Code and grievance channel to our employees to raise issues and concerns in a simple manner. In our factories, we monitor the number and type of formal

individual or collective employment-related grievances received each year. This allows us to gain a better understanding of which issues are being raised, where they are being raised and how issues are being resolved. We use disaggregated data from cases raised through this procedure to help monitor our salient issues, addressing root causes to help prevent the need for further grievances to be raised.

Both the RSP and the RBPP state that workers must have access to fair procedures and remedies that are transparent, confidential and result in swift, unbiased and fair resolution.

To read more about our governance process surrounding remediation, please see our Human Rights Report.

## **TRACKING PROGRESS**

We measure our effectiveness in ensuring that slavery and human trafficking are not taking place in our business or supply chains in a number of ways.



The scoring system for non-conformances observed during an audit determines the frequency of re-audit.

As part of the monitoring of supplier performance against our standards and those set internationally, we have developed a scoring system that determines the risk status of a supplier. Using this risk approach, high-risk suppliers are audited and the scoring system, with score thresholds, identifies subsequent re-audit frequencies that push our suppliers to make the changes needed in a realistic timeframe and enable them to make incremental shifts from good to better practices.

This points system ensures that we are regularly auditing our high-risk suppliers for non-conformances while the overall process helps to identify the level of compliance and the meeting of requirements to do business with Unilever. As we on-board all our suppliers, this due diligence gives us the opportunity to benchmark performance, non-conformances and other infrastructural gaps while ensuring that gaps are addressed through active capacity building and partnerships. To keep the lines of

communication open, our procurement managers work directly with suppliers to help identify risks and remediate gaps in policies and practice.

Establishing effective grievance mechanisms is critical to addressing salient human rights issues, including forced labour, whilst robust and effective tracking is essential to establish the effectiveness of our policies.

As regards to the RSP and RBPP, each contains a specific website link that allows any person, including a supplier/business partner or their workers, to report a possible breach. Such reports can be made confidentially and (where permitted by law) anonymously.

We recognise that we, like many other businesses, have more to do to ensure the effectiveness of our processes including setting specific KPIs. This is work in progress and will continue. WORKING WITH OTHERS TO INCREASE OUR IMPACT

In order for effective and lasting solutions to be found, the root causes of human rights abuses need to be addressed.

Often, those countries where investment is most needed are also where it is most difficult to do business and where we face the hardest human rights challenges. It is often also where governance and transparency are weakest.

It is with these challenges in mind that we participate in a wide range of crosscompany and cross-industry initiatives. In addition to those already mentioned in this Statement, these include:



AIM-PROGRESS

THE CONSUMER GOODS FORUM

THE SOCIAL SUSTAINABILITY COMMITTEE (SSC) of the Consumer Goods Forum was set up by the Board of Directors to drive global collaboration between retailers and manufacturers in identifying and tackling key social sustainability issues for the industry. It is sponsored at Board Level by our CEO Paul Polman and Steve Rowe, CEO of Marks and Spencer. In January 2016, a new social resolution to fight forced labour was launched, the first industry commitment of its kind in tackling such a pressing social issue. In December 2016, building on the Forced Labour Resolution, three 'Priority Industry Principles' were created to help to prioritise action to address the primary drivers of forced labour within the consumer goods industry and beyond. The principles

- Every worker should have freedom of movement. The ability of workers to move freely should not be inhibited by their employer.
- No worker should pay for a job. Fees and costs associated with recruitment and employment should be paid by the employer.
- No worker should be indebted or coerced to work. Workers should work freely, aware of the terms and conditions of their work and paid regularly as agreed.

CGF members will now work to uphold these practices in their operations whilst using the collective voice of the CGF to promote the adoption of these priority principles industry-wide. As part of a 2017 action plan, the initial focus will be on two supply chains of particular relevance to the industry – seafood and palm oil in Southeast Asia.

WORLD ECONOMIC FORUM (WEF) GLOBAL ADVISORY COUNCIL ON HUMAN RIGHTS

**OUR GLOBAL VICE-PRESIDENT** Integrated Social Sustainability is a member of the World Economic Forum (WEF) Global Future
Council on the Future of Human Rights. This network comprises thought leaders from academia, government, business and civil society to challenge conventional thinking and develop new insights and perspectives on the key global systems. The Council will explore what the impact of the Fourth Industrial Revolution on human rights might be, and will draft recommendations on how to create the appropriate governance structures to ensure that technological development and use does not put universal human rights in danger. In 2015, the WEF Global Advisory Council on Human Rights, of which our Vice-President was previously Vice-Chair, published a report entitled Shared Responsibility: a new paradigm for supply chains which sets out means by which business and stakeholders can address serious, entrenched human rights challenges in supply chains.

OTHER ORGANISATIONS such as the Business and Sustainable Development Commission and the B Team are supported by our CEO Paul Polman and both advocate for a more economically, socially and environmentally sustainable way of doing business. The Business and Sustainable Development Commission brings together international leaders from business, labour, financial institutions and civil society to quantify the compelling economic case for businesses to engage in achieving the Sustainable Development Goals (SDG 8.7 calls for the eradication of forced labour and modern slavery). The Commission believes a new social contract between business, government and society is essential to defining the role of business in a new, fairer economy that aims to create decent jobs and supporting training and skills at a time when employment is increasingly challenged. The B Team is a not-for-profit initiative formed by a global group of business leaders to catalyse a better way of doing business, for the wellbeing of people and the planet. It is driving action to resolve challenges including working to ensure that those working in supply chains are treated with dignity and respect, in a safe, equitable and empowering

environment, where they receive a fair share

of the value they create and their rights are

fully supported.

GLOBAL PARTNERSHIPS are a vital part of our business model which recognises that growth for Unilever is inextricably linked to our ability to have a positive social impact and reduce our environmental footprint. Through these partnerships, we work with other stakeholders who share our commitment, such as UN agencies, non-governmental organisations, social impact investors, foundations, and government organisations.

UNILEVER SITS ON THE LEADERSHIP BOARD of AIM-PROGRESS, a forum of Fast Moving Consumer Goods (FMCG) manufacturers and common suppliers, assembled to enable and promote responsible sourcing practices and sustainable supply chains. It is a global

initiative supported and sponsored by AIM in Europe and Grocery Manufacturers Association (GMA) in North America.

The goal of AIM-PROGRESS is to positively

impact people's lives through the combined leadership of robust responsible sourcing practices throughout supply chains. One of its key objectives is to build supply chain capability so that member organisations and their suppliers are competent in executing robust responsible sourcing programmes.

## **LOOKING AHEAD**

We have an ongoing programme to eradicate modern slavery and recognise that this is a continuing, collaborative and evolving process. We will share our progress through our yearly Statements.

Our priorities are:

**Scaling up our risk mapping and analysis** to focus on further key commodities and countries where modern slavery and forced labour exists.

**Based on risk,** continuing to strengthen our awareness and training programmes on modern slavery and forced labour for our employees, suppliers and other business partners including joint ventures.

**Focusing** on preventive measures such as responsible recruitment practices.

**Establishing** further reporting mechanisms to ensure accurate and effective data collection and to monitor/measure progress.

Working with others to take steps towards delivery of Sustainable Development Goal 8.7 which calls for the eradication of forced labour and modern slavery including through promoting best practices in our own operations and extended supply and value chain.

This Statement has been approved by Unilever PLC and N.V. Boards at their meeting on 25th January 2017.