Introducing our Rightsholder Engagement Guidance

Respect for human rights is fundamental to how we do business at Unilever. It prevents harm to people, reduces risk and enhances responsible growth of our brands. Central to embedding respect for human rights is engaging with the people whose rights could be affected by our operations – rightsholders.

Why rightsholders are so important

Often marginalised or disproportionately affected by business practices, rightsholders might be women, migrants, children, people with disabilities, or indigenous people – or share several of these identities. Because of their social or economic status, these people are more likely to be overlooked, excluded from decision-making, or less able to assert their rights than more powerful stakeholders like investors or business partners. Even though rightsholders tend to have less influence over how a company operates, their livelihoods and wellbeing may depend on it and their rights are often directly affected by it.

This is why engaging with rightsholders is embedded in the <u>UN's Guiding</u> <u>Principles of Business and Human Rights</u>. And why it's increasingly included in regional and national legislation: in frameworks like the European Sustainability Reporting Standards, Norway Transparency Act and the German Due Diligence Act.

The benefits of engagement

Engaging with rightsholders is fundamentally about building trust. It helps to ensure their voices are heard, their rights are respected, and their wellbeing is considered – providing a pathway to their empowerment and contributing to better, more sustainable outcomes for communities.

Engaging with rightsholders is also good for business.

- It helps companies identify and address human rights risks proactively, building resilience and avoiding supply chain disruption.
- It enhances business performance by incorporating local knowledge and insights into decision-making and project design.
- It strengthens the legitimacy and credibility of our responsible business practices.

Our approach

Rightsholder engagement is at the core of our approach to human rights due diligence. In 2021, we shared a joint statement with more than 40 peer companies and investors supporting meaningful and safe rightsholder engagement as crucial aspects of human rights due diligence. And in 2023, we supported a coalition of businesses, investors, and civil society organisations to create <u>guidance</u> around community-based monitoring.



In partnership with Oxfam Business Advisory Service, we've now created guidance to help our teams and business partners meaningfully engage with rightsholders across our value chain. It's part of how we're shaping a consistent and effective approach to rightsholder engagement at Unilever.

About our guidance

The guidance explains:

- What rightsholder engagement is and why it's important
- Who rightsholders are and how to map and prioritise them
- **How** to engage with rightsholders best practice, including how to reach marginalised groups
- What to do **after engaging** to keep conversations open and build longstanding relationships

The guidance has been piloted with teams in India and Indonesia and will be made available to any team whose work affects people, either directly or indirectly. This includes internal teams like procurement and human resources, as well as key business partners externally.

See a summary of our guidance.

Engaging with waste collection rightsholders in India

A waste collection enterprise in India used the guidance to successfully engage with rightsholders in a pilot study. The guidance was used to conduct facilitated engagement sessions and allow management within the enterprise to hear insights from their rightsholders. All parties saw this as a productive tool for starting conversations and making rightsholders feel 'included' in the company. Both rightsholders and the enterprise plan to continue the conversation – both formally and informally.

