

# Welcome to your CDP Climate Change Questionnaire 2021

## C0. Introduction

### C0.1

**(C0.1) Give a general description and introduction to your organization.**

#### **BACKGROUND**

Unilever makes and sells more than 400+ brands in over 190 countries which are used by some 2.5 billion consumers worldwide every day. Our brands include Knorr, Dove, Rexona, Lipton, Hellmann's, Omo, Lifebuoy and Ben & Jerry's – amongst many others.

Our business is organised across three divisions: Beauty & Personal Care, Foods & Refreshment and Home Care. Total turnover in 2020 was €50.7bn.

#### **OUR PURPOSE**

Unilever's purpose is to make sustainable living commonplace which we believe is the best way to deliver long-term sustainable growth. We put sustainable living at the heart of everything we do, including our brands and products, our standards of behaviour and our partnerships which drive transformational change across our value chain.

In June 2020, we released new commitments to fight climate change and protect nature as part of our new integrated business strategy, the Unilever Compass which builds on the Unilever Sustainable Living Plan, which came to an end in 2020. Some of our Unilever Compass commitments include:

- Net zero emissions for all our products by 2039.
- A deforestation-free supply chain by 2023.
- A new Regenerative Agriculture Code for all our suppliers.
- Water stewardship programmes to 100 locations in water-stressed areas by 2030.
- Investing €1 billion in a new Climate & Nature Fund, which will be used by Unilever's brands over the next ten years to take meaningful and decisive action.

#### **OUR REPORTING AND DISCLOSURE**

Unilever's primary report is our [Annual Report & Accounts](#) (ARA). In our ARA, we report progress against our Unilever Compass commitments as well as a range of other non-financial indicators. Our ARA also includes TCFD disclosures. We provide additional climate related disclosure and commentary in the [Planet & Society Hub](#) on [unilever.com](#).

#### **ASSURANCE**

PricewaterhouseCoopers LLP (PwC) scope for their assurance work on selected USLP & Environmental & Occupational Safety performance indicators can be found in the PwC Basis of Preparation 2020 document in the Independent Assurance and metrics section on our website, alongside their findings in the PwC Limited Assurance Statement for 2020.

### DISCLAIMER

This CDP submission may contain forward-looking statements, including 'forward-looking statements' within the meaning of the United States Private Securities Litigation Reform Act of 1995. Words such as 'will', 'aim', 'expects', 'anticipates', 'intends', 'looks', 'believes', 'vision', or the negative of these terms and other similar expressions of future performance or results, and their negatives, are intended to identify such forward-looking statements. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Unilever Group (the 'Group'). They are not historical facts, nor are they guarantees of future performance. Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. These forward-looking statements speak only as of the date of this document. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

## C0.2

**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	October 1, 2019	September 30, 2020	Yes	1 year

## C0.3

**(C0.3) Select the countries/areas for which you will be supplying data.**

- Algeria
- Argentina
- Australia
- Austria
- Bangladesh
- Belgium
- Bolivia (Plurinational State of)
- Brazil
- Canada
- Chile

China  
Colombia  
Costa Rica  
Côte d'Ivoire  
Cyprus  
Czechia  
Denmark  
Dominican Republic  
Ecuador  
Egypt  
El Salvador  
Ethiopia  
Finland  
France  
Germany  
Ghana  
Greece  
Guatemala  
Honduras  
Hungary  
India  
Indonesia  
Iran (Islamic Republic of)  
Ireland  
Israel  
Italy  
Japan  
Kenya  
Lithuania  
Malaysia  
Mexico  
Morocco  
Myanmar  
Nepal  
Netherlands  
Nicaragua  
Nigeria  
Pakistan  
Panama  
Paraguay  
Peru  
Philippines  
Poland  
Portugal  
Romania  
Russian Federation  
Saudi Arabia

Singapore  
Slovakia  
South Africa  
Spain  
Sri Lanka  
Sweden  
Switzerland  
Taiwan, Greater China  
Thailand  
Trinidad and Tobago  
Tunisia  
Turkey  
Ukraine  
United Arab Emirates  
United Kingdom of Great Britain and Northern Ireland  
United Republic of Tanzania  
United States of America  
Uruguay  
Venezuela (Bolivarian Republic of)  
Viet Nam  
Zimbabwe

## C0.4

**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

EUR

## C0.5

**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Operational control

## C-AC0.6/C-FB0.6/C-PF0.6

**(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?**

	Relevance
Agriculture/Forestry	Both own land and elsewhere in the value chain [Agriculture/Forestry only]

Processing/Manufacturing	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Distribution	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Consumption	Yes [Consumption only]

## C-AC0.7/C-FB0.7/C-PF0.7

**(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue?**

Select up to five.

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### Agricultural commodity

Timber

### % of revenue dependent on this agricultural commodity

More than 80%

### Produced or sourced

Sourced

### Please explain

The % of revenue dependent on each commodity is an estimate based on annual turnover for our Beauty & Personal care, Foods & Refreshments and Home Care categories. This is not based on actual product specific data and does not take into account level of inclusion or whether or not is substitutable/one of a number of sources. Each commodity is assessed based on revenue per category and a rough calculation (%) of brands within that category that use paper and board. Paper and board is widely used across all categories in some form ie box packaging, so we have selected >80% of revenue.

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### Agricultural commodity

Palm Oil

### % of revenue dependent on this agricultural commodity

40-60%

### Produced or sourced

Sourced

### Please explain

The % of revenue dependent on each commodity is an estimate based on annual turnover for our Beauty & Personal care, Foods & Refreshments and Home Care categories. This is not based on actual product specific data and does not take into account level of inclusion or whether or not is substitutable/one of a number of sources.

Each commodity is assessed based on revenue per category and a rough calculation (%) of brands within that category that use palm oil. Palm oil is used in Personal care, Home care and Foods, and a small amount in Refreshments. Based on this estimation, palm oil accounts for about 51-60% of revenue.

### Agricultural commodity

Soy

### % of revenue dependent on this agricultural commodity

10-20%

### Produced or sourced

Sourced

### Please explain

The % of revenue dependent on each commodity is an estimate based on annual turnover for our Beauty & Personal care, Foods & Refreshments and Home Care categories. This is not based on actual product specific data and does not take into account level of inclusion or whether or not is substitutable/one of a number of sources. Each commodity is assessed based on revenue per category and a rough calculation (%) of brands within that category that use it. Soy is only used in a few products in our foods business, so % of the total revenue is estimated at below 20%.

## C1. Governance

### C1.1

**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

### C1.1a

**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	<p>The Unilever Board delegates the running of Unilever Group to the CEO, with the exception of some strategic matters (e.g. approval of dividends). Whilst the Board takes accountability, the CEO is ultimately responsible for the oversight of our climate agenda, including the management of all risks and opportunities, including our commitments on climate action and achieving net zero emissions by 2039.</p> <p>The CEO can delegate responsibilities to the Unilever Leadership Executive (ULE). The ULE is comprised of the CEO, CFO and other senior executives. All</p>

	<p>ULE members report to the CEO but are not part of the Board's decision-making process, which is reserved for the CEO and CFO as the only two executive Board members.</p> <p>In 2020, our CEO approved Unilever's new set of sustainability commitments under the Unilever Compass, which succeeded the Unilever Sustainable Living Plan. These included commitments to achieve net zero emissions from all our products from sourcing to point of sale by 2039, halving the GHG impact of our products across the lifecycle by 2030 and achieving net zero emissions in our operations by 2030. The CEO also approved our Climate Transition Action Plan (CTAP), which outlines what specific actions we will take to achieve our climate commitments.</p> <p>In December 2020 Unilever's Board agreed that it would put our CTAP before shareholders and seek a non-binding, advisory vote on our ambitious emissions reduction targets. Our CTAP sets out a range of targets and actions designed to deliver an emissions reduction pathway consistent with the 1.5 degrees ambition of the Paris Agreement. In May 2021, we put the CTAP to our shareholders at our AGM and 99.59% of our shareholders voted in favour of the plan, giving the Board and our business a strong mandate to progress our ambitious climate agenda.</p>
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## C1.1b

### (C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives	<p>Unilever's Board has ultimate responsibility for reviewing, monitoring and guiding the strategy for the Unilever Group, as well as its conduct. The Board has overall accountability for the management and guidance of risks and opportunities, including those associated with climate action and our net zero commitments.</p> <p>The Unilever Leadership Executive (ULE) and the Board delegated Corporate Responsibility Committee (CRC) support the Board's management of climate-related issues. In 2020, the Board held 6 planned meetings and 7 ad-hoc meetings.</p> <p>The Board's delegated CRC tracks the progress and potential risks associated with the USLP, which came</p>

	<p>Overseeing major capital expenditures, acquisitions and divestitures</p> <p>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p>	<p>to an end in 2020, and the new Unilever Compass, which was launched in 2020. The CRC feeds into the Board for key decisions on major plans of action to be made. Within the USLP and Unilever Compass, there are climate action targets, including those for our climate action and net zero commitments in our own operations and across our value chain, which the CRC oversees. The CRC report their findings to the Board regularly so that they can fulfil their oversight responsibilities.</p> <p>The CRC's responsibilities are complemented by those of the Audit Committee, which is responsible for reviewing the assurance of Unilever Sustainable Living Plan (USLP) targets (2020 was the final year for USLP targets assurance) and signing off our Annual Report &amp; Accounts (ARA). During 2020 the Audit Committee continued its oversight of the independent assurance work that is performed on Environment &amp; Occupational Safety which includes USLP metrics such as GHG emissions.</p> <p>For the fourth year, we applied the recommendations of the TCFD, including in our Annual Report and Accounts (ARA). Unilever has adopted the TCFD's recommendations since their establishment. In Unilever's 2020 ARA, climate (climate change and governmental actions to reduce such changes may disrupt our operations and/or reduce consumer demand for our products) was included as one of our key business risks. As part of the Board sign-off process, the Board and the Audit Committee are required to approve the ARA, which includes our TCFD statement. In 2020, this statement again included our analysis of the direct risks from climate change to key commodities such as palm oil, soybean oil and black tea, including changes in yield and supply. These risks are reviewed by the Board on an annual basis.</p>
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## C1.2

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Financial Officer (CFO)	Both assessing and managing climate-related risks and opportunities	Quarterly
Chief Executive Officer (CEO)	Both assessing and managing climate-related risks and opportunities	Quarterly

## C1.2a

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

Our Chief Executive Officer (CEO) and Chief Financial Officer (CFO) are the two Executive Directors on our Board, and are both members of the Unilever Leadership Executive (ULE). The ULE is Unilever's highest operational leadership group, comprised of senior and C-Suite executives. The CEO is then responsible for reporting to the Board.

The Board have delegated to the CEO and CFO the responsibility for the day-to-day operational leadership of the business including strategy, monitoring of performance and policy. This responsibility is shared equally between the CEO and CFO. This includes accountability for assessing and managing climate-related risks and opportunities, including our climate-related 'principal risk'. It also includes responsibility for the Unilever Sustainable Living Plan's (USLP) 16 climate-related targets, which came to an end in 2020, and the 6 climate specific targets under the Unilever Compass 'improve the health of the planet' overarching goal. The ULE then help the Board fulfil their oversight responsibilities.

As well as being a member of the ULE and the Boards, our CFO also attends our Board-delegated Audit Committee meetings, which discuss Unilever's risk management strategy and processes. Our principal risks are those we regard as the most relevant to our business and more material to business performance, from both a financial and a strategic perspective. One of Unilever's principal risks is climate change. In reviewing the principal risks, the CFO along with the Audit Committee consider the level of risk that Unilever is prepared to take in pursuit of the business strategy and the effectiveness of the management controls and monitoring in place to mitigate the risk exposure. They also consider the effectiveness of any remedial actions taken and report their findings in the Risk section of the Annual Report and Accounts (ARA) annually. As a reflection of the significance that we place on climate change, for the fourth year in a row, we have included TCFD-aligned disclosure in the Risk section of our ARA.

In 2020, our Unilever Sustainable Living Plan (USLP) Steering Team was fully integrated into the main ULE agenda to reflect the integration of sustainability into our business strategy – this includes the climate-related targets we have in place. The full ULE, chaired by the CEO, meet on a quarterly basis to review our sustainability progress against the new Unilever Compass

goals, including those targets related to climate. This represents a significant step towards integrating climate considerations into our core business operations. The ULE is CEO led, with each member reporting directly to the CEO.

In addition the ULE, including the CEO and CFO, meet monthly to discuss key strategic matters and during 2020, several agenda items related to climate change were discussed, including progress against our USLP climate goals and our new Unilever Compass climate goals. The ULE's responsibilities also include overseeing climate-focussed R&D and brand-led innovations (for example, detergents that perform well in cold water) to help reduce indirect consumer use phase emissions. Additional specialist governance groups are in place to support our climate agenda and ULE decision making. This includes the Carbon Neutral Board, which drives the delivery of our carbon ambition at corporate and country level and leads strategic partnerships and policy on renewables. The Carbon Neutral Board is chaired by our Chief Supply Chain Officer, who is part of the ULE.

## C1.3

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	No comment necessary. Details included in C1.3a

## C1.3a

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Chief Executive Officer (CEO)	Monetary reward	Emissions reduction target	<p>One element of our Remuneration Policy is a share-matching scheme based on company performance called the Management Co-Investment Plan (MCIP). 25% of the total MCIP award for the CEO, other C-Suite officers and senior executive leadership is assessed on progress against the targets in the Unilever Sustainable Living Plan (USLP). Performance is determined through the Sustainability Progress Index (SPI), a qualitative and quantitative assessment made jointly by the Board-delegated Corporate Responsibility and Compensation Committees. The Committees determine a rating from 0% to 200% each year based on 7 key performance indicators.</p> <p>This includes performance against our environmental</p>

			<p>impact target to reduce CO2 emissions from our factories per tonne of production. In 2020 Unilever overachieved against this target, reducing our CO2 emissions from energy from our factories per tonne of production by 65% against the 2008 baseline. Unilever Compass linked SPI targets will continue to include a climate goal.</p> <p>MCIP performance is assessed annually and then tallied as an average index for each four-year MCIP performance period, enabling the Compensation Committee to determine the level of matched shares. The level of monetary reward is dependent on the average score between 0 to 200% over the four years, and is rewarded every four years.</p> <p>The CEO leads the Unilever Leadership Executive who all play a significant role in driving progress towards our USLP targets, including our climate ambitions. Employees from Work Level 2 (the first rung of management) to ULE level are eligible to join MCIP. Executive Directors (CEO &amp; CFO) are required to invest at least 33% of their annual bonus in MCIP.</p>
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## C2. Risks and opportunities

### C2.1

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

### C2.1a

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	0	3	Our annual report outlines the time horizon for our risks in line with the entries in the table here. In order to report on the long-term viability of our company, the Directors annually review the overall funding capacity and headroom available to withstand severe events and carry out a robust assessment of the principal risks, including those that would threaten its business model, future performance, solvency or liquidity. This assessment also includes reviewing and understanding the mitigation factors in respect of each principal risk. The horizons

			are aligned with other business practice time horizons – including those which underpin our principal risk reporting. We also use a three-year viability period based on our forward-looking planning which is set out in our three-year strategic plans and annual forecasts.
Medium-term	3	10	Our annual report outlines the time horizon for our risks in line with the entries in the table here. In order to report on the long-term viability of our company, the Directors annually review the overall funding capacity and headroom available to withstand severe events and carry out a robust assessment of the principal risks, including those that would threaten its business model, future performance, solvency or liquidity. This assessment also includes reviewing and understanding the mitigation factors in respect of each principal risk. The horizons are aligned with other business practice time horizons – including those which underpin our principal risk reporting. We also use a three-year viability period based on our forward-looking planning which is set out in our three-year strategic plans and annual forecasts.
Long-term	10	100	Our annual report outlines the time horizon for our risks in line with the entries in the table here. In order to report on the long-term viability of our company, the Directors annually review the overall funding capacity and headroom available to withstand severe events and carry out a robust assessment of the principal risks, including those that would threaten its business model, future performance, solvency or liquidity. This assessment also includes reviewing and understanding the mitigation factors in respect of each principal risk. The horizons are aligned with other business practice time horizons – including those which underpin our principal risk reporting. We also use a three-year viability period based on our forward-looking planning which is set out in our three-year strategic plans and annual forecasts.

## C2.1b

### (C2.1b) How does your organization define substantive financial or strategic impact on your business?

**Definition:** Substantive impacts for Unilever are those that would threaten the Groups business model, future performance, solvency or liquidity in the next three years. We call these our Principal Risks & these apply to the Unilever Group (including our direct operations & supply chain). One of Unilever's Principal Risks is climate change.

**Determination:** We use our Principal Risks (all 14 included in pages 46-50 of our Annual Report and Accounts 2020) to identify scenarios which could force Unilever to cease being viable over a three-year period. Each year, we assess the cash flow impact a particular risk/mix of risks could have to the business based on the amount of cash held, our operating cash flows and the credit facilities available & their ability to affect the business operating and meeting its liabilities. Our time horizons are aligned with our forward-looking planning, set out in our three-year strategic plans and annual forecasts and our Board assume overall accountability for the management of risk & reviewing the effectiveness of Unilever's risk management & internal control systems.

**Threshold:** In assessing viability, 'severe but plausible' scenarios based on our principal risks are considered and the definition we work with is 1% of our Group Turnover which was equal to €507m in 2020. We identify substantive financial impact in 2 ways:

1. assessing scenarios for each individual principal risk, for example the termination of our relationships with the three largest global customers; the loss of all material litigation cases; a major IT data breach or reputational damage from not progressing against our plastic packaging commitments, and the lost cost and growth opportunities from not keeping up with technological changes
2. assessing scenarios that involve more than one principal risk, for example a major global incident affecting one or more of Unilever's key locations resulting in an outage for a year in a key sourcing unit & significant water shortages in our key developing markets. All the principal risks could impact our business within the next two years (i.e. short-term risks less than 3 years), or could impact our business over the next 3-10 years (i.e. medium-term risks less than 10 years).

## C2.2

**(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

### Value chain stage(s) covered

Direct operations  
Upstream  
Downstream

### Risk management process

Integrated into multi-disciplinary company-wide risk management process

### Frequency of assessment

More than once a year

### Time horizon(s) covered

Short-term  
Medium-term  
Long-term

### Description of process

Process to assess the financial impact of risks: We take an embedded approach to risk management which puts risk and opportunity assessment at the core of the Board agenda. Unilever's appetite for risk is driven by the following:

- Our growth should be consistent, competitive, profitable and responsible.
- Our actions on issues such as plastic and climate change must reflect their urgency, and not be constrained by the uncertainty of potential impacts.
- Our behaviours must be in line with our Code of Business Principles and Code Policies.
- Our ambition to continuously improve our operational efficiency and effectiveness.
- Our aim to maintain a single A credit rating on a long-term basis.

The Board has overall accountability for the management of risk and for reviewing the effectiveness of Unilever's risk management and internal control systems. The Board has established a clear organisational structure with well-defined accountabilities for the principal risks that Unilever faces in the short, medium and long term. This organisational structure and distribution of accountabilities and responsibilities ensure that every country in which we operate has specific resources and processes for risk reviews and risk mitigation. This is supported by the Unilever Leadership Executive (ULE), which takes active responsibility for focusing on the principal areas of risk to Unilever. The Board regularly review these risk areas, including consideration of environmental, social and governance matters, and retain responsibility for determining the nature and extent of the significant risks that Unilever is prepared to take to achieve its strategic objectives.

We use our 14 Principal Risks (p46-50 of our Annual Report & Accounts 2020) to identify scenarios which could force Unilever to cease being viable over a 3-year period. We see these as our substantive financial or strategic risks and climate change risk is one of them. Each year, we run an integrated, company-wide viability assessment and provide the estimated cash impact to the business. Findings are reported to the Audit Committee and a summary is provided in our Annual Report & Accounts.

The assessment has 3 parts:

- 1) Directors consider the period over which they have a reasonable expectation Unilever will continue to operate and meet its liabilities;
- 2) They consider the available debt facilities and headroom over the viability period, assuming any debt maturing can be refinanced at commercially-acceptable terms;
- 3) They consider the potential impact of severe but plausible scenarios over this period, including individual principal risk scenarios and those that involve more than one principle risk (multi-risk scenarios).

As well as identifying the most relevant risks for our business throughout the year, we reflect on whether we think the level of risk associated with each of our principal risks is increasing or decreasing and whether certain mitigating actions help us to manage these risks. For each of our Principal Risks, we have a risk management framework which details the controls in place and management responsibilities for both the overall risk, and the individual controls mitigating it. Time horizons vary for different aspects of our business from the short-term (e.g. product innovation), medium-term (e.g. business planning) and long-term (e.g. company-level sustainability targets). Each year, as well as assessing the cash impact of each Principal Risk individually, we also use a multi-risk approach to look at the worst-case scenario we may face.

Transition risk: As part of our 2°C and 4°C scenario analysis, we look at the impact from transition risks and opportunities, such as changing consumer preferences and future policy and regulation. Possible future mandatory carbon pricing in key countries could result in increases in both manufacturing costs and the costs of raw materials such as ingredients and packaging. If the circumstances in these risks occur or are not successfully mitigated, our cash flow, operating results, financial position, business and

reputation could be materially adversely affected. To mitigate the risk from future policy and regulatory changes, we support the use of carbon pricing as an important tool to help us achieve our zero emissions goal.

Case study: Over the past five years, we have piloted different carbon pricing schemes for our direct operations including a programme that ‘taxed’ divisional capital expenditure budgets (initially formed from the carbon emissions of the divisions) to create a centrally managed Low Carbon Fund. The Fund was used to accelerate clean technology investment through energy and emissions reduction projects globally. For example, through the fund we have installed renewable energy technologies on our factory sites, including solar water heating systems at sites in Australia, Israel, Mexico and India that together reduce CO<sub>2</sub> emissions by around 1,500 tonnes per year, and a biomass boiler at our Tema factory in Ghana.

Physical risk: Climate change and governmental actions to reduce such changes may disrupt our operations and/or reduce consumer demand for our products. Each year, as well as assessing the cash impact of each Principal Risk individually, we also use a multi-risk approach to look at the worst-case scenario we may face. In our 2020 viability assessment, we looked at a number of multi-risk scenarios including for example a major global incident affecting one or more of Unilever’s key locations resulting in an outage for a year in a key sourcing unit and significant water shortages in our key developing markets (for instance due to severe weather). The level of severity reviewed was based on the complete loss of all our turnover in our largest geographic market along with destruction of a key sourcing unit (upstream) and reduced demand for our products that require water (downstream). Our Directors concluded that they had a reasonable expectation the Group (Unilever) would be able to continue in operation and meet its liabilities due over the three-year period of the assessment.

Case study: To mitigate the physical risks from climate change, including extreme weather we monitor changing weather patterns on a short-term basis and take action to mitigate any negative effects. We have contingency plans to secure alternative key material supplies at short notice, to transfer or share production between manufacturing sites and to substitute materials in products and recipes if needed. We manage commodity price risks through forward-buying of traded commodities and other hedging mechanisms. We integrate weather system modelling into our forecasting process. Our Regenerative Agriculture Principles (launched in 2021) and Sustainable Agriculture Code promote the principles of Climate-Smart Agriculture to our suppliers and encourage practices to sustainably increase their productivity and resilience to extreme weather.

## C2.2a

**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	<p>i) Relevance of risk: We do not distinguish between legal and regulatory risks in our external reporting (our Annual Report refers to 'Legal &amp; Regulatory' risk as a single Principal Risk) and to be consistent we are doing the same with our CDP reporting. Climate change laws and regulations around the world – including but not limited to carbon taxes and emission trading schemes (ETS), zero deforestation laws and greenhouse gas emissions reporting - are continuously changing and therefore require regular monitoring and assessment for requirements. Failure to comply with laws and regulations could expose Unilever to civil and/or criminal actions leading to damages, fines and criminal sanctions against us and/or our employees with possible consequences for our corporate reputation. To monitor the risks associated with current climate-related laws and regulations, we are continually reviewing existing regulation.</p> <p>ii) Example: Decarbonisation activities to date have kept Unilever ahead of the curve on carbon pricing regulation. However, potentially bigger risk exists in our supply chain. Unilever sources materials and services from 56,000 suppliers in over 150 countries. Carbon pricing poses a risk of increased costs to Unilever and our suppliers with significant carbon footprints where carbon taxes or ETS schemes are under consideration or currently being implemented, such as in China, South Africa and the UK. This may lead to increased supply chain costs as suppliers pass the cost of carbon on to Unilever. In addition, failure to pay carbon taxes could lead to fines. For instance, Unilever is likely to incur an indirect cost through its scope 2 emissions where carbon pricing affects energy generators. Switching to green tariffs may not shield Unilever from electricity price rises that result from carbon pricing regulation on power generation. There is a risk these costs cannot be passed on to the consumer. There is currently no certainty on where the tax burden will fall and whether the costs will be passed downstream to manufacturers and consumers. Furthermore, supplier capability to manage the risk from carbon pricing and taxes (e.g. through emissions reduction) is in many cases nascent. Details of mitigating actions are reported in our Annual Report &amp; Accounts.</p>
Emerging regulation	Relevant, always included	<p>i) Relevance of risk: Climate change regulations around the world – including but not limited to carbon taxes and emission trading schemes (ETS), zero deforestation laws and greenhouse gas emissions reporting - are continuously being introduced and therefore require regular monitoring and assessment for emerging requirements. To monitor the risks associated with emerging climate-related laws and regulations, we are continually reviewing emerging regulation as part of Unilever's 'Legal &amp; Regulatory' Principal Risk. Our legal &amp; regulatory</p>

		<p>specialists are heavily involved in monitoring and reviewing our practices to provide reasonable assurance that we remain aware of, and in line with, all relevant laws and legal obligations. As regulatory pressures around climate change have increased, we are seeing impacts to our operations and supply chain.</p> <p>ii) Example: We monitor governmental developments around actions to combat climate change and we consider the impact of possible future mandatory carbon pricing in key countries e.g. our largest markets in terms of carbon emissions such as China which accounts for 3% of the top 30 Unilever countries in terms of carbon footprint. Prior to the planned introduction of the UK ETS (in place of the EU ETS), Unilever was expecting to be affected by changes made to the EU ETS as it entered its fourth phase in 2021 - namely, by the phasing out of free allocation between 2021 and 2030. Without further decarbonisation, in any carbon price scenario Unilever was expecting to incur costs as the free allocations were gradually phased out to 0% by 2030.</p>
Technology	Relevant, always included	<p>i) Relevance of risk: Technology is key in creating innovative, sustainable products that continue to meet the needs of our consumers and getting these new products to market with speed. If we are unable to invest in technology to reduce carbon emissions across our value chain, our production and distribution costs may increase and we may cease to be competitive, impacting sales and future growth. We need to invest in technology related to (1) the energy efficiency of our operations and across our value chain, (2) product innovation and the use of low carbon materials in our products, and (3) product innovation through low-carbon and resource-efficient products. Because of this technology risks are included under our 'Brand Preference' Principal Risk to Unilever.</p> <p>ii) Example: If we are unable to innovate effectively or utilise technological advancements to make our products more sustainable, we may cease to be competitive, impacting sales and future growth. We are working to address this risk in our household cleaning and laundry portfolio through 'Clean Future', which is removing black carbon ingredients from our products in place of recycled or renewable carbon through:</p> <ul style="list-style-type: none"> <li>- Using bio-science and industrial biotechnology to produce highly efficient cleaning ingredients from sustainably sourced biomass, such as the rhamnolipids (a surfactant) we are using in our hand dishwash detergent in Chile and Vietnam or new high-performing bio-enzymes.</li> <li>- Turning non-recyclable plastic waste destined for landfill or incineration into biodegradable cleaning and fragrance chemicals.</li> <li>- Turning CO2 from industrial emissions into useful chemicals and</li> </ul>

		<p>minerals through carbon capture and utilisation, as we already do for some of the soda ash we use in our laundry detergents in India. Adopting this approach in the recent past has helped us deliver up to GHG savings in product formulations whilst delivering new consumer benefits such as skin mildness. We are now exploring the extent to which this level of GHG reduction could be deliverable across the Home Care portfolio. We're investing €1 billion over ten years in researching and developing new technologies to reduce the carbon footprint, plastic waste and water use, and increase the biodegradable and sustainable ingredients associated with our products.</p>
Legal	Relevant, always included	<p>i) Relevance of risk: We do not distinguish between legal and regulatory risks in our external reporting (our Annual Report refers to 'Legal &amp; Regulatory' risk as a single Principal Risk) and to be consistent we are doing the same with our CDP reporting. Climate change laws and regulations around the world – including but not limited to carbon taxes and emission trading schemes (ETS), zero deforestation laws and greenhouse gas emissions reporting - are continuously changing and therefore require regular monitoring and assessment for requirements. Failure to comply with laws and regulations could expose Unilever to civil and/or criminal actions leading to damages, fines and criminal sanctions against us and/or our employees with possible consequences for our corporate reputation. To monitor the risks associated with current climate-related laws and regulations, we are continually reviewing existing regulation.</p> <p>ii) Example: Concerns about deforestation could lead to changing regulations on land use that could limit growth and impact prices. For example, in Malaysia and Indonesia where we source much of our palm oil, the total land available for palm oil plantations is being capped by government regulation or new plantation licenses have been halted. Failure to comply could lead to litigation or fines. We support policies that tackle deforestation associated with palm oil, and in 2020 we committed to ending deforestation in our supply chain by 2023. We have been at the forefront of driving industry-wide change to ensure a sustainable future for palm oil, including as a founding member of the Roundtable on Sustainable Palm Oil (RSPO).</p>
Market	Relevant, always included	<p>i) Relevance of risk: Consumer tastes, preferences and behaviours are changing more rapidly than ever before. Unilever's growth and profitability are determined by our portfolio of categories, geographies and channels and how these evolve over time to meet consumer needs. Unilever depends on its ability to continue being relevant in its markets such as in areas of water scarcity (e.g. South Africa and Brazil) where there could be reduced demand for our products; or in</p>

		<p>markets where there is an increased demand for plant-based products. Market risk from climate change is included under our 'Brand Preference' and 'Portfolio Management' Principal Risks to Unilever.</p> <p>ii) Example: If Unilever does not make optimal strategic investment decisions taking climate change risks and opportunities into account, then opportunities for growth and improved profitability could be missed. Unilever depends on the ability to continue being relevant, such as in markets where there is an increased demand for plant-based products. In November 2020, the Foods &amp; Refreshment division announced the bold 'Future Foods' ambition with several mid-term commitments, including the goal to increase annual sales of plant-based meat and dairy alternatives to €1 billion by 2025–2027. The scope includes three groups of products that are specifically designed to look, taste or cook like products containing animal-derived proteins:</p> <ul style="list-style-type: none"> <li>- Meat replacement: Vegan or vegetarian products that contain non-animal-derived alternative proteins instead of meat proteins.</li> <li>- Vegan mayonnaise: Vegan mayonnaise products in which all animal-derived ingredients are replaced by non-animal-derived alternatives.</li> <li>- Vegan ice cream: Vegan ice cream products in which all animal-derived ingredients are replaced by non-animal-derived alternatives.</li> </ul>
Reputation	Relevant, always included	<p>i) Relevance of risk: Acting in an ethical manner, consistent with the expectations of customers, consumers and other stakeholders, is essential for the protection of the reputation of Unilever and its brands. Unilever's brands and reputation are valuable assets and the way in which we operate, contribute to society and engage with the world around us is always under scrutiny both internally and externally. It is important for Unilever to be recognised as a company taking positive action in the context of climate change as this potentially impacts our share price (through investor confidence) and sales (through consumer preference). Reputation is included under our 'Ethical' Principal Risk to Unilever.</p> <p>ii) Example: Failure to deliver Unilever's climate change targets could harm our corporate reputation as a sustainable business as would failing to set ambitious goals aligned to the Paris Agreement. Our Climate Transition Action Plan (CTAP) sets out a range of targets and actions designed to deliver an emissions reduction pathway consistent with the 1.5°C ambition of the Paris Agreement. We communicated our efforts through a letter to our shareholders from our Chairman and CEO in the foreword of the CTAP. In June 2019, our CEO also urged more alignment between Unilever's climate ambitions and those in our wider value chain through an open letter to trade associations asking them if their lobbying position on climate policy was consistent with the 1.5°C ambitions set out in the Paris Agreement. Unilever has already</p>

		committed to ensuring that all direct lobbying relevant to climate policy is consistent with our stated objectives in delivering the 1.5°C ambition of the Paris Agreement.
Acute physical	Relevant, always included	<p>i) Relevance of risk: Unilever's business depends on purchasing ingredients and materials (e.g. for our products and packaging such as paper and board), efficient manufacturing and the timely distribution of products to our customers. Increased frequency and intensity of extreme weather (storms and floods) could cause increased incidence of disruption to our manufacturing and distribution network. The exposure to potentially adverse events such as physical disruptions, environmental or industrial accidents or disruptions at a key supplier, could also impact our ability to deliver orders to our customers. Acute physical risks are included under the 'Climate Change' and 'Supply Chain' Principal Risks to Unilever.</p> <p>ii) Example: Failure to manage the impacts of extreme weather could disrupt the supply of vital ingredients for our products. In particular, being a large buyer of palm oil means we are exposed to the acute physical risks associated with it. In 2015, palm oil production was impacted by severe weather linked to a dry El Nino. This brought high temperature across SE Asia, reducing palms yields, lowering output. There were also severe forest fires in Indonesia, particularly in Sumatra &amp; Kalimantan where we source substantial volumes from.</p>
Chronic physical	Relevant, always included	<p>i) Relevance of risk: Our business depends on purchasing ingredients and materials (e.g. for our products and packaging such as paper and board), efficient manufacturing and distribution of products to customers. Failure to manage chronic physical risks such as water shortages could disrupt our supply chain and operations which are dependent on water; and impact the ability of consumers to use our products which could damage sales and growth. Sourcing sustainably helps secure our supplies and reduces risk and volatility in our raw material supply chains. Sustainable farming methods can also improve the quality of our products, such as our sauces, soups, dressings and ice creams. We always consider the impact of chronic water stress on agricultural productivity and the impact on the price of raw materials. Chronic physical risks are included under the 'Climate Change' and 'Supply Chain' Principal Risks to Unilever.</p> <p>ii) Example: Our 2°C and 4°C scenario analysis highlighted chronic physical risks as the most significant climate change risk to our business. The 2°C and 4°C scenarios were constructed on the basis that average global temperatures will have increased by 2°C and 4°C in the year 2100. Under the 4°C scenario, chronic and acute water stress could reduce agricultural productivity in some regions, raising prices of</p>

		raw materials. Our tea scenario analysis also identified that water scarcity and temperature stress in both 2°C and 4°C scenarios could result in the declining quality of black tea, which could impact prices.
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## C2.3

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

## C2.3a

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

### Identifier

Risk 1

### Where in the value chain does the risk driver occur?

Upstream

### Risk type & Primary climate-related risk driver

Chronic physical

Changes in precipitation patterns and extreme variability in weather patterns

### Primary potential financial impact

Increased direct costs

### Company-specific description

i) Company-specific description of risk: Climate change has been identified as a principal risk to Unilever. Our business depends on purchasing ingredients and materials (e.g. for our Beauty & Personal Care, Home Care and Foods & Refreshments products and packaging such as paper and board), efficient manufacturing and distribution of products to customers. Increased frequency of extreme weather could cause water shortages, increasing the cost of raw materials as well as increasing the incidence of disruption to our 290+ manufacturing network and distribution network, also increasing costs. Such incidences have already affected Unilever. In 2015, a drought in Brazil meant some of our factories in Sao Paolo needed to supplement water supplies with tankered water due to restrictions on withdrawals.

Since 2017, we have been conducting an annual scenario analysis to assess the potential financial impacts from climate change on Unilever's business in 2030. In 2017, we made a high-level assessment of the impact of 4°C temperature increases due to climate change by 2100. This included assessment of physical risks such as extreme weather and chronic water stress affecting the cost of raw materials, including agricultural commodities. The 4°C scenario is constructed on the basis that average

global temperature will have increased by 4°C in the year 2100. We also completed more detailed analysis on three of our key agricultural commodities: palm oil, soybean oil and black tea from 2018 to 2020.

**Time horizon**

Long-term

**Likelihood**

Very likely

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

2,700,000,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

i) Approach: We have made a high-level assessment of the impact of 4°C temperature increases due to climate change by 2100. Carried out in 2017, the assessment focused on the material impacts on our business in the year 2030. The modelling assumed that our business activities are the same as they are today. The scenarios were based on existing internal and external data.

ii) Financial impact figure calculation/breakdown (A x B): The main upstream impact of the 4°C scenario is chronic and acute water stress reducing agricultural productivity in some regions, raising prices of raw materials by an estimated €2.7bn in 2030 i.e. increase in Unilever spend on agricultural raw materials by 2030. This estimate was calculated by multiplying Unilever's spend on agricultural raw materials (A) by the mid-point of the estimated price increases of agricultural raw materials due to chronic water stress from two studies conducted by external organisations (B). We do not disclose the full calculation because this has sensitive spend information regarding our agricultural commodities.

iii) Assumptions: While we understand that policy risk and physical impact can happen simultaneously, we made the simplifying assumption that in the 4°C scenario, we assumed climate policy is less ambitious than in a 2°C scenario and emissions remain high, so the physical manifestations of climate change are increasingly apparent by 2030. Given this we have not included impacts from regulatory restrictions but focus on

those resulting from the physical impacts.

### Cost of response to risk

350,000

### Description of response and explanation of cost calculation

i) Response to risk: We have contingency plans to secure alternative key material supplies at short notice, for example during extreme weather events, to transfer or share production between manufacturing sites and to use substitute materials in our product formulations and recipes. Commodity price risk is actively managed through forward buying of traded commodities and other hedging mechanisms and trends. Weather patterns are monitored and modelled regularly and integrated into our price forecasting process.

ii) Case study of response to risk: Sourcing sustainably helps secure our supplies and reduces risk and volatility in our raw material supply chains. Our Unilever Sustainable Agriculture Code (SAC) promotes the principles of Climate Smart Agriculture to our suppliers and includes practices that sustainably increase the productivity and resilience to extreme weather. With our suppliers and growers, we're helping them to manage risks arising from water scarcity. We have jointly implemented over 4,000 water management plans through our sustainable sourcing programme, including the use of drip irrigation and the introduction better soil and nutrient management to reduce soil erosion.

iii) Cost of response calculation/breakdown:

We estimate €350k management costs per annum for mitigating this risk which is calculated as follows (A + B):

- Cost of performing analysis of risk €250k (A): This work includes senior management and members of supply chain/procurement (provide input on procurement volumes, commodity pricing etc.), Science and Environmental Assurance Centre (SEAC), global finance sustainability and external consultants.
- Management time in responding to and managing the risk - €100k (B): Supply chain and Divisional management are responsible for ensuring that strategy is resilient to material risks identified and taking action to mitigate.

This does not include the cost of mitigation or substitute ingredients. Our Climate Transition Action Plan is our mitigation response. We are currently implementing a detailed plan to decarbonise our business and to achieve net zero emissions by 2039.

### Comment

No comment necessary

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### Identifier

Risk 2

### Where in the value chain does the risk driver occur?

Upstream

**Risk type & Primary climate-related risk driver**

Emerging regulation  
Carbon pricing mechanisms

**Primary potential financial impact**

Increased indirect (operating) costs

**Company-specific description**

i) Company-specific description of risk: Climate change has been identified as a principal risk to Unilever. Emerging laws and regulations such as carbon pricing in markets where Unilever manufactures products (e.g. China where we have 8 factory sites and the UK where we have 9 factory sites) and sells products (190+ countries) are included in our risk assessments as they may impact the cost of raw materials and the operating costs of our factories, therefore impacting margin and profitability.

Since 2017, we have been conducting an annual scenario analysis to assess the potential financial impacts from climate change on Unilever's business in 2030. In 2017, we made a high-level assessment of the impact of 2°C temperature increases due to climate change by 2100. In the 2°C scenario, we assumed that in the period to 2030 society acts rapidly to limit greenhouse gas emissions and puts in place measures to restrain deforestation and discourage emissions (for example implementing carbon pricing at \$75-\$100 per tonne, taken from the International Energy Agency's 450 scenario). The 2°C scenario is constructed on the basis that average global temperatures will have increased by 2°C in the year 2100. We also completed more detailed analysis on three of our key agricultural commodities: palm oil (e.g. used in our Beauty & Personal Care, Home Care and Foods products), soybean oil (e.g. used in dressings brands such as Hellmann's Mayonnaise) and black tea (e.g. used in our tea brands such as Lipton, Brooke Bond and PG Tips) from 2018 to 2020.

**Time horizon**

Long-term

**Likelihood**

Virtually certain

**Magnitude of impact**

High

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

1,700,000,000

**Potential financial impact figure – minimum (currency)**

## Potential financial impact figure – maximum (currency)

### Explanation of financial impact figure

i) Approach: We have made a high-level assessment of the impact of 2°C temperature increases due to climate change by 2100. Carried out in 2017, the assessment focused on the material impacts on our business in the year 2030. The modelling assumed that our business activities are the same as they are today. The scenarios were based on existing internal and external data.

ii) Financial impact figure calculation/breakdown ((A x B) + (C x D)): The main impacts of the 2°C scenario are that carbon pricing is introduced in key countries and hence there are increases in both manufacturing costs and the costs of raw materials such as dairy ingredients and the metals used in packaging, by an estimated €0.8bn in 2030. To calculate this, we multiplied Unilever Scope 1, 2 and 3 emissions (A) by an estimated range of carbon prices which could apply in developed countries and developing countries in which Unilever operates (B). We added this to Unilever spend on agricultural raw materials (C) multiplied by the mid point of estimated premium arising from zero net deforestation requirements and a shift to sustainable agriculture (D), which puts pressure on agricultural production, raising the price of certain raw materials, by an estimated €0.9bn in 2030. As a result, the total financial impact is €1.7bn. We do not disclose the breakdown of our calculations because the information is commercially sensitive.

Our commodity analysis of black tea showed that there is a risk of price increases in Kenya due to plateauing yields if additional acreage is not available due to government or land-use change policies in the 2°C scenario. We do not break our calculations down further because the information is commercially sensitive.

iii) Assumptions: While we understand that policy risk and physical impact can happen simultaneously, we made the following simplifying assumption that in the 2°C scenario, we assumed that in the period to 2030 society acts rapidly to limit greenhouse gas emissions and puts in place measures to restrain deforestation and discourage emissions (for example implementing carbon pricing at \$75-\$100 per tonne, taken from the International Energy Agency's 450 scenario). We have assumed that there will be no significant impact to our business from the physical ramifications of climate change by 2030 – i.e. from greater scarcity of water or increased impact of severe weather events.

### Cost of response to risk

400,000

### Description of response and explanation of cost calculation

i) Response to risk: We monitor governmental developments around actions to combat climate change and take proactive action to minimise the impact on our operations. We advocate for changes to public policy frameworks that will enable accelerated decarbonisation, in line with the upper level of ambition of the Paris Agreement on Climate Change. Unilever also supports calls for the introduction of carbon pricing at levels consistent with the delivery of the Paris Agreement. We are committed to ending

deforestation in our supply chain by 2023 and we have been at the forefront of driving industry-wide change to ensure a sustainable future for palm oil, including as a founding member of the Roundtable on Sustainable Palm Oil (RSPO).

ii) Case study of response to risk: Over the past five years, we have piloted different carbon pricing schemes across our direct operations including a programme that 'taxed' divisional capital expenditure budgets (initially formed from the carbon emissions of the divisions) to create a centrally managed Low Carbon Fund. In 2020, we invested €13m in over 100 energy and emissions reduction projects globally which will reduce global CO2 emissions by 2.7% e.g. we installed renewable energy technologies on our factory sites, including solar water heating systems at sites in Australia, Israel, Mexico and India that together reduce CO2 emissions by around 1,500 tonnes per year.

iii) Cost of response calculation/breakdown:

We estimate €400k management costs per annum for mitigating this risk which is calculated as follows (A + B):

- Cost of performing analysis of risk, such as scenario analysis - €250k (A): This work includes senior management and members of supply chain/procurement (provide input on procurement volumes, commodity pricing etc.), Science and Environmental Assurance Centre (SEAC), global finance sustainability and external consultants.
- Management time in responding to and managing the risk - €150k (B): Legal, tax, supply chain and finance teams are involved in monitoring the regulations, assessing the impact on our business and implementing mitigating activities.

This does not include the cost of mitigation resulting from future carbon taxes or regulation (e.g. replacement of old plant, equipment and machinery or reformulation). Our Climate Transition Action Plan is our mitigation response. We are currently implementing a detailed plan to decarbonise our business and to achieve net zero emissions by 2039.

### Comment

No comment necessary

### Identifier

Risk 3

### Where in the value chain does the risk driver occur?

Downstream

### Risk type & Primary climate-related risk driver

Market

Changing customer behavior

### Primary potential financial impact

Decreased revenues due to reduced demand for products and services

### Company-specific description

i) Company-specific description of risk: Climate change has been identified as a principal risk to Unilever. Many of Unilever's Home Care (e.g. Omo laundry detergent and Domestos toilet bleach), Beauty & Personal Care (e.g. Dove shower gel, Sunsilk shampoo and Lifebuoy soap) and Foods & Refreshments (e.g. Lipton tea) products rely on water. Household water scarcity, exacerbated by population growth and urbanisation is therefore a risk to our business. Consumers may reduce use of certain products if they don't have access to water. Reduced water quality could also impact our products efficacy (e.g. our laundry products) and consumers' enjoyment (e.g. our hair and shower products).

Since 2017, we have been conducting an annual scenario analysis to assess the potential financial impacts from climate change on Unilever's business in 2030. In 2017, we made a high-level assessment of the impact of 4°C temperature increases due to climate change by 2100. This included assessment of physical risks such as temperature increase and extreme weather events reducing economic activity and GDP growth, hence reducing sales. The 4°C scenario is constructed on the basis that average global temperature will have increased by 4°C in the year 2100.

**Time horizon**

Long-term

**Likelihood**

Very likely

**Magnitude of impact**

High

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

2,100,000,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

i) Approach: We have made a high-level assessment of the impact of 4°C temperature increases due to climate change by 2100. Carried out in 2017, the assessment focused on the material impacts on our business in the year 2030. The modelling assumed that our business activities are the same as they are today. The scenarios were based on existing internal and external data.

ii) Financial impact figure calculation/breakdown (A x B): The main downstream impacts of the 4°C scenario are temperature increase and extreme weather events reducing

economic activity and hence sales levels fall, by an estimated €2.1bn. We calculated this by multiplying turnover in markets likely to be affected by climate change such as India and Indonesia (based on an external study) (A) by the change in GDP growth in 2030 in those markets by an estimated average of 3.8% (B). We do not break this figure down further because the information is commercially sensitive. We found that the overall impact of water stress on our sales by 2030 is not significant, however we could face greater short-term impacts in specific communities. We do not disclose the breakdown of our calculations because the information is commercially sensitive.

iii) Assumptions: While we understand that policy risk and physical impact can happen simultaneously, we made the simplifying assumption that in the 4°C scenario, we assumed climate policy is less ambitious than in a 2°C scenario and emissions remain high, so the physical manifestations of climate change are increasingly apparent by 2030. Given this we have not included impacts from regulatory restrictions but focus on those resulting from the physical impacts.

### **Cost of response to risk**

1,000,000

### **Description of response and explanation of cost calculation**

i) Response to risk: Addressing water shocks and stresses by designing products that can work well with less water or low-quality water is a standard part of our innovation process. We are investing in water-smart products which are particularly suited to the needs of people living in water-stressed areas but can also help encourage a wider shift to more sustainable water consumption. They will help our business become more resilient to the impacts of climate change. We're also developing lower carbon footprint products e.g. our Home Care Division's Clean Future programme aims to eliminate fossil fuels from cleaning products by 2030 and our Foods & Refreshment brands offer a range of vegan and vegetarian variants.

ii) Case study of response to risk: Failure to invest in our portfolio to mitigate the physical risks of climate could result in reduced sales. We're investing in new products and formulations that work with less water, poor quality water or no water, with a particular focus on household cleaning and laundry (e.g. Day 2 dry wash spray, Rin 'One Rinse'), oral care (e.g. Signal toothpaste tablets) and hair care (e.g. The Good Stuff and Living Proof dry shampoo). Many of our Beauty & Personal Care and Home Care products now have fast-rinse technology as standard, using less water or low-temperature washing.

iii) Cost of response calculation/breakdown:

We estimate €1m management costs per annum for mitigating this risk which is calculated as follows (A + B):

- Cost of performing analysis of risk, such as scenario analysis - €250k (A): This work includes senior management and members of supply chain/procurement (provide input on procurement volumes, commodity pricing etc.), Science and Environmental Assurance Centre (SEAC), global finance sustainability and external consultants.

- Management time in responding to and managing the risk - €750k (B): R&D and Divisional teams involved in product innovation as well as dedicated resources for managing the Climate & Nature Fund.

This does not include the cost of mitigation (e.g. innovation, securing water supply for our factories) from extreme weather events which reduce economic activity and therefore sales (e.g. due to water scarcity). Our Climate Transition Action Plan is our mitigation response. We are currently implementing a detailed plan to decarbonise our business and to achieve net zero emissions by 2039.

### Comment

No comment necessary

## C2.4

**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

### C2.4a

**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**

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#### Identifier

Opp1

#### Where in the value chain does the opportunity occur?

Downstream

#### Opportunity type

Products and services

#### Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

#### Primary potential financial impact

Increased revenues resulting from increased demand for products and services

#### Company-specific description

i) Company-specific description of opportunity: Our growth and profitability depend on our ability to pre-empt or respond to changing consumer preferences, especially in areas where we have positioned Unilever for future growth such as plant-based products e.g. The Vegetarian Butcher, Hellmann's, Magnum and Wall's. Public concern about climate change is higher than ever and consumers are increasingly choosing more sustainable brands. Consumers in a number of our markets are increasingly adopting plant-based diets which have a lower GHG footprint than meat-based diets.

Analysis shows that the global plant-based meat market is growing at a compound annual growth rate of 15.8 per cent and is set to reach \$35.4 billion by 2027. To support our growth ambitions, it is imperative that we understand the market opportunities from plant-based foods invest in innovation capability accordingly.

**Time horizon**

Medium-term

**Likelihood**

Virtually certain

**Magnitude of impact**

High

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

1,000,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

i) Approach: In 2020, Unilever announced an annual global sales target of €1 billion from plant-based meat and dairy alternatives, by 2025-2027. The figure is an aggregate of the annual turnover from our foods brands which are positioning themselves in the plant-based market, including The Vegetarian Butcher as well as Hellmann's, Magnum and Wall's ice cream which are increasing the number of vegan alternatives.

ii) Financial impact figure calculation/breakdown (A + B + C): Our annual global sales target of €1 billion from plant-based meat and dairy alternatives by 2025-2027 covers sales of all Unilever Food and Refreshment products, containing plant-based meat and dairy alternatives such as meat replacements (A), vegan mayonnaise (B) and vegan ice cream (C).

iii) Assumptions: We assumed that achieving the goal by 2025-2027 would require a five-fold increase in growth.

**Cost to realize opportunity**

0

**Strategy to realize opportunity and explanation of cost calculation**

i) Response to opportunity: We're capturing opportunities to develop new products and grow our consumer base by appealing to eco-conscious consumers. Our Foods &

Refreshment brands offer a range of vegan and vegetarian variants and continue to actively promote vegetarian and vegan recipes. Our move into the plant-based and vegan categories are being recognised by consumers and the industry. We're investing heavily in developing new plant-based protein sources and foods at our Hive Foods Innovation Centre in the Netherlands.

ii) Case study of strategy to realize opportunity: The Vegetarian Butcher is our industry-leading 'plant-based meat' brand. The Vegetarian Butcher products are aimed at the increasing number of consumers who identify themselves as part-time vegetarians or flexitarians. The products are made from soy and wheat, and all its protein sources are plant-based and deliciously satisfying. The brand has expanded to 45 countries and provided Burger King's first plant-based burger, the Rebel Whopper. The products are resonating with consumers. In 2020, The Vegetarian Butcher grew its turnover by over 70%. In 2020, The Vegetarian Butcher's Chickened Out Burger won a Vegan Food Award from animal rights organisation People for the Ethical Treatment of Animals (PETA).

iii) Cost to realize opportunity calculation/breakdown: We do not disclose the investment required to achieve our plant-based target as this information is commercially sensitive.

### Comment

No comment necessary

### Identifier

Opp2

### Where in the value chain does the opportunity occur?

Direct operations

### Opportunity type

Energy source

### Primary climate-related opportunity driver

Use of lower-emission sources of energy

### Primary potential financial impact

Reduced direct costs

### Company-specific description

i) Company-specific description of opportunity: Energy is one of the major overhead costs in running Unilever's 290+ factories – energy costs are around 5-10% of Unilever's total operating spend e.g. in India we spend around €25m on electricity annually. There is an opportunity to make cost savings through PPA agreements to install on site renewables, wherever possible and feasible, which not only reduce carbon emissions but also deliver cost savings. We expect that our ambition to eliminate direct greenhouse gas emissions from our operations by 2030 will not only lower overhead

costs, but will improve resilience in our energy supply and attract investors who are increasingly considering carbon risk. In the future, there may also be opportunities in on site energy storage through third parties.

**Time horizon**

Long-term

**Likelihood**

Very likely

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

4,900,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

i) Approach: We contracted with renewable third party energy developers at six sites in India to install solar plants in our factories. We negotiated a renewable tariff based on the capacity and utilization during the contract period (usually around 15 years in India). The investment was from the third party energy developer and hence there is no capex cost to Unilever. Unilever pays only the per unit (kWh) tariff to the third party energy developer.

iii) Financial impact figure calculation/breakdown  $((A - B) \times C)$ : The range of savings across the six sites (included in the calculation as they are strategically important) is between (cumulative) €0.54m and €1.26m by 2036 - totalling €4.9m (cumulative) savings by 2036. For each of the six sites in India with on-site renewables we have calculated the grid tariff that we pay to the electricity company (A) and the solar tariff which we pay to the third party energy developer (B). The difference in the cost between the grid tariff and the solar tariff is the saving. We multiply this saving over 15 years (the typical length of the PPA contract i.e. to 2036) on the basis of sourced capacity, for the six sites (C).

iii) Assumptions: Based on the trend from the last few years, we assume that the grid tariff will fluctuate and that the solar tariff is fixed for the first year and will increase each year as per the agreement. Our calculation also assumes that the sites do not change significantly over the period (e.g. no change in production volume affecting electricity consumption). We assume the solar plant will become less efficient year on year,

reducing generating capacity.

### Cost to realize opportunity

0

### Strategy to realize opportunity and explanation of cost calculation

i) Response to opportunity: Unilever has a target to eliminate direct greenhouse gas emissions from our operations by 2030. A key part of this is achieving 100% renewable in our operations by 2030. We're taking action in a number of areas to shift our energy use to fully renewable including eliminating coal from our energy mix, transitioning to 100% renewable grid electricity (which we achieved in 2020) and installing on site renewables at our factories. Our immediate priority is to decrease unbundled REC purchases and to increase direct renewable electricity purchases where energy legislation allows it and market conditions allow. In 2020, we met 52% of our global energy needs for our manufacturing operations from renewable sources (e.g. on-site biomass, solar, wind, hydro - as well as renewable grid electricity). Since 2018, we have on-site solar installations at 13 facilities in China, India, Ghana, Kenya, South Africa, UAE and the US. We have an additional 12 on-site solar projects in the pipeline. In addition to our direct actions, we are also working to help create the right policy and regulatory environment which promotes wider adoption of lower emission sources of energy thereby lowering the cost for renewables through greater availability e.g. we're a founding signatory of RE100.

ii) Case study: India is one of our largest markets by turnover and also in terms of energy consumption. The energy market in India is highly fragmented meaning that energy legislation in some states is enabling for on-site renewables. We currently have 6 factories in 4 states where a third party energy developer has installed on site solar equipment which generates renewable electricity for Unilever. Projected over the contract terms of a typical PPA contract (approximately 15 years), we estimate savings in the region of €4.9m by 2036.

iii) Cost to realize opportunity calculation/breakdown: There is no cost to Unilever as the costs are borne by a third party developer who install the onsite renewables and charges a fixed tariff on generated renewable electricity. The only cost is operational expenditure to pay for the tariff.

### Comment

No comment necessary

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### Identifier

Opp3

### Where in the value chain does the opportunity occur?

Direct operations

**Opportunity type**

Energy source

**Primary climate-related opportunity driver**

Use of lower-emission sources of energy

**Primary potential financial impact**

Reduced direct costs

**Company-specific description**

i) Company-specific description of opportunity: Energy is one of the major overhead costs in running Unilever's 290+ factories – energy costs are around 5-10% of Unilever's total operating spend e.g. in India we spend around €25m on electricity annually. There is an opportunity to make cost savings through targeted investments in our factories in energy efficiency and low carbon energy sources such as renewable energy technologies, solar water heating systems and biomass boilers.

**Time horizon**

Medium-term

**Likelihood**

Very likely

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

10,800,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

i) Approach: Using capex budget (the Low Carbon Fund), we install energy and emissions reduction technologies at our sites to avoid costs from utility consumption.

ii) Financial impact figure calculation/breakdown (A x B): We assessed the estimated paybacks from the Low Carbon Fund over the last 3 years (A). We then extrapolated this figure over 9 years (B) assuming investment is equal to the average of the last 5 years. We estimate that over the period 2021 to 2030, we could avoid costs of around €10.8 million annually through capex focused on energy and emissions reduction projects globally. This figure includes costs avoided primarily from utility consumption as well as avoided maintenance costs.

iii) Assumptions: Investment is equal to the last 5 years and average payback is 2.4 years.

### **Cost to realize opportunity**

25,000,000

### **Strategy to realize opportunity and explanation of cost calculation**

i) Response to opportunity: One of the ways in which we can deliver costs savings is by 'taxing' divisional capital expenditure budgets (initially formed from the carbon emissions of the divisions) to create a centrally managed Low Carbon Fund. We use the Fund to accelerate clean technology investment through energy and emissions reduction projects globally. This not only helps to reduce our emissions but also save costs over the long-term.

ii) Case study of strategy to realize opportunity: Through the Low Carbon Fund we have installed renewable energy technologies on our factory sites, including solar water heating systems at sites in Australia, Israel, Mexico and India that together reduce CO<sub>2</sub> emissions by around 1,500 tonnes per year, and a biomass boiler at our Tema factory in Ghana. In 2020, we invested €13 million (slightly less than previous years due to funds being diverted due to Covid-19) in over 100 energy and emissions reduction projects globally which will reduce our global CO<sub>2</sub> emissions by 2.7% (19700 tonnes CO<sub>2</sub>).

iii) Cost to realize opportunity calculation/breakdown (A + B): Capital investment to realise the opportunity is €25 million annually. The €25 million capital investment includes a range of site infrastructure (A) and process investments (B) which deliver energy and water efficiency, decarbonisation and a shift to renewables energy. We expect savings to accrue over the life time of the assets – at least 5 years and often much longer (e.g. in the case of a biomass boiler which can have a life time of up to 20 years). Capital invested in the Low Carbon Fund over the next 9 years could potentially deliver significant cumulative cost avoidance savings.

### **Comment**

No comment necessary

## **C3. Business Strategy**

### **C3.1**

#### **(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?**

Yes, and we have developed a low-carbon transition plan

### C3.1a

**(C3.1a) Is your organization's low-carbon transition plan a scheduled resolution item at Annual General Meetings (AGMs)?**

	Is your low-carbon transition plan a scheduled resolution item at AGMs?	Comment
Row 1	Yes	In December 2020, Unilever's Board announced its intention to put Unilever's climate transition action plan before shareholders and seek a non-binding advisory vote on our ambitious emissions reduction targets and the plans to achieve them. In May 2021, our Climate Transition Action Plan (CTAP) was approved by our shareholder vote at our Annual General Meeting with an overwhelming 99.6% approval rate.

### C3.2

**(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?**

Yes, qualitative and quantitative

### C3.2a

**(C3.2a) Provide details of your organization's use of climate-related scenario analysis.**

Climate-related scenarios and models applied	Details
2DS IEA 450 Greenpeace RCP 8.5	<p>Inputs: Our aim was to build a scenario model which was bespoke to Unilever. We drew on various physical scenarios (e.g. IPCC RCP 8.5 Scenario) &amp; transition scenarios (e.g. Greenpeace Energy Revolution, IEA WEO 450ppm scenario, IEA 2DS) and various 3rd party scenarios as well as TCFD guidance. We also used internal data sources such as historical financial results, scopes 1, 2 and 3 (value chain) emissions, and commodity spend. The analysis covered Unilever's full value chain: raw materials, manufacturing, logistics and sales &amp; covered a time horizon of 2030, which is relevant and in line with some of our current GHG emission targets.</p> <p>Assumptions: The modelling assumed that our business activities are the same as they are today. While we understand that policy risk and physical impact can happen simultaneously, we made the following simplifying assumptions:</p> <ul style="list-style-type: none"> <li>■ In the 2°C scenario, we assumed that in the period to 2030 society acts rapidly to limit greenhouse gas emissions and puts in place measures to</li> </ul>

restrain deforestation and discourage emissions (for example implementing carbon pricing at \$75-\$100 per tonne, taken from the International Energy Agency's 450 scenario). We have assumed that there will be no significant impact to our business from the physical ramifications of climate change by 2030 – i.e. from greater scarcity of water or increased impact of severe weather events. The scenario assesses the impact on our business from regulatory changes.

- In the 4°C scenario, we assumed climate policy is less ambitious and emissions remain high so the physical manifestations of climate change are increasingly apparent by 2030. Given this we have not included impacts from regulatory restrictions but focus on those resulting from the physical impacts.

The main elements of the 2°C scenario are as follows:

- Carbon pricing is introduced in key countries where Unilever operates (e.g. India, China, US) and hence there are increases in both manufacturing costs and the costs of raw materials such as dairy ingredients and the metals used in packaging.
- Zero net deforestation requirements are introduced in key markets where Unilever sources raw materials (e.g. palm oil in Indonesia) and a shift to sustainable agriculture e.g. Climate Smart Agriculture, puts pressure on agricultural production, raising the price of certain raw materials.

The main impacts of the 4°C scenario are as follows:

- Chronic and acute water stress reduces agricultural productivity in some regions where Unilever manufactures and sells products (e.g. South Asia), raising prices of raw materials.
- Increased frequency of extreme weather (storms and floods) causes increased incidence of disruption to our manufacturing and distribution networks.
- Temperature increase and extreme weather events reduce economic activity, GDP growth and hence sales levels fall.

Influence on strategy: Our scenario analysis validated what we have known for a number of years: that our exposure to carbon pricing is likely to increase over time. In response, we have piloted different carbon pricing schemes including a programme that 'taxed' divisional capital expenditure budgets (initially formed from the carbon emissions of the divisions) to create a centrally managed Low Carbon Fund. The Fund was used to accelerate clean technology investment through energy and emissions reduction projects globally. For example, through the fund we have installed renewable energy technologies on our factory sites, including solar water heating systems at sites in Australia, Israel, Mexico and India that together reduce CO<sub>2</sub> emissions by around 1,500 tonnes per year, and a biomass boiler at our Tema factory in Ghana. By investing in these projects, we are not only helping to reduce our emissions but also reducing the risk of future carbon pricing or ETS schemes.

### C3.3

#### (C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>Influence on strategy (medium-term horizon): Our growth and profitability depend on our ability to anticipate or respond to changing consumer preferences. Public concern about climate change is higher than ever and consumers are increasingly choosing more sustainable brands. Consumers in a number of our markets are increasingly adopting plant-based diets which have a lower GHG footprint than meat-based diets. The global plant-based meat market is growing at a compound annual growth rate of 15.8 per cent and is set to reach \$35.4 billion by 2027. To support our growth ambitions, it is imperative that we understand the market opportunities from plant-based foods and invest in innovation capability accordingly.</p> <p>Case study of strategic decision: We have identified plant-based as one of our Unilever Compass 'strategic choices', to develop our portfolio into high growth spaces. In 2020, Unilever announced an annual global sales target of €1 billion from plant-based meat and dairy alternatives, by 2025-2027. The growth will be driven by the roll-out of The Vegetarian Butcher as well as increasing vegan alternatives from brands including Hellmann's, Magnum and Wall's. In 2020 alone, The Vegetarian Butcher grew its turnover by over 70%.</p>
Supply chain and/or value chain	Yes	<p>Influence on strategy (medium-term horizon): Our business depends on purchasing materials, efficient and uninterrupted manufacturing and the timely distribution of products to our customers. Our operating costs and commodity prices could be disrupted by increased frequency of extreme weather events and changes to weather systems. In response to this risk to our supply chain, we have created a set of Regenerative Agriculture Principles which sit alongside our existing Sustainable Agriculture Code. The Principles are agricultural practices</p>

		<p>focused on delivering positive outcomes in terms capturing carbon, climate resilience, nourishing the soil, increasing farm biodiversity, improving water quality and restoring and regenerating the land. Implementation of regenerative agriculture is a journey which will need to take place across many aspects of the farming system over several years, and where the benefits may take decades to be fully measurable. From 2021, we will set up a number of Lighthouse Programmes to test implementation of the Regenerative Agriculture Principles in practice. We will also invest in and work with farmers, suppliers and partners on different crops in different geographies in order to find locally adapted solutions.</p> <p>Case study of strategic decision: Soy is one of the most important crops we use for our foods products, including one of our biggest brands Hellmann’s mayonnaise. It is therefore imperative that our supply chain is resilient and sustainable. In response, in Iowa in the US, we’re working with soy farmers and soy oil suppliers on a regenerative farming project. This is introducing cover crops as a way of protecting their soil. The plants capture carbon in the air and feed it into the soil, where microbes use carbon for energy and keep it underground instead of releasing it back into the atmosphere. Our largest brand Knorr is working with US rice supplier Riviana to implement a suite of farming practices that enable farmers to grow rice while preserving water and decreasing methane emissions. We are rolling our other regenerative projects across other key commodities to manage supply chain risks.</p>
Investment in R&D	Yes	<p>Influence on strategy (medium-term horizon): Our growth and profitability depend on our ability to pre-empt or respond to changing consumer preferences, which in turn requires investment in R&amp;D. Public concern about sustainability is higher than ever and consumers are increasingly choosing more sustainable brands which have a lower environmental footprint and use fewer chemicals. In response, in September 2020, Unilever announced its ambition to replace all of the carbon derived from fossil fuels in our Home Care formulations with renewable or recycled carbon by 2030. This approach – called ‘Clean Future’ – avoids pumping more carbon from under the ground (in the form of fossil fuels), which would add to the earth’s atmospheric carbon burden when the chemicals</p>

		<p>biodegrade. We are investing €1 billion in our Clean Future strategy, to finance biotechnology research, CO2 utilisation, low carbon chemistry, biodegradable and water-efficient formulations, and reducing the use of virgin plastic.</p> <p>Case study of strategic decision: Clean Future is our strategic play to reinvent the chemistry of our Home Care products. Through Clean Future, we are:</p> <ul style="list-style-type: none"> <li>• Using bio-science and industrial biotechnology to produce highly efficient cleaning ingredients from sustainably sourced biomass, such as the rhamnolipids (a surfactant) we are using in our hand dishwash detergent in Chile and Vietnam or new high-performing bio-enzymes.</li> <li>• Turning non-recyclable plastic waste destined for landfill or incineration into biodegradable cleaning and fragrance chemicals.</li> <li>• Turning CO2 from industrial emissions into useful chemicals and minerals through carbon capture and utilisation, as we already do for some of the soda ash we use in our laundry detergents in India.</li> </ul> <p>Adopting this approach in the recent past has helped us deliver up to 28% GHG savings in product formulations whilst delivering new consumer benefits such as skin mildness. We are now exploring the extent to which this level of GHG reduction could be deliverable across our Home Care portfolio.</p>
Operations	Yes	<p>Influence on strategy (medium-term horizon): Current and emerging laws and regulations could impact our financial performance as governments may take action, such as the introduction of carbon taxes which could increase both manufacturing costs and the costs of raw materials. In 2020, we announced our commitment to achieve zero emissions in our operations by 2030, thereby mitigating the risk of future policy and regulation such as carbon pricing. To deliver this goal, we're continuously optimising our energy demand through energy efficiency programmes. For example, between 2008 and the end of 2020 we reduced GHG emissions from energy used in our factories by 75% per tonne of production. This has contributed to cumulative cost avoidance from energy of over €873 million since 2008. We are also transitioning energy sources to renewables. Our worldwide grid electricity is now 100% sourced from renewable sources.</p>

		<p>Case study of strategic decision: For example, in the UK and Ireland, 10 of our sites use renewable electricity from a 23-turbine strong wind farm in Lochluichart, an onshore wind farm in the Scottish Highlands. We're in the process of transitioning heating sources (typically fossil fuel burning boilers) for manufacturing sites, offices and labs to renewable energy sources. And we aim to eliminate any remaining residual high global warming potential (GWP) HFC refrigerants from our cooling systems, retrofitting or replacing them with low GWP refrigerants such as hydrocarbons, ammonia and CO2. As a result of these actions (and many more) in 2020, across our operations, we reduced Scope 1 and 2 emissions from energy and refrigerant use by 60% since 2015, mainly due to our accelerated use of renewables and the phasing out of coal from our energy mix, which is now restricted to a small number of factories.</p>
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### C3.4

**(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues	<p>Our 2°C &amp; 4°C scenario analysis helps us determine the financial risks and opportunities associated with climate change. Unilever's revenue growth and profitability is determined by our portfolio, geographical and channel presence and how these evolve over time in response to consumer demand.</p> <p>Case Study: If Unilever does not make optimal strategic investment decisions taking climate change risks and opportunities into account, then opportunities for growth and improved profitability could be missed. Unilever depends on the ability to continue being relevant, such as in markets where there is an increased demand for plant-based products. We know that consumers in a number of our markets are increasingly adopting plant-based diets which have a lower GHG footprint than meat-based diets. That's why in 2020, we announced an annual global sales target of €1 billion from plant-based meat and dairy alternatives, by 2025-2027. The growth of our plant-based portfolio will be factored into our financial planning over the next five to seven years. The growth will be driven by the roll-out of The Vegetarian Butcher as well as increasing</p>

		vegan alternatives from brands including Hellmann's, Magnum and Wall's. In 2020 alone, The Vegetarian Butcher grew its turnover by over 70%.
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### C3.4a

**(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).**

See 3.4 for an example

## C4. Targets and performance

### C4.1

**(C4.1) Did you have an emissions target that was active in the reporting year?**

Both absolute and intensity targets

### C4.1a

**(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.**

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**Target reference number**

Abs 2

**Year target was set**

2016

**Target coverage**

Company-wide

**Scope(s) (or Scope 3 category)**

Scope 1+2 (market-based)

**Base year**

2015

**Covered emissions in base year (metric tons CO<sub>2</sub>e)**

1,961,877

**Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)**

100

**Target year**

2030

**Targeted reduction from base year (%)**

100

**Covered emissions in target year (metric tons CO2e) [auto-calculated]**

0

**Covered emissions in reporting year (metric tons CO2e)**

778,677.36

**% of target achieved [auto-calculated]**

60.3095729243

**Target status in reporting year**

Underway

**Is this a science-based target?**

Yes, and this target has been approved by the Science-Based Targets initiative

**Target ambition**

1.5°C aligned

**Please explain (including target coverage)**

This target is a continuation of Abs1 reported in 2020. Unilever committed to reduce scope 1 and 2 GHG emissions 100% by 2030 from a 2015 base year. This target has been approved by the Science Based Targets Initiative as meeting the 1.5 degree C warming scenario. We will achieve the target through: 1) reducing intensity of energy consumption and 2) use of 100% renewable energy for all residual energy requirements. During 2020, the fifth year of this target, we reduced absolute scope 1+2 emissions by 29.4% vs 2019, with scope 1 emissions reducing by 7.9% and scope 2 emissions reducing by 61.3%.

**Target reference number**

Abs 1

**Year target was set**

2016

**Target coverage**

Company-wide

**Scope(s) (or Scope 3 category)**

Scope 1+2 (market-based)

**Base year**

2015

**Covered emissions in base year (metric tons CO2e)**

1,961,877

**Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)**

100

**Target year**

2025

**Targeted reduction from base year (%)**

70

**Covered emissions in target year (metric tons CO<sub>2</sub>e) [auto-calculated]**

588,563.1

**Covered emissions in reporting year (metric tons CO<sub>2</sub>e)**

778,677.36

**% of target achieved [auto-calculated]**

86.156532749

**Target status in reporting year**

Underway

**Is this a science-based target?**

Yes, and this target has been approved by the Science-Based Targets initiative

**Target ambition**

1.5°C aligned

**Please explain (including target coverage)**

This is a shorter term, interim target towards target Abs 2 which has been approved by the Science-Based Targets initiative as being 1.5C aligned. Having achieved 70% reduction in scope 1+2 emissions by 2025, this will revert to target Abs 2 which aims to achieve 100% reduction by 2030.

During 2020, the fifth year of this target, we reduced absolute scope 1+2 emissions by 29.4% vs 2019, with scope 1 emissions reducing by 7.9% and scope 2 emissions reducing by 61.3%.

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**Target reference number**

Abs 3

**Year target was set**

2016

**Target coverage**

Company-wide

**Scope(s) (or Scope 3 category)**

Scope 1+2 (market-based)

**Base year**

2015

**Covered emissions in base year (metric tons CO2e)**

1,961,877

**Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)**

100

**Target year**

2039

**Targeted reduction from base year (%)**

100

**Covered emissions in target year (metric tons CO2e) [auto-calculated]**

0

**Covered emissions in reporting year (metric tons CO2e)**

778,677.36

**% of target achieved [auto-calculated]**

60.3095729243

**Target status in reporting year**

Underway

**Is this a science-based target?**

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

**Target ambition**

1.5°C aligned

**Please explain (including target coverage)**

This target is a continuation of Abs 2, with a long-term timeframe to maintain operational emissions at zero beyond 2030. This means any changes in operations following 2030 will need to be aligned with zero operational emissions.

**C4.1b**

**(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).**

**Target reference number**

Int 1

**Year target was set**

2020

**Target coverage**

Business activity

**Scope(s) (or Scope 3 category)**

Scope 1+2 (market-based)

**Intensity metric**

Other, please specify

Metric tons CO<sub>2</sub> per metric ton of production

**Base year**

2019

**Intensity figure in base year (metric tons CO<sub>2</sub>e per unit of activity)**

0.0532152087

**% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure**

92

**Target year**

2020

**Targeted reduction from base year (%)**

18

**Intensity figure in target year (metric tons CO<sub>2</sub>e per unit of activity) [auto-calculated]**

0.0436364711

**% change anticipated in absolute Scope 1+2 emissions**

-16.63

**% change anticipated in absolute Scope 3 emissions**

0

**Intensity figure in reporting year (metric tons CO<sub>2</sub>e per unit of activity)**

0.0385944062

**% of target achieved [auto-calculated]**

152.6380945219

**Target status in reporting year**

Achieved

**Is this a science-based target?**

No, but we are reporting another target that is science-based

**Target ambition**

**Please explain (including target coverage)**

This target is part of target Abs1 which is an approved Science-based target and applies to Unilever's manufacturing sites only, excluding distribution centres, warehouses, offices and data centres which comprised 8% of scope 1+2 emissions in 2019.

Unilever's target for emissions of CO<sub>2</sub> from energy used in manufacturing is that emissions in 2030 will be zero. In addition to this absolute target, we set annual relative targets for each eco-efficiency metric to assess progress and keep us on track towards our long-term goal. Our target for 2020 was a reduction per tonne of production of 18%. Our reporting year runs from 1st October 2019 - 30th September 2020, hence start and target dates set as '2020'.

**Target reference number**

Int 2

**Year target was set**

2010

**Target coverage**

Business activity

**Scope(s) (or Scope 3 category)**

Scope 1+2 (market-based) + 3 (upstream and downstream)

**Intensity metric**

Other, please specify

Metric tons CO<sub>2</sub>e per consumer use

**Base year**

2010

**Intensity figure in base year (metric tons CO<sub>2</sub>e per unit of activity)**

0.0000505

**% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure**

70

**Target year**

2030

**Targeted reduction from base year (%)**

50

**Intensity figure in target year (metric tons CO<sub>2</sub>e per unit of activity) [auto-calculated]**

0.00002525

**% change anticipated in absolute Scope 1+2 emissions**

-100

**% change anticipated in absolute Scope 3 emissions**

-5

**Intensity figure in reporting year (metric tons CO2e per unit of activity)**

0.0000456

**% of target achieved [auto-calculated]**

19.4059405941

**Target status in reporting year**

Underway

**Is this a science-based target?**

Yes, and this target has been approved by the Science Based Targets initiative

**Target ambition**

2°C aligned

**Please explain (including target coverage)**

Unilever has committed to reduce GHG emissions from the life-cycle of its products by 50% per consumer use by 2030 from a 2010 base-year. This target has been approved by the Science Based Targets Initiative. Based on projections for changes in the number of consumer uses of our products by 2030, this equates to a 5% decrease in absolute emissions. Within this target, we aim to reduce emissions from our own operations (scope 1+2) by 100% by 2030. The baseline for 2010 was calculated from a portfolio of products across 14 countries, covering approximately 70% of our sales volume. By 2020, the current reporting year, these 14 countries covered 60-70% of sales volume. We have restated the change in our GHG emissions 'per consumer use' for prior years as a result of incorporating new data relating to the usage of our products, which changed the estimated GHG emissions in our 2010 baseline.

Since 2010, our greenhouse impact per consumer use has reduced by 10%. We are making good progress particularly in Foods & Refreshment and Home Care where we have reduced per consumer greenhouse gas emissions since 2010 by 30% and 37% respectively. The per consumer use greenhouse impact of our Beauty & Personal Care Division has increased by 10% over the same period, driven primarily by the acquisition of brands with high greenhouse gas emissions associated with consumer hot water use, including hair and bath/shower products.

Base year and start year clarification: 2010 was the first year of our reporting (in our 2011 Unilever Sustainable Living Plan Report) and is our baseline. We compare our cumulative progress to 2010, as stated in the target.

**C4.2****(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

Target(s) to increase low-carbon energy consumption or production  
 Net-zero target(s)

Other climate-related target(s)

## C4.2a

**(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.**

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**Target reference number**

Low 1

**Year target was set**

2016

**Target coverage**

Business division

**Target type: absolute or intensity**

Intensity

**Target type: energy carrier**

Electricity

**Target type: activity**

Consumption

**Target type: energy source**

Renewable energy source(s) only

**Metric (target numerator if reporting an intensity target)**

Percentage

**Target denominator (intensity targets only)**

metric ton of product

**Base year**

2015

**Figure or percentage in base year**

59

**Target year**

2020

**Figure or percentage in target year**

100

**Figure or percentage in reporting year**

99.6

**% of target achieved [auto-calculated]**

99.0243902439

**Target status in reporting year**

Achieved

**Is this target part of an emissions target?**

This target is part of target Abs 1, our SBTi approved target to reduce scope 1 + 2 emissions by 100% by 2030

**Is this target part of an overarching initiative?**

RE100

**Please explain (including target coverage)**

Unilever was a founder signatory to the RE100 campaign and has committed to source 100% renewable grid electricity across manufacturing operations by 2020. The percentage achievement reported above is the average over the 12 months reporting period, whereas from January 1st 2020 onwards, 100% renewable grid electricity was sourced. This is part of a wider target to use 100% renewable energy across all operations by 2030. In 2020, Manufacturing consumed approximately 85% of the grid electricity used company-wide.

---

**Target reference number**

Low 2

**Year target was set**

2016

**Target coverage**

Business division

**Target type: absolute or intensity**

Intensity

**Target type: energy carrier**

All energy carriers

**Target type: activity**

Consumption

**Target type: energy source**

Renewable energy source(s) only

**Metric (target numerator if reporting an intensity target)**

Percentage

**Target denominator (intensity targets only)**

metric ton of product

**Base year**

2015

**Figure or percentage in base year**

28.7

**Target year**

2020

**Figure or percentage in target year**

50

**Figure or percentage in reporting year**

51.9

**% of target achieved [auto-calculated]**

108.9201877934

**Target status in reporting year**

Achieved

**Is this target part of an emissions target?**

This target is part of target Abs 1, our SBTi approved target to reduce scope 1 + 2 emissions by 100% by 2030

**Is this target part of an overarching initiative?**

Science-based targets initiative

**Please explain (including target coverage)**

Unilever's overall target is to consume 100% renewable energy across all operations by 2030. As an interim target, we aimed to consume 50% renewable energy across manufacturing operations by 2020, which has been achieved. In addition, we now source 100% renewable grid electricity (in line with our public commitment, target Low1). Manufacturing consumed approximately 93% of the total energy used company-wide.

**C4.2b**

**(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.**

**Target reference number**

Oth 1

**Year target was set**

2020

**Target coverage**

Business division

**Target type: absolute or intensity**

Intensity

**Target type: category & Metric (target numerator if reporting an intensity target)**

Energy consumption or efficiency  
GJ

**Target denominator (intensity targets only)**

metric ton of product

**Base year**

2019

**Figure or percentage in base year**

1.25

**Target year**

2020

**Figure or percentage in target year**

1.225

**Figure or percentage in reporting year**

1.21

**% of target achieved [auto-calculated]**

160

**Target status in reporting year**

Achieved

**Is this target part of an emissions target?**

This target is part of target Abs 1, our SBTi approved target to reduce scope 1 + 2 emissions by 100% by 2030. We consider reducing energy consumption as being the number 1 priority towards reducing absolute CO2 emissions as it also gives a cost benefit which can be re-invested in renewable energy.

**Is this target part of an overarching initiative?**

Science Based Targets initiative

**Please explain (including target coverage)**

This target applies to Unilever's manufacturing sites only, excluding distribution centres, warehouses, offices and data centres which comprised 6% of energy usage in 2020. Our Unilever Sustainable Living Plan manufacturing targets are based on CO2 emissions. Clearly, energy used in manufacturing is central to achieving this target and we therefore set annual targets each year to drive reductions in energy used in manufacturing. In 2020, we set a target of 2% reduction of energy used in manufacturing per tonne of production. We achieved 3.1% reduction in this intensity measure relative to the previous 12 months. Compared to our baseline year of 2008, energy use per tonne of production in 2020 was 31% lower.

## C4.2c

**(C4.2c) Provide details of your net-zero target(s).**

### Target reference number

NZ1

### Target coverage

Company-wide

### Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Abs2

Int1

Int2

### Target year for achieving net zero

2039

### Is this a science-based target?

Yes, and we have committed to seek validation of this target by the Science Based Targets initiative in the next 2 years

### Please explain (including target coverage)

We have committed to reducing gross emissions in our value chain in line with the Paris-aligned trajectory to 2030, and we have committed to balancing residual emissions by 2039 and from then onwards with carbon removal credits.

We are at the start of the net zero journey and have not yet established the extent to which we can reduce our gross emissions by 2039, and therefore the level of balancing carbon removals required. This is work in progress.

Neither have we committed to a defined compensation pathway. However, our brands may invest in compensation and neutralisation well ahead of 2039 through the €1bn Climate & Nature Fund, where those actions can be used to drive consumer preference. For example, our Beauty & Personal Care division has committed to help protect and regenerate 1.5 million hectares of land, forests and oceans by 2030.

## C4.3

**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

## C4.3a

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO<sub>2</sub>e savings.**

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	54	19,727
Not to be implemented	0	0

### C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

---

#### Initiative category & Initiative type

Energy efficiency in production processes  
Waste heat recovery

#### Estimated annual CO2e savings (metric tonnes CO2e)

4,199.06

#### Scope(s)

Scope 1

#### Voluntary/Mandatory

Voluntary

#### Annual monetary savings (unit currency – as specified in C0.4)

569,359

#### Investment required (unit currency – as specified in C0.4)

1,204,453

#### Payback period

1-3 years

#### Estimated lifetime of the initiative

11-15 years

#### Comment

---

#### Initiative category & Initiative type

Energy efficiency in buildings  
Lighting

**Estimated annual CO<sub>2</sub>e savings (metric tonnes CO<sub>2</sub>e)**

859.38

**Scope(s)**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

139,220

**Investment required (unit currency – as specified in C0.4)**

286,304

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

---

**Initiative category & Initiative type**

Energy efficiency in buildings

Motors and drives

**Estimated annual CO<sub>2</sub>e savings (metric tonnes CO<sub>2</sub>e)**

966.92

**Scope(s)**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

180,690

**Investment required (unit currency – as specified in C0.4)**

392,510

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

---

**Initiative category & Initiative type**

Energy efficiency in production processes  
Process optimization

**Estimated annual CO<sub>2</sub>e savings (metric tonnes CO<sub>2</sub>e)**

3,710.27

**Scope(s)**

Scope 1  
Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

781,995

**Investment required (unit currency – as specified in C0.4)**

1,128,122

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

---

**Initiative category & Initiative type**

Low-carbon energy consumption  
Solar PV

**Estimated annual CO<sub>2</sub>e savings (metric tonnes CO<sub>2</sub>e)**

24.56

**Scope(s)**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

14,500

**Investment required (unit currency – as specified in C0.4)**

22,000

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

---

**Initiative category & Initiative type**

Low-carbon energy consumption  
Solid biofuels

**Estimated annual CO2e savings (metric tonnes CO2e)**

8,420.37

**Scope(s)**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

224,626

**Investment required (unit currency – as specified in C0.4)**

2,734,252

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

---

**Initiative category & Initiative type**

Energy efficiency in production processes  
Compressed air

**Estimated annual CO2e savings (metric tonnes CO2e)**

740.67

**Scope(s)**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

197,680

**Investment required (unit currency – as specified in C0.4)**

361,131

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

---

**Initiative category & Initiative type**

Energy efficiency in production processes

Cooling technology

**Estimated annual CO2e savings (metric tonnes CO2e)**

805.87

**Scope(s)**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

510,827

**Investment required (unit currency – as specified in C0.4)**

1,399,000

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

**C4.3c**

**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Dedicated budget for energy efficiency	<p>Unilever allocates capital investment for those projects which contribute most significantly towards our climate targets to reduce CO2 emissions from energy use in manufacturing. To support our manufacturing sustainability strategy, over the past five years, we piloted different carbon pricing schemes including a programme that 'taxed' divisional capital expenditure budgets (initially formed from the carbon emissions of the divisions) to create a centrally managed Low Carbon Fund. This centrally managed Fund was used to accelerate clean technology investment at our sites, resource energy reduction projects (as well as other eco-efficiency and Scope 1 and 2 emissions reduction improvements requiring higher level of investment, &gt;€ 0.5 million). The selection of projects for investment was managed globally and based on a combination of eco-benefit and financial return. Many employees have sustainable business ideas and factory teams applied for investment for their ideas, which are evaluated on the basis of environmental benefit and financial return to ensure only the best projects are selected. In 2020 this programme was severely impacted by the Covid 19 pandemic with many CAPEX projects being curtailed. However, we still invested €13 million in over 100 energy and emissions reduction projects globally which will reduce global CO2 emissions by 2.7% (19700 tonnes CO2) and energy use by 0.84% (54900 MWh). This also ensures a quicker delivery of the environmental benefits. Supporting the best ideas identified by our factory teams through investment in individual projects and then rolling them out globally provides strong motivation to generate new ideas. As part of our Climate Transition Action Plan - approved by Unilever shareholders in 2021 - we have decided to replace this programme with an explicit commitment to ensure that future capital expenditure is aligned with the Paris Agreement's objective of limiting global average temperature rise to 1.5 degrees.</p>
Dedicated budget for other emissions reduction activities	<p>As part of our strategy to achieve 100% of purchased grid electricity from renewable sources by 2020, Unilever is now sourcing certified green power in all regions. Our business incurs a small cost premium for this compared to conventional grid electricity, but the cost is more than offset by cost savings from increased energy efficiency. However, we believe the cost is more than offset by cost savings from increased energy efficiency with the additional benefit of our brands being able to claim they are reducing their carbon footprint.</p>
Internal price on carbon	<p>Over the past five years, we piloted different carbon pricing schemes including a programme that 'taxed' divisional capital expenditure budgets (initially formed from the carbon emissions of the divisions) to create a centrally managed Low Carbon Fund. This Fund forms part of the group annual capex budget and is used to invest in renewable energy projects. In previous years, we also added a shadow price to all new capital investment decisions over €1 million. However, in practice it made little difference to the overall investment because we are fundamentally not a carbon or energy intensive industry. In the future we will ensure that future capital expenditure is aligned with the</p>

	Paris Agreement's objective of limiting global average temperature rise to 1.5 degrees.
Employee engagement	Everyone in our manufacturing organization is encouraged to share their successes in implementing reduction projects. Through our global Manufacturing Sustainability intranet site, project teams summarise their achievements in 'Proud Practices', which are then shared with all other sites. We now have over 170 'Proud Practices' to share. This acts as a spur for other manufacturing sites to repeat the project in their own factory and achieve rapid global roll out of eco efficiency projects.

## C-AC4.4/C-FB4.4/C-PF4.4

**(C-AC4.4/C-FB4.4/C-PF4.4) Do you implement agriculture or forest management practices on your own land with a climate change mitigation and/or adaption benefit?**

Yes

## C-AC4.4a/C-FB4.4a/C-PF4.4a

**(C-AC4.4a/C-FB4.4a/C-PF4.4a) Specify the agricultural or forest management practice(s) implemented on your own land with climate change mitigation and/or adaptation benefits and provide a corresponding emissions figure, if known.**

### Management practice reference number

MP1

### Management practice

Biodiversity considerations

### Description of management practice

Unilever owns tea plantations in Kenya and Tanzania. These comply with the Rainforest Alliance certification standard, which require such/similar practices on biodiversity conservation including: ensuring that high value conservation areas are not destroyed; ensuring that farms conserve all natural ecosystems and have not destroyed forest or other natural ecosystems; and ensuring that production activities do not degrade any protected area. The standard is available here: <https://www.rainforest-alliance.org/business/sas/resource-item/rainforest-alliance-sustainable-agriculture-standard/>

### Primary climate change-related benefit

Increase carbon sink (mitigation)

### Estimated CO<sub>2</sub>e savings (metric tons CO<sub>2</sub>e)

0

### Please explain

There is research currently underway to quantify this for crops grown against Unilever's Sustainable Agriculture Code (SAC) standard.

---

**Management practice reference number**

MP2

**Management practice**

Crop diversity

**Description of management practice**

Unilever owns tea plantations in Kenya and Tanzania. We ensure that we grow different varieties of tea and do not exceed 10% of cropped area with any one variety. We maximise genetic distances between the varieties through breeding.

**Primary climate change-related benefit**

Increasing resilience to climate change (adaptation)

**Estimated CO<sub>2</sub>e savings (metric tons CO<sub>2</sub>e)**

0

**Please explain**

This management practice is about improving crop resilience and is not intended to directly reduce CO<sub>2</sub>e emissions.

---

**Management practice reference number**

MP3

**Management practice**

Contour farming

**Description of management practice**

Unilever owns tea plantations in Kenya and Tanzania. These comply with the Rainforest Alliance certification standard, which require such/similar practices on preventing soil erosion. The standard is available here: <https://www.rainforest-alliance.org/business/sas/resource-item/rainforest-alliance-sustainable-agriculture-standard/>

**Primary climate change-related benefit**

Other, please specify  
Soil, nutrients & moisture conservation

**Estimated CO<sub>2</sub>e savings (metric tons CO<sub>2</sub>e)**

0

**Please explain**

This management practice is about improving crop resilience to soil erosion and is not intended to directly reduce CO2e emissions.

---

**Management practice reference number**

MP4

**Management practice**

Diversifying farmer income

**Description of management practice**

Unilever owns tea plantations in Kenya and Tanzania. These comply with the Rainforest Alliance certification standard, which require such/similar practices. The standard is available here: <https://www.rainforest-alliance.org/business/sas/resource-item/rainforest-alliance-sustainable-agriculture-standard/>

Between 2006 and 2016 we worked with the Kenya Tea Development Agency (KTDA) and the NGO IDH, to provide education and training through Farmer Field Schools. The programme enabled 86,000 lead farmers to access initiatives aiming to improve their agricultural practices. It helped over 580,000 farms achieve the certification standards set by the Rainforest Alliance – establishing a solid foundation for tea growing in Kenya which continues to be run by KTDA.

**Primary climate change-related benefit**

Increasing resilience to climate change (adaptation)

**Estimated CO2e savings (metric tons CO2e)**

0

**Please explain**

This management practice is about farmer livelihoods and is not intended to directly reduce CO2e emissions.

---

**Management practice reference number**

MP5

**Management practice**

Efficient equipment use

**Description of management practice**

Unilever owns tea plantations in Kenya and Tanzania. These comply with the Rainforest Alliance certification standard, which require such/similar practices. The standard is

available here: <https://www.rainforest-alliance.org/business/sas/resource-item/rainforest-alliance-sustainable-agriculture-standard/>

**Primary climate change-related benefit**

Emission reductions (mitigation)

**Estimated CO2e savings (metric tons CO2e)**

0

**Please explain**

We do not currently measure emission reduction from efficient equipment use.

---

**Management practice reference number**

MP6

**Management practice**

Equipment maintenance and calibration

**Description of management practice**

Unilever owns tea plantations in Kenya and Tanzania. These comply with the Rainforest Alliance certification standard, which require such/ similar practices. The standard is available here: <https://www.rainforest-alliance.org/business/sas/resource-item/rainforest-alliance-sustainable-agriculture-standard/>

Moreover, the plantation's own preventative maintenance programme manages this aspect.

**Primary climate change-related benefit**

Emission reductions (mitigation)

**Estimated CO2e savings (metric tons CO2e)**

0

**Please explain**

We do not currently measure emission reduction from equipment maintenance and calibration.

---

**Management practice reference number**

MP7

**Management practice**

Enhanced forest regeneration practices

### **Description of management practice**

Unilever owns tea plantations in Kenya and Tanzania. These comply with the Rainforest Alliance certification standard, which require such/ similar practices. The standard is available here: <https://www.rainforest-alliance.org/business/sas/resource-item/rainforest-alliance-sustainable-agriculture-standard/>

Moreover, in Kenya, Unilever has collaborated with IDH on their Initiative for Sustainable Landscapes (ISLA) programme, which aims to restore and conserve 60,000 ha of the South West Mau Forest by 2030.

### **Primary climate change-related benefit**

Increase carbon sink (mitigation)

### **Estimated CO2e savings (metric tons CO2e)**

0

### **Please explain**

We do not currently measure emission reduction from enhanced forest regeneration practices.

---

### **Management practice reference number**

MP8

### **Management practice**

Fertilizer management

### **Description of management practice**

Unilever owns tea plantations in Kenya and Tanzania. These comply with the Rainforest Alliance certification standard, which require such/similar practices. The standard is available here: <https://www.rainforest-alliance.org/business/sas/resource-item/rainforest-alliance-sustainable-agriculture-standard/>

Moreover, the plantation's own nutrient use efficiency monitoring program manages this aspect.

### **Primary climate change-related benefit**

Reduced demand for fertilizers (adaptation)

### **Estimated CO2e savings (metric tons CO2e)**

0

**Please explain**

We do not currently measure emission reduction from fertiliser management .

---

**Management practice reference number**

MP9

**Management practice**

Fire control

**Description of management practice**

Unilever owns tea plantations in Kenya and Tanzania. This aspect is covered by a safety, health and environmental framework.

**Primary climate change-related benefit**

Emission reductions (mitigation)

**Estimated CO2e savings (metric tons CO2e)**

0

**Please explain**

We do not currently measure emission reduction from fire control.

---

**Management practice reference number**

MP10

**Management practice**

Integrated pest management

**Description of management practice**

Unilever owns tea plantations in Kenya and Tanzania. These comply with the Rainforest Alliance certification standard, which require such/similar practices. The standard is available here: <https://www.rainforest-alliance.org/business/sas/resource-item/rainforest-alliance-sustainable-agriculture-standard/>

**Primary climate change-related benefit**

Reduced demand for fertilizers (adaptation)

**Estimated CO2e savings (metric tons CO2e)**

0

**Please explain**

This management practice is about climate adaptation and is not intended to directly reduce CO2e emissions.

---

**Management practice reference number**

MP11

**Management practice**

Knowledge sharing

**Description of management practice**

Unilever owns tea plantations in Kenya and Tanzania. Training in good agricultural practices is provided to contract farmers (outgrowers) and staff at plantations.

**Primary climate change-related benefit**

Increasing resilience to climate change (adaptation)

**Estimated CO2e savings (metric tons CO2e)**

0

**Please explain**

This management practice is about climate resilience and is not intended to directly reduce CO2e emissions.

---

**Management practice reference number**

MP12

**Management practice**

Low carbon energy use

**Description of management practice**

Unilever owns tea plantations in Kenya and Tanzania. Renewable energy infrastructure has been established at plantations, in the form of solar and hydroelectric schemes, as well as biomass conversion for boilers.

**Primary climate change-related benefit**

Emission reductions (mitigation)

**Estimated CO2e savings (metric tons CO2e)**

5,700

**Please explain**

Based on cumulative CO2 savings between 2018 and 2020, driven by renewable electricity (not biomass which has been in use since 2008). Figure is for Kenya and Tanzania tea plantations only.

---

**Management practice reference number**

MP14

**Management practice**

Organic farming

**Description of management practice**

An area of 389 hectares of Kenyan tea plantation has been converted from conventional to organic tea production.

**Primary climate change-related benefit**

Reduced demand for fertilizers (adaptation)

**Estimated CO2e savings (metric tons CO2e)**

0

**Please explain**

This management practice is about climate adaptation and is not intended to directly reduce CO2e emissions.

---

**Management practice reference number**

MP15

**Management practice**

Practices to increase wood production and forest productivity

**Description of management practice**

Unilever owns tea plantations in Kenya and Tanzania. These comply with the Rainforest Alliance certification standard, which require such/ similar practices. The standard is available here: <https://www.rainforest-alliance.org/business/sas/resource-item/rainforest-alliance-sustainable-agriculture-standard/>

**Primary climate change-related benefit**

Increase carbon sink (mitigation)

**Estimated CO2e savings (metric tons CO2e)**

0

**Please explain**

We do not currently measure emission reduction from practices to increase wood production and forest productivity .

---

**Management practice reference number**

MP16

**Management practice**

Permanent soil cover (including cover crops)

**Description of management practice**

Unilever owns tea plantations in Kenya and Tanzania. The harvesting of tea only involves picking leaves rather than extraction of the plant and exposure of soil. As such, soil cover is guaranteed.

**Primary climate change-related benefit**

Increase carbon sink (mitigation)

**Estimated CO2e savings (metric tons CO2e)**

0

**Please explain**

We do not currently measure emission reduction from permanent soil cover .

---

**Management practice reference number**

MP17

**Management practice**

Pest, disease and weed management practices

**Description of management practice**

Unilever owns tea plantations in Kenya and Tanzania. These comply with the Rainforest Alliance certification standard, which require such/ similar practices. The standard is available here: <https://www.rainforest-alliance.org/business/sas/resource-item/rainforest-alliance-sustainable-agriculture-standard/>

**Primary climate change-related benefit**

Reduced demand for pesticides (adaptation)

**Estimated CO2e savings (metric tons CO2e)**

0

**Please explain**

This management practice is about climate adaptation and is not intended to directly reduce CO2e emissions.

---

**Management practice reference number**

MP18

**Management practice**

Reducing energy use

**Description of management practice**

Unilever owns tea plantations in Kenya and Tanzania. Renewable energy infrastructure has been established at plantations, in the form of solar and hydroelectric schemes, as well as biomass conversion for boilers.

**Primary climate change-related benefit**

Emission reductions (mitigation)

**Estimated CO2e savings (metric tons CO2e)**

5,700

**Please explain**

Based on cumulative CO2 savings between 2018 and 2020, driven by renewable electricity (not biomass which has been in use since 2008). Figure is for Kenya and Tanzania tea plantations only.

---

**Management practice reference number**

MP19

**Management practice**

Reforestation

**Description of management practice**

Unilever tea plantations in Kenya comply with the Rainforest Alliance certification standard, which require such/similar practices.

A reforestation programme is in place and participatory forest conservation and reforestation being done with partners - community, the Sustainable Trade Initiative (IDH) Initiative for Sustainable Landscapes (ISLA) and the Kenya Forest Service.

**Primary climate change-related benefit**

Increase carbon sink (mitigation)

**Estimated CO2e savings (metric tons CO2e)**

0

**Please explain**

We do not currently measure emission reduction from reforestation.

---

**Management practice reference number**

MP20

**Management practice**

Replacing fossil fuels by renewable energy sources

**Description of management practice**

Unilever owns tea plantations in Kenya and Tanzania. Renewable energy infrastructure has been established at plantations, in the form of solar and hydroelectric schemes, as well as biomass conversion for boilers.

**Primary climate change-related benefit**

Emission reductions (mitigation)

**Estimated CO2e savings (metric tons CO2e)**

5,700

**Please explain**

Based on cumulative CO2 savings between 2018 and 2020, driven by renewable electricity (not biomass which has been in use since 2008). Figure is for Kenya and Tanzania tea plantations only.

**Management practice reference number**

MP13

**Management practice**

Land use change

**Description of management practice**

Unilever owns tea plantations in Kenya and Tanzania. These comply with the Rainforest Alliance certification standard, which require such/ similar practices. The standard is available here: <https://www.rainforest-alliance.org/business/sas/resource-item/rainforest-alliance-sustainable-agriculture-standard/>

**Primary climate change-related benefit**

Increasing resilience to climate change (adaptation)

**Estimated CO2e savings (metric tons CO2e)**

0

**Please explain**

This management practice is about climate adaptation and is not intended to directly reduce CO2e emissions.

## C4.5

**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?**

Yes

## C4.5a

**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.**

### Level of aggregation

Group of products

### Description of product/Group of products

Climate-friendly freezers are ice cream cabinet freezers used for out of home ice cream purchases by our retail customers, which have lower energy use and lower emissions than previous versions. We have a range of cabinets in the market and have worked to reduce the energy consumption of the freezer cabinets we purchase, thus the average energy consumption of the cabinet fleet.

The climate-friendly hydrocarbon (HC) refrigerants we use in our freezers have a negligible global warming potential compared to previously used hydrofluorocarbons (HFCs). Since 2004, we have purchased over 2.9 million freezers using natural refrigerants. We are continuing to roll out climate-friendly HC freezers to our customers and making our freezers more energy efficient. Our purchased freezers are 50% more energy efficient compared to our 2008 baseline, with the most energy-efficient models going even further. We are working on innovations to make more improvements in freezer energy efficiency, including piloting the use solar panels to power our cabinets.

This programme is now part of business as usual. We aim to build on the progress made within the Unilever Sustainable Living Plan and take the following actions as part of our Climate Transition Action Plan (CTAP), which was approved by Unilever's shareholders in 2021:

- Continue to reduce cabinet energy consumption through innovation of the main technical components – compressors, natural refrigerants, fan motors, insulation, temperature controllers and glass panels.
- Prioritise the deployment of the most energy-efficient units into markets with the highest carbon intensity factors.
- Work towards 'warming up' the cold chain while protecting the consumer experience as a next step in reducing energy consumption.
- Explore programmes that will enable the freezers to be powered by renewable electricity, even where Unilever is not directly operating them.

### Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

### Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

We define climate-friendly (hydrocarbon) refrigerants as propane and isobutane (R290 and R600a) refrigerants and HFC-free foaming gas.

**% revenue from low carbon product(s) in the reporting year**

0

**Comment**

This group of products is aimed at enabling third parties (i.e. customers) to reduce their emission and save costs on energy, which is why we have reported revenue as 0.

In 2019 (the most recent year with available data), the freezers we purchased consumed on average 47% less electricity per freezer than those purchased in 2008, saving our customers money as well as reducing their GHG emissions. We estimate that €140 million in electricity costs (equivalent to around 0.25% of Unilever's turnover) were avoided by our customers (versus our 2010 baseline of energy).

Methodology to calculate: Unilever internal database of global cabinet purchases: countries, type of cabinets, age of cabinets. Based on this data, we can calculate annual energy consumption, GHG emissions and energy savings for our customers.

Assumptions from our carbon reporting

- Total number of cabinets within fleet uses same assumptions as Unilever carbon reporting, based on our cabinet purchasing database and model assumptions on replacement of older cabinets.

Assumptions from external sources

- The electricity cost is based on published electricity tariff data from the World Bank, March 2017 and assumes relevance of this source for electricity purchased by our wide range of global customers
- Cost calculation is based on 245 days annual operation only (March to October), assumption based on the seasonality of most ice cream markets

## C5. Emissions methodology

### C5.1

**(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).**

**Scope 1**

---

**Base year start**

October 1, 2014

**Base year end**

September 30, 2015

**Base year emissions (metric tons CO<sub>2</sub>e)**

890,800.675

**Comment**

We have reset our baseline in line with our approved science-based target

**Scope 2 (location-based)**

---

**Base year start**

October 1, 2014

**Base year end**

September 30, 2015

**Base year emissions (metric tons CO<sub>2</sub>e)**

1,622,369

**Comment**

We have reset our baseline in line with our approved science-based target

**Scope 2 (market-based)**

---

**Base year start**

October 1, 2014

**Base year end**

September 30, 2015

**Base year emissions (metric tons CO<sub>2</sub>e)**

1,071,076.327

**Comment**

We have reset our baseline in line with our approved science-based target

## C5.2

**(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

## C6. Emissions data

### C6.1

**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO<sub>2</sub>e?**

**Reporting year**

---

**Gross global Scope 1 emissions (metric tons CO2e)**

606,771.416

**Start date**

October 1, 2019

**End date**

September 30, 2020

**Comment****Past year 1****Gross global Scope 1 emissions (metric tons CO2e)**

659,028.236

**Start date**

October 1, 2018

**End date**

September 30, 2019

**Comment**

As we start our new 'Compass' climate change strategy, we have expanded our scope 1 & 2 reporting to include emissions resulting from our production of energy and products on behalf of other customers. For the previous reporting year, this has resulted in an increase of 1% in our scope 1 emissions compared to that reported previously.

**C6.2****(C6.2) Describe your organization's approach to reporting Scope 2 emissions.****Row 1****Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We are reporting a Scope 2, market-based figure

**Comment**

In calculation of Scope 2, market-based emissions and grid average emissions factors, as published by IEA, have been used where we do not have contractual instruments or specific contracts for reduced emission factor electricity purchases. We have not found it possible to obtain supplier-specific emission factors or residual mix data for markets where the GHG Protocol Scope 2 guidance suggests that they should be applied. For Unilever, this is primarily countries outside Europe and North America. We intend to apply supplier-specific emissions factors in subsequent years as soon as they become available.

## C6.3

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO<sub>2</sub>e?**

### Reporting year

---

**Scope 2, location-based**

1,264,328.109

**Scope 2, market-based (if applicable)**

171,905.946

**Start date**

October 1, 2019

**End date**

September 30, 2020

**Comment**

### Past year 1

---

**Scope 2, location-based**

1,321,647.568

**Scope 2, market-based (if applicable)**

443,896.817

**Start date**

October 1, 2018

**End date**

September 30, 2019

**Comment**

As we start our new 'Compass' climate change strategy, we have expanded our scope 1 & 2 reporting to include emissions resulting from our production of energy and products on behalf of other customers. For the previous reporting year, this has resulted in an increase of 8.3% in our scope 2 (market-based) emissions and 3.4% in our scope 2 (location-based) emissions compared to those reported previously.

## C6.4

**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

Yes

## C6.4a

**(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.**

### Source

Small non-manufacturing sites such as marketing and sales offices

### Relevance of Scope 1 emissions from this source

Emissions are not relevant

### Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

### Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

### Explain why this source is excluded

Energy consumption data (used to calculate Scope 1 and Scope 2 emissions) is currently captured for larger non-manufacturing sites (i.e. large offices), which consume approximately 90% of the total energy consumption of all non-manufacturing sites. The remaining 10% of energy consumption for non-manufacturing includes a number of small offices which equates to less than 0.5% of total energy consumption for all operations, and are therefore not considered to be material within Unilever's total emissions.

## C6.5

**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

### Purchased goods and services

#### Evaluation status

Relevant, calculated

#### Metric tonnes CO<sub>2</sub>e

13,973,554

#### Emissions calculation methodology

We measure the full GHG footprint of our product portfolio and annual sales using an LCA method compliant with the ISO 14040 standard. We use a combination of external Life Cycle Inventory databases (secondary data) and supplier specific data (primary data e.g. for surfactants, perfumes and some of food ingredients) to measure the GHG emissions of purchased ingredients and packaging materials used in the production of our products. We measure approximately 3000 products across 14 countries – this represents approximately 60-70% of annual sales volume.

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

25

### Please explain

According to our analysis, GHG emissions from raw materials (including ingredients, primary and secondary packaging and inbound transport) accounts for 23% of our total GHG footprint - the second largest source of GHG emissions for Unilever. There are also significant risks associated climate change in our supply chain. For example, we conducted a 2 and 4 degree climate scenario study which found that some of the biggest risks for Unilever by 2030 were associated with the increased costs of raw materials from carbon pricing and supply constraints due to water stress and severe weather. Unilever is significant buyer of goods and services – especially agricultural raw materials – and is therefore well placed to exert influence on the supply chain to reduce carbon emissions over the long-term and manage climate risks in the short term, for example by mandating compliance with our Sustainable Agriculture Code 2.0 which addresses a range of climate related issues such as deforestation, soil management, water management and energy management.

## Capital goods

---

### Evaluation status

Not relevant, explanation provided

### Please explain

Given the nature of our business, we do not include the embedded emissions associated with capital goods. Our capital assets (factories and equipment) have long lifespans (>10 years) and their relative footprint is small (<1%) compared to the footprint of the volume of products they produce over their lifetime. This has been confirmed in Life Cycle Analysis studies (e.g. EU PEF studies).

## Fuel-and-energy-related activities (not included in Scope 1 or 2)

---

### Evaluation status

Relevant, calculated

### Metric tonnes CO<sub>2</sub>e

290,464.475

### Emissions calculation methodology

CO<sub>2</sub>e factors are based on 2020 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting. Calculated from imported energy usage by energy type as reported in our web-based Environmental Performance Reporting (EPR) system for all Unilever owned manufacturing sites globally, plus warehouses, distribution centres, offices and data centres within our scope of reporting. • CO<sub>2</sub>e factors for fuels represent indirect emissions associated with the extraction and transport of primary fuels as well as the refining, distribution, storage and retail of finished fuels. • CO<sub>2</sub>e factors for imported energy for each country reflect indirect emissions of CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O associated with the extraction and transport of primary fuels as well as the refining,

distribution, storage and retail of finished fuels used in the generation of electricity and heat.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

**Please explain**

Fuel and energy use emissions not included in scope 1 or 2 are reported in the relevant scope 3 emissions section

**Upstream transportation and distribution**

---

**Evaluation status**

Relevant, calculated

**Metric tonnes CO<sub>2</sub>e**

266,363

**Emissions calculation methodology**

In order to calculate emissions in this category, Unilever used ISO 14040 series of Life Cycle Analysis standards. We use life cycle inventory data for processes/activities using sources such as Ecoinvent, IEA energy data and internal data on habits and specifications. The studies are performed/ modelled in GaBi software. All of the data is based on secondary data. The results are obtained from Unilever's annual GHG footprint analysis.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

Upstream transportation represents a small proportion (1%) of Unilever's full product life cycle-based GHG footprint.

**Waste generated in operations**

---

**Evaluation status**

Relevant, calculated

**Metric tonnes CO<sub>2</sub>e**

15,014.803

**Emissions calculation methodology**

In order to calculate emissions in this category, Unilever used CO<sub>2</sub>e factors based on 2020 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting. The data was calculated from volume of hazardous and non-hazardous waste disposed to landfill and recycled/recovered materials from manufacturing operations, considering the Scope 1 and 2 emissions of waste management suppliers that occur during disposal or treatment of the respective waste disposal route.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

#### Please explain

### Business travel

---

#### Evaluation status

Not relevant, explanation provided

#### Please explain

Unilever has conducted estimates of emissions associated with this category in the past and these have indicated them to be small (est.1%) compared to size of our product footprint.

### Employee commuting

---

#### Evaluation status

Not relevant, explanation provided

#### Please explain

Unilever has conducted estimates of emissions associated with this category in the past and these have indicated them to be small (est.<1%) compared to size of our product footprint.

### Upstream leased assets

---

#### Evaluation status

Not relevant, explanation provided

#### Please explain

As a manufacturer of fast moving consumer goods, we have very limited or no upstream leased assets. We are a purchaser of raw materials and the emissions in our upstream value chain are accounted for in our scope 3 (suppliers) footprint. 0 related emissions related to this row.

### Downstream transportation and distribution

---

#### Evaluation status

Relevant, calculated

#### Metric tonnes CO<sub>2</sub>e

1,661,608

#### Emissions calculation methodology

In order to calculate emissions in this category, Unilever uses the ISO 14040 series of LCA standards. We use life cycle inventory data for processes/activities using sources such as Ecoinvent, IEA energy data and internal data on habits and specifications. The studies are performed/modelled in GaBi software. Downstream distribution is calculated

using average distances and modes of transport derived from data collected from our distribution network and logistic providers. GHG emissions reported covers approximately 60-70% of annual sales volume.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

65

**Please explain**

According to our analysis, GHG emissions from downstream transportation and distribution (including distribution and retail) accounts for 7% of our total GHG footprint - the third largest source of GHG emissions for Unilever. There are also significant risks associated climate change in our downstream transportation and distribution chain. Our logistics network transports our finished goods over 1.5 billion kilometres each year from our factories to where they are sold. The transport sector is still heavily reliant on fossil fuels which means that as our business grows, our CO2 emissions from transport are also at risk of increasing – impacting the cost of transportation as a result of carbon taxes. We can take direct action on these emissions. Since 2010, we've achieved a 38% reduction improvement in our CO2 efficiency through reducing the overall number of kilometres travelled, avoiding wasted journeys and switching to greener transport options. We also work with retailers to introduce more energy efficient ice cream freezer cabinets - we've purchased over 2.9 million with lower carbon emissions.

**Processing of sold products**

---

**Evaluation status**

Not relevant, explanation provided

**Please explain**

Unilever sells finished products that do not require further processing. Emissions associated with the use of our products by our consumers are included in the section – use of sold products, therefore there are 0 emissions related to this row.

**Use of sold products**

---

**Evaluation status**

Relevant, calculated

**Metric tonnes CO2e**

40,039,217

**Emissions calculation methodology**

We measure the full GHG footprint of our product portfolio and annual sales using an LCA method compliant with the ISO 14040 standard. We measure the consumer use phase using a combination of primary habits data and on pack recommendations of use combined with life cycle inventory data. We measure approximately 3000 products across 14 countries – this represents around 60-70% of annual sales volume.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

50

**Please explain**

According to our analysis, GHG emissions from product use accounts for 66% of our total GHG footprint - by far the largest source of GHG emissions for Unilever. There are also significant risks associated with climate change which can affect product use e.g. water scarcity impacting the use of products which rely on water (such as laundry detergents and shampoos), Higher energy costs can also affect demand for personal and household care products due to the impact on disposable incomes Taking action to reduce GHG from product use through energy-efficient (e.g low/no hot water use) innovations or improving our packaging is a significant growth opportunity. Our Divisions (which manage over 400 brands and thousands of products) response to climate change has been guided by a review of the areas where we can have the biggest impact on mitigating climate risk or benefiting from climate opportunity.

**End of life treatment of sold products**

---

**Evaluation status**

Relevant, calculated

**Metric tonnes CO<sub>2</sub>e**

2,054,124

**Emissions calculation methodology**

In order to calculate emissions in this category, Unilever used ISO 14040 series of LCA standards. We use life cycle inventory data for processes/activities using sources such as Ecoinvent, IEA energy data and internal data on habits and specifications. The studies are performed/modelled in GaBi software. All data in this category is based on secondary data.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

As per the emissions calculation methodology, there are 0 emissions related to suppliers or value chain partners for emissions related to End of life treatment of sold products.

**Downstream leased assets**

---

**Evaluation status**

Not relevant, explanation provided

**Please explain**

The distribution and sale of our products involves various business partners (logistics and retail) as opposed to leased assets. Emissions from downstream activities associated with our products are reported in the downstream transportation and distributions section and therefore 0 emissions are separately captured against this row.

## Franchises

---

### Evaluation status

Not relevant, explanation provided

### Please explain

Given the nature of our business, we do not own any franchises so 0 emissions are related to this row

## Investments

---

### Evaluation status

Not relevant, explanation provided

### Please explain

Not applicable for a business that sells fast moving consumer goods so 0 emissions are related to this row.

## Other (upstream)

---

### Evaluation status

Not relevant, explanation provided

### Please explain

Not relevant. Data included in other scope 3 emissions categories so 0 emissions are related to this row.

## Other (downstream)

---

### Evaluation status

Not relevant, explanation provided

### Please explain

Not relevant. Data included in other scope 3 emissions categories so 0 emissions are related to this row.

## C-AC6.6/C-FB6.6/C-PF6.6

(C-AC6.6/C-FB6.6/C-PF6.6) Can you break down your Scope 3 emissions by relevant business activity area?

Yes

## C-AC6.6a/C-FB6.6a/C-PF6.6a

(C-AC6.6a/C-FB6.6a/C-PF6.6a) Disclose your Scope 3 emissions for each of your relevant business activity areas.

---

### Activity

Agriculture/Forestry

**Scope 3 category**

Purchased goods and services

**Emissions (metric tons CO2e)**

13,973,554

**Please explain**

We use a mix of feedstocks across our portfolio and in our products, hence the numbers here are not specifically for agriculture/forestry derived materials only. We measure the full GHG footprint of our product portfolio and annual sales using an LCA method compliant with the ISO 14040 standard. We use a combination of external Life Cycle Inventory databases (secondary data) and supplier specific data (primary data e.g. for surfactants, perfumes and some of food ingredients) to measure the GHG emissions of purchased ingredients and packaging materials used in the production of our products. We measure approximately 3000 products across 14 countries – this represents approximately 60-70% of our annual sales volume.

**Activity**

Consumption

**Scope 3 category**

Use of sold products

**Emissions (metric tons CO2e)**

40,039,217

**Please explain**

We measure the full GHG footprint of our product portfolio and annual sales using an LCA method compliant with the ISO 14040 standard. The methodology includes the consumer use phase of our products such as the heating of water for showering, bathing, cooking, cleaning and food and drink preparation. It also includes refrigerated storage of products such as ice cream. We measure approximately 3000 products across 14 countries – this represents approximately 60-70% of our annual sales volume.

**C6.7**

**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

Yes

**C6.7a**

**(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.**

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
Row 1	362,803.348	

## C-AC6.8/C-FB6.8/C-PF6.8

(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?

Yes

## C-AC6.8a/C-FB6.8a/C-PF6.8a

(C-AC6.8a/C-FB6.8a/C-PF6.8a) Account for biogenic carbon data pertaining to your direct operations and identify any exclusions.

### CO2 emissions from land use management

---

#### Emissions (metric tons CO2)

0

#### Methodology

Other, please specify

CO2 emissions are managed but not measured and reported separately

#### Please explain

We apply best management practices to minimise CO2 emissions on our plantations as required under the certification schemes but this does not involve estimation and reporting of CO2 emissions

### CO2 removals from land use management

---

#### Emissions (metric tons CO2)

0

#### Methodology

Other, please specify

CO2 emissions are managed but not measured and reported separately

#### Please explain

We apply best management practices to minimise CO2 emissions on our plantations as required under the certification schemes but this does not involve estimation and reporting of CO2 emissions

### Sequestration during land use change

---

#### Emissions (metric tons CO2)

0

#### Methodology

Other, please specify

Not applicable

#### Please explain

We have long-established plantations with no relevant/recent land use change.

### CO2 emissions from biofuel combustion (land machinery)

---

#### Emissions (metric tons CO2)

0

#### Methodology

Other, please specify  
Aggregated and not reported separately

#### Please explain

CO2 emissions from biofuels in non-Unilever owned operations are reported, if applicable, in our aggregated scope 3 product life cycle emissions that are reported on the basis of sales in 14 countries representing approximately 60-70% of our total annual sales volume.

### CO2 emissions from biofuel combustion (processing/manufacturing machinery)

---

#### Emissions (metric tons CO2)

362,803.348

#### Methodology

Default emissions factors

#### Please explain

These emissions relate to biogenic fuels such as biomass, wood/wood waste, liquid biofuels, fuel crops and biogas used as fuels within our manufacturing operations. A high proportion of our products contain at least one ingredient derived from agriculture/forestry, hence we are reporting all emissions from biofuels used in our manufacturing operations.

### CO2 emissions from biofuel combustion (other)

---

#### Emissions (metric tons CO2)

0

#### Methodology

Other, please specify  
Aggregated and not reported separately

#### Please explain

CO2 emissions from biofuels in non-Unilever owned operations are reported, if applicable, in our aggregated scope 3 product life cycle emissions that are reported on the basis of sales in 14 countries representing approximately 60-70% of our total annual sales volume.

## C-AC6.9/C-FB6.9/C-PF6.9

**(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?**

---

**Agricultural commodities**

Palm Oil

**Do you collect or calculate GHG emissions for this commodity?**

Yes

**Please explain**

Our GHG emissions for palm includes processing of palm oil and palm kernel oil as well as palm oil derivatives such as palm based surfactants and soaps. The figures provided are derived from our annual product footprint data which covers approximately 60-70% of sales volume and is not calculated volume and is not from purchasing volumes. The numbers are calculated using an internationally agreed approach - using a life cycle assessment method compliant with the ISO 14040 standard. We measure approximately 3000 products across 14 countries.

---

**Agricultural commodities**

Soy

**Do you collect or calculate GHG emissions for this commodity?**

Yes

**Please explain**

Our GHG emissions for soy includes processing and soy derivatives such as soy oils. The figures provided are derived from our annual product footprint data which covers approximately 60-70 % of sales volume and is not calculated volume and is not from purchasing volumes. The numbers are calculated using an internationally agreed approach - using a life cycle assessment method compliant with the ISO 14040 standard. We measure approximately 3000 products across 14 countries.

---

**Agricultural commodities**

Timber

**Do you collect or calculate GHG emissions for this commodity?**

Yes

**Please explain**

We do not have data in an easy extractable format for paper and board.

**C-AC6.9a/C-FB6.9a/C-PF6.9a**

**(C-AC6.9a/C-FB6.9a/C-PF6.9a) Report your greenhouse gas emissions figure(s) for your disclosing commodity(ies), explain your methodology, and include any exclusions.**

## **Palm Oil**

---

### **Reporting emissions by**

Total

### **Emissions (metric tons CO<sub>2</sub>e)**

2,480,293

### **Change from last reporting year**

About the same

### **Please explain**

The total volume of palm materials increased from the previous year. However, this was countered by an increase in the volume of sustainable palm oil that has a lower GHG impact than industry average palm oil. Consequently, the total GHG emissions for palm oil remained the same as the previous year.

## **Soy**

---

### **Reporting emissions by**

Total

### **Emissions (metric tons CO<sub>2</sub>e)**

262,786

### **Change from last reporting year**

Higher

### **Please explain**

The total volume of soy based materials remained approximately the same but the split between soy bean and soy oils was different to the previous year.

## **Timber**

---

### **Reporting emissions by**

Total

### **Emissions (metric tons CO<sub>2</sub>e)**

0

### **Change from last reporting year**

About the same

### **Please explain**

We do not have data in an easy extractable format for paper and board in order to add the emissions figure. Therefore, we have put 0.

## C6.10

**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO<sub>2</sub>e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

---

**Intensity figure**

0.0000153513

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO<sub>2</sub>e)**

778,677.36

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

50,724,000,000

**Scope 2 figure used**

Market-based

**% change from previous year**

24.9

**Direction of change**

Decreased

**Reason for change**

The combined effect of a reduction in energy use per tonne of production including emissions reduction initiatives (4%) and increased use of renewable energy (96%). Emissions reduction initiatives: (1) improved machine efficiencies (30% of total); (2) the introduction of newer technologies through capital investment (2%); (3) an increase in the use of renewable fuels (43%); (4) better recycling of waste heat for preheating etc (25%). This reduction in emissions intensity is consistent with Unilever's overall strategy to achieve zero scope 1 & 2 emissions by 2030. The change in this intensity measure between 2019 and 2020 is presented on a like-for-like basis.

---

**Intensity figure**

0.0400964238

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO<sub>2</sub>e)**

778,677.36

**Metric denominator**

metric ton of product

**Metric denominator: Unit total**

19,420,120

**Scope 2 figure used**

Market-based

**% change from previous year**

27.9

**Direction of change**

Decreased

**Reason for change**

In November 2015 we announced a target to reduce scope 1+2 emissions to zero by 2030, alongside use of 100% renewable electricity in our operations by 2020, which has been approved as a science-based target. In 2020, we achieved an annual total emissions reduction of 31% per metric tonne, with scope 1 and scope 2 decreasing by 9% and 62% respectively, from the combined effect of a reduction in energy use per tonne of production including emissions reduction initiatives (4%) and increased use of renewable energy (96%). Emissions reduction initiatives: (1) improved machine efficiencies (30% of total); (2) the introduction of newer technologies through capital investment (2%); (3) an increase in the use of renewable fuels (43%); (4) better recycling of waste heat for preheating etc (25%). The change in this intensity measure between 2019 and 2020 is presented on a like-for-like basis.

## C7. Emissions breakdowns

### C7.1

**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

### C7.1a

**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

Greenhouse gas	Scope 1 emissions (metric tons of CO <sub>2</sub> e)	GWP Reference
CO <sub>2</sub>	592,342.505	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	14,428.91	IPCC Fifth Assessment Report (AR5 – 100 year)

## C7.2

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO <sub>2</sub> e)
Algeria	2,580.858
Argentina	26,922.134
Australia	6,227.614
Bangladesh	19,734.595
Belgium	127.438
Bolivia (Plurinational State of)	2,352.503
Brazil	51,499.613
Canada	7,745.497
Chile	4,897.693
China	5,678.143
Colombia	10,216.802
Costa Rica	3,661.039
Côte d'Ivoire	2,997.209
Cyprus	185.942
Czechia	0
Denmark	0
Dominican Republic	0
Ecuador	7,498.914
Egypt	6,079.812
El Salvador	7,138.661
France	12,527.186
Germany	16,376.593
Ghana	2,593.702
Greece	5,925.84
Honduras	2,158.326
Hungary	6,054.846
India	60,195.519
Indonesia	25,754.145
Iran (Islamic Republic of)	497.936
Ireland	0
Israel	15,405.448
Italy	23,354.693

Japan	5.281
Kenya	5,460.571
Lithuania	482.487
Malaysia	0
Mexico	16,295.617
Morocco	2,538.042
Myanmar	3,211.31
Nepal	608.737
Netherlands	3,095.321
Nigeria	11,031.885
Pakistan	7,290.651
Peru	0
Philippines	5,652.048
Poland	4,277.133
Portugal	7,885.306
Romania	4,156.353
Russian Federation	18,788.695
Saudi Arabia	2,966.069
South Africa	20,488.023
Spain	15,782.083
Sri Lanka	2,275.072
Sweden	0
Switzerland	1,401.728
Taiwan, Greater China	586.2
United Republic of Tanzania	221.853
Thailand	8,949.31
Trinidad and Tobago	16.613
Tunisia	748.906
Turkey	21,268.288
Ukraine	101.78
United Arab Emirates	1,460.924
United Kingdom of Great Britain and Northern Ireland	46,988.206
Uruguay	7.653
United States of America	54,343.399
Venezuela (Bolivarian Republic of)	569.487

Viet Nam	636.37
Zimbabwe	16.112
Austria	0
Ethiopia	768.057
Finland	0
Guatemala	0
Nicaragua	0
Panama	0.009
Singapore	7.138
Slovakia	0
Paraguay	0

### C7.3

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By business division

### C7.3a

**(C7.3a) Break down your total gross global Scope 1 emissions by business division.**

Business division	Scope 1 emissions (metric ton CO <sub>2</sub> e)
Africa	43,577.41
Europe	148,621.156
Latin America	133,235.063
NAMET & RUB	72,436.758
North America	62,088.897
North Asia	6,269.623
SEAA	50,437.936
South Asia	90,104.574

### C-AC7.4/C-FB7.4/C-PF7.4

**(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?**

Yes

### C-AC7.4a/C-FB7.4a/C-PF7.4a

**(C-AC7.4a/C-FB7.4a/C-PF7.4a) Select the form(s) in which you are reporting your agricultural/forestry emissions.**

Total emissions

## C-AC7.4b/C-FB7.4b/C-PF7.4b

**(C-AC7.4b/C-FB7.4b/C-PF7.4b) Report the Scope 1 emissions pertaining to your business activity(ies) and explain any exclusions. If applicable, disaggregate your agricultural/forestry by GHG emissions category.**

### Activity

Processing/Manufacturing

### Emissions (metric tons CO<sub>2</sub>e)

606,771

### Methodology

Default emissions factor

### Please explain

We're reporting our total scope 1, as a high proportion of our raw materials across all product categories are derived from agriculture and therefore almost all of our products contain an agriculture-derived ingredient. Method of calculation/tools: Data is collected for all manufacturing/processing activities at the site level. This is aggregated and The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) is used to calculate our total. Exclusions: none. This figure represents all of our manufacturing/processing activities. We do not have any scope 1 emissions associated with agriculture/forestry or distribution as these are classified under scope 3 for our business.

## C7.5

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

Country/Region	Scope 2, location-based (metric tons CO <sub>2</sub> e)	Scope 2, market-based (metric tons CO <sub>2</sub> e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Algeria	1,117.726	0	2,230.03	2,230.03
Argentina	22,556.068	0	63,329.87	63,329.87
Australia	32,174.458	9,031.19	43,056.11	31,152.6
Bangladesh	263.645	0	520.52	520.52
Belgium	244.048	0	1,424.52	1,424.52
Bolivia (Plurinational State of)	1,545.192	1,512.382	3,651.81	217.23

Brazil	22,858.214	0	237,977.4	237,977.4
Canada	4,055.291	0	28,460.54	28,460.54
Chile	9,384.369	1,302.577	24,844.73	18,480.54
China	67,586.052	13,124.16	124,998.28	91,842.81
Colombia	6,137.067	2,399.489	32,699	24,551.45
Costa Rica	26.098	0	5,509.7	5,509.7
Côte d'Ivoire	2,281.701	0	6,416	6,416
Cyprus	287.309	0	444.04	444.04
Czechia	70.359	0	136.81	136.81
Denmark	245.843	0	2,080.36	2,080.36
Dominican Republic	36.423	36.423	67.7	0
Ecuador	4,187.539	688.178	19,962.51	16,717.59
Egypt	9,371.955	0	19,305.5	19,305.5
El Salvador	2,168.573	1,126.78	9,109.74	5,252.97
France	5,913.939	0	90,406.09	90,406.09
Germany	64,226.477	18,896.664	202,103.04	153,037.93
Ghana	1,343.856	0	5,764.89	5,764.89
Greece	5,937.135	0	11,052.34	11,052.34
Honduras	1,167.734	0	3,665.98	3,665.98
Hungary	7,402.108	44.403	27,702.6	27,579.4
India	186,941.096	809.109	264,135.1	261,864.94
Indonesia	139,983.238	43,066.034	380,797.34	205,159.21
Iran (Islamic Republic of)	1,650.627	0	3,102.69	3,102.69
Ireland	113.908	0	295.22	295.22
Israel	24,901.355	1,291.156	44,636.49	42,323.76
Italy	23,478.908	7,590	102,176.04	48,719.57
Japan	2,653.446	0	5,039.09	5,039.09
Kenya	2,703.377	0	15,294.39	15,294.39
Lithuania	490.549	0	5,558.66	5,558.66
Malaysia	242.22	0	371.82	371.82
Mexico	38,374.768	0	80,924.94	80,924.94
Morocco	2,495.748	0	3,643.66	3,643.66
Myanmar	1,641.039	1,641.039	4,583.89	0
Nepal	0	0	1,646.04	1,646.04
Netherlands	12,097.854	0	27,317.13	27,317.13

Nigeria	786.188	0	1,985.28	1,985.28
Pakistan	16,386.582	12,240.622	61,206.8	31,746.82
Peru	49.328	0	209.78	209.78
Philippines	30,748.807	0	47,185.55	47,185.55
Poland	53,602.325	12,458.988	114,245.61	64,551.29
Portugal	3,180.185	0	9,180.64	9,180.64
Romania	3,213.347	0	9,538.02	9,538.02
Russian Federation	25,835.877	0	73,407.92	73,407.92
Saudi Arabia	9,172.11	0	15,128.45	15,128.45
South Africa	76,858.125	0	96,696.17	96,696.17
Spain	4,718.985	0	16,866.62	16,866.62
Sri Lanka	8,247.028	8,247.028	47,061.1	33,804.43
Sweden	296.458	0	23,683.65	23,683.65
Switzerland	116.461	0	4,120.29	4,120.29
Taiwan, Greater China	1,800.507	0	3,103.01	3,103.01
Thailand	31,027.12	19,539.426	110,853.97	23,763.78
Trinidad and Tobago	424.122	44.543	807.45	724.67
Tunisia	811.792	0	1,887.8	1,887.8
Turkey	44,935.517	3,159.574	99,431.42	90,492.4
Ukraine	442.167	0	1,169.35	1,169.35
United Arab Emirates	11,410.619	0	20,216.64	20,216.64
United Kingdom of Great Britain and Northern Ireland	39,208.989	527.098	154,301.9	152,855.56
Uruguay	3.057	0	180.78	180.78
United States of America	174,624.68	13,022.544	430,335.35	381,549.14
Venezuela (Bolivarian Republic of)	1,964.88	0	6,332.6	6,332.6
Viet Nam	10,703.084	0	27,928.07	27,928.07
Zimbabwe	457.257	0	623.84	623.84
Austria	27.716	7.949	179.55	126.87
Ethiopia	0	0	2,317.16	2,317.16
Finland	670.923	98.59	5,760.72	5,323.74

Guatemala	31.926	0	97.84	97.84
Nicaragua	68.808	0	215.63	215.63
Panama	45.345	0	221.52	221.52
Singapore	282.47	0	715.92	715.92
Slovakia	3.025	0	19.17	19.17
Paraguay	0	0	464.19	464.19
United Republic of Tanzania	1,814.988	0	5,771.44	5,771.44

## C7.6

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By business division

### C7.6a

**(C7.6a) Break down your total gross global Scope 2 emissions by business division.**

Business division	Scope 2, location-based (metric tons CO <sub>2</sub> e)	Scope 2, market-based (metric tons CO <sub>2</sub> e)
Africa	86,245.492	0
Europe	225,546.851	39,623.693
Latin America	111,029.511	7,110.371
NAMET & RUB	132,145.492	4,450.73
North America	178,679.971	13,022.544
North Asia	72,040.005	13,124.16
SEAA	246,802.435	73,277.69
South Asia	211,838.351	21,296.759

## C7.9

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Decreased

### C7.9a

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO <sub>2</sub> e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	276,417	Decreased	25.1	An increase in the purchase of renewable grid electricity during 2020 reduced S2 emissions by 237,581 tonnes CO <sub>2</sub> , removal of direct use of coal reduced S1 emissions by 30,391 tonnes CO <sub>2</sub> and new projects using renewable energy reduced S1+S2 emissions by 8,445 tonnes CO <sub>2</sub> , compared to total emissions of 1,102,925 tonnes CO <sub>2</sub> in 2019. This equates to $(276,417/1,102,925)*100 = 25.1\%$ reduction in S1 + S2 emissions. Examples include: purchase of I-RECS in Africa, Asia and Latam; replacement of fossil fuels by biomass in India.
Other emissions reduction activities	71,882	Decreased	6.5	Specific emissions reduction projects, plus general efficiency improvement projects, during 2019 reduced S1 + S2 emissions by 71,882 tonnes CO <sub>2</sub> compared to total emissions of 1,102,925 tonnes CO <sub>2</sub> in 2019. This equates to $(71,882/1,102,925)*100 = 6.5\%$ reduction. Examples include increase in use of biomass fuel to replace fossil fuels, insulation of pipes and tanks, maximising combustion efficiency of boilers and condensate recovery and utilisation of low grade heat that would otherwise be wasted. Specific emissions projects are as reported in question C4.3b and are coordinated centrally. General efficiency improvement projects are managed at individual factory level and are not reported in C4.3b, hence the difference in reported emissions between these 2 questions.
Divestment	7,428	Decreased	0.7	Reduction in emissions of 7,428 tonnes CO <sub>2</sub> for sites divested during 2020 or 2019, compared to 1,102,925 tonnes CO <sub>2</sub> reported in 2019. This equates to $(7,428/1,102,925)*100 = 0.7\%$ decrease in Unilever's S1 + S2 emissions.

Acquisitions	21,431	Increased	1.9	Additional emissions of 21,431 tonnes CO <sub>2</sub> from acquired sites reporting for the first time in Unilever's global Environmental Performance Reporting system in 2020. This equates to $(21,431/1,102,925)*100 = 1.9\%$ increase in Unilever's S1 + S2 emissions.
Mergers	0	No change	0	Not applicable
Change in output	10,049	Increased	0.9	Increased emissions of 10,049 tonnes CO <sub>2</sub> due to production volume and product mix changes, as reported by our existing factories in our Environmental Performance Reporting system. This equates to 0.9% increase in S1 + S2 emissions of 1,102,925 tonnes CO <sub>2</sub> $(10,049/1,102,925)*100 = 0.9\%$
Change in methodology	0	No change	0	Not applicable
Change in boundary	0	No change	0	Not applicable
Change in physical operating conditions	0	No change	0	Not applicable
Unidentified	0	No change	0	Not applicable
Other	0	No change	0	Not applicable

## C7.9b

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Market-based

## C8. Energy

### C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 5% but less than or equal to 10%

## C8.2

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

## C8.2a

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	985,538.66	2,758,716.1	3,744,254.76
Consumption of purchased or acquired electricity		2,463,468.24	219,757.05	2,683,225.29
Consumption of purchased or acquired heat		239,556.05	377,112.47	616,668.52
Consumption of self-generated non-fuel renewable energy		21,112.44		21,112.44
Total energy consumption		3,709,675.38	3,355,585.62	7,065,261

## C8.2b

**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

## C8.2c

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

### Fuels (excluding feedstocks)

Natural Gas

### Heating value

LHV (lower heating value)

### Total fuel MWh consumed by the organization

2,315,181.59

### MWh fuel consumed for self-generation of heat

2,035,629.77

### MWh fuel consumed for self-cogeneration or self-trigeneration

279,551.83

### Emission factor

0.0558

### Unit

metric tons CO2 per GJ

### Emissions factor source

IPCC 2006, Volume 2, Chapter 2 Table 2.2

### Comment

The source of data for CO2 factors for fuels is based on IPCC and we review the factors regularly to ensure that they remain within the range given. As our fuel use relates to fuel combustion, we only report CO2 emissions due to other GHG's not being material.

**Fuels (excluding feedstocks)**

Liquefied Petroleum Gas (LPG)

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

39,498.45

**MWh fuel consumed for self-generation of heat**

39,498.45

**MWh fuel consumed for self-cogeneration or self-trigeneration**

0

**Emission factor**

0.0628

**Unit**

metric tons CO2 per GJ

**Emissions factor source**

IPCC 2006, Volume 2, Chapter 2 Table 2.2

**Comment**

The source of data for CO2 factors for fuels is based on IPCC and we review the factors regularly to ensure that they remain within the range given. As our fuel use relates to fuel combustion, we only report CO2 emissions due to other GHG's not being material.

**Fuels (excluding feedstocks)**

Coal

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

114,220.13

**MWh fuel consumed for self-generation of heat**

114,220.13

**MWh fuel consumed for self-cogeneration or self-trigeneration**

0

**Emission factor**

0.0927

**Unit**

metric tons CO2 per GJ

**Emissions factor source**

IPCC 2006, Volume 2, Chapter 2 Table 2.2

**Comment**

The source of data for CO2 factors for fuels is based on IPCC and we review the factors regularly to ensure that they remain within the range given. As our fuel use relates to fuel combustion, we only report CO2 emissions due to other GHG's not being material.

**Fuels (excluding feedstocks)**

Wood Waste

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

163,064.5

**MWh fuel consumed for self-generation of heat**

163,064.5

**MWh fuel consumed for self-cogeneration or self-trigeneration**

0

**Emission factor**

0

**Unit**

metric tons CO2 per GJ

**Emissions factor source**

IPCC 2006, Volume 2, Chapter 2 Table 2.2

**Comment**

The source of data for CO2 factors for fuels is based on IPCC and we review the factors regularly to ensure that they remain within the range given. As our fuel use relates to fuel combustion, we only report CO2 emissions due to other GHG's not being material. As this fuel source is biogenic, for scope 1 emissions calculation it is reported with emission factor = zero.

**Fuels (excluding feedstocks)**

Solid Biomass Waste

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

465,861.39

**MWh fuel consumed for self-generation of heat**

465,861.39

**MWh fuel consumed for self-cogeneration or self-trigeneration**

0

**Emission factor**

0

**Unit**

metric tons CO2 per GJ

**Emissions factor source**

IPCC 2006, Volume 2, Chapter 2 Table 2.2

**Comment**

The source of data for CO2 factors for fuels is based on IPCC and we review the factors regularly to ensure that they remain within the range given. As our fuel use relates to fuel combustion, we only report CO2 emissions due to other GHG's not being material. As this fuel source is biogenic, for scope 1 emissions calculation it is reported with emission factor = zero.

**Fuels (excluding feedstocks)**

Biomethane

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

16,232.44

**MWh fuel consumed for self-generation of heat**

16,232.44

**MWh fuel consumed for self-cogeneration or self-trigeneration**

0

**Emission factor**

0

**Unit**

metric tons CO2 per GJ

**Emissions factor source**

IPCC 2006, Volume 2, Chapter 2 Table 2.2

**Comment**

The source of data for CO<sub>2</sub> factors for fuels is based on IPCC and we review the factors regularly to ensure that they remain within the range given. As our fuel use relates to fuel combustion, we only report CO<sub>2</sub> emissions due to other GHG's not being material. As this fuel source is biogenic, for scope 1 emissions calculation it is reported with emission factor = zero.

**Fuels (excluding feedstocks)**

Liquid Biofuel

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

95,047.63

**MWh fuel consumed for self-generation of heat**

95,047.63

**MWh fuel consumed for self-cogeneration or self-trigeneration**

0

**Emission factor**

0

**Unit**
metric tons CO<sub>2</sub> per GJ
**Emissions factor source**

IPCC 2006, Volume 2, Chapter 2 Table 2.2

**Comment**

The source of data for CO<sub>2</sub> factors for fuels is based on IPCC and we review the factors regularly to ensure that they remain within the range given. As our fuel use relates to fuel combustion, we only report CO<sub>2</sub> emissions due to other GHG's not being material. As this fuel source is biogenic, for scope 1 emissions calculation it is reported with emission factor = zero.

**Fuels (excluding feedstocks)**

Wood

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

245,332.7

**MWh fuel consumed for self-generation of heat**

245,332.7

**MWh fuel consumed for self-cogeneration or self-trigeneration**

0

**Emission factor**

0

**Unit**

metric tons CO2 per GJ

**Emissions factor source**

IPCC 2006, Volume 2, Chapter 2 Table 2.2

**Comment**

The source of data for CO2 factors for fuels is based on IPCC and we review the factors regularly to ensure that they remain within the range given. As our fuel use relates to fuel combustion, we only report CO2 emissions due to other GHG's not being material. As this fuel source is biogenic, for scope 1 emissions calculation it is reported with emission factor = zero.

**Fuels (excluding feedstocks)**

Diesel

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

289,815.93

**MWh fuel consumed for self-generation of heat**

289,815.93

**MWh fuel consumed for self-cogeneration or self-trigeneration**

0

**Emission factor**

0.07683

**Unit**

metric tons CO2 per GJ

**Emissions factor source**

Derived from IPCC 2006, Volume 2, Chapter 2 Table 2.2. This emission factor is a weighted average of emission factors for Light Fuel Oil, Heavy Fuel Oil and High Speed Diesel.

**Comment**

The source of data for CO2 factors for fuels is based on IPCC and we review the factors regularly to ensure that they remain within the range given. As our fuel use relates to fuel combustion, we only report CO2 emissions due to other GHG's not being material.

## C8.2d

**(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.**

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	126,358.29	105,307.04	21,112.44	20,371.08
Heat	3,640,782.08	3,603,872.03	987,311.83	984,250.33
Steam	0	0	0	0
Cooling	0	0	0	0

## C8.2e

**(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.**

---

### Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

### Low-carbon technology type

Hydropower

### Country/area of consumption of low-carbon electricity, heat, steam or cooling

El Salvador

### MWh consumed accounted for at a zero emission factor

5,252.96

### Comment

---

### Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

### Low-carbon technology type

Wind

### Country/area of consumption of low-carbon electricity, heat, steam or cooling

Algeria

### MWh consumed accounted for at a zero emission factor

2,230.02

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Argentina

**MWh consumed accounted for at a zero emission factor**

63,329.87

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Solar

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Australia

**MWh consumed accounted for at a zero emission factor**

31,152.6

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Austria

**MWh consumed accounted for at a zero emission factor**

126.87

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Bangladesh

**MWh consumed accounted for at a zero emission factor**

520.52

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Belgium

**MWh consumed accounted for at a zero emission factor**

1,424.52

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Bolivia (Plurinational State of)

**MWh consumed accounted for at a zero emission factor**

217.23

**Comment**

---

**Sourcing method**

Heat/steam/cooling supply agreement

**Low-carbon technology type**

Biomass

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Brazil

**MWh consumed accounted for at a zero emission factor**

42,100.66

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator without energy attribute certificates

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Brazil

**MWh consumed accounted for at a zero emission factor**

116,126.76

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Brazil

**MWh consumed accounted for at a zero emission factor**

79,749.98

## Comment

---

### Sourcing method

Unbundled energy attribute certificates, Renewable Energy Certificates (RECs)

### Low-carbon technology type

Hydropower

### Country/area of consumption of low-carbon electricity, heat, steam or cooling

Canada

### MWh consumed accounted for at a zero emission factor

28,460.53

## Comment

---

### Sourcing method

Power purchase agreement (PPA) with a grid-connected generator without energy attribute certificates

### Low-carbon technology type

Hydropower

### Country/area of consumption of low-carbon electricity, heat, steam or cooling

Chile

### MWh consumed accounted for at a zero emission factor

18,480.54

## Comment

---

### Sourcing method

Power purchase agreement (PPA) with on-site/off-site generator owned by a third party with no grid transfers (direct line)

### Low-carbon technology type

Solar

### Country/area of consumption of low-carbon electricity, heat, steam or cooling

China

### MWh consumed accounted for at a zero emission factor

4,568.58

## Comment

---

### Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

### Low-carbon technology type

Wind

### Country/area of consumption of low-carbon electricity, heat, steam or cooling

China

### MWh consumed accounted for at a zero emission factor

87,274.22

## Comment

---

### Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

### Low-carbon technology type

Hydropower

### Country/area of consumption of low-carbon electricity, heat, steam or cooling

Colombia

### MWh consumed accounted for at a zero emission factor

464.88

## Comment

---

### Sourcing method

Power purchase agreement (PPA) with a grid-connected generator without energy attribute certificates

### Low-carbon technology type

Hydropower

### Country/area of consumption of low-carbon electricity, heat, steam or cooling

Colombia

### MWh consumed accounted for at a zero emission factor

24,086.56

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Costa Rica

**MWh consumed accounted for at a zero emission factor**

5,509.7

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Côte d'Ivoire

**MWh consumed accounted for at a zero emission factor**

6,416

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Cyprus

**MWh consumed accounted for at a zero emission factor**

444.04

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Czechia

**MWh consumed accounted for at a zero emission factor**

136.81

**Comment**

---

**Sourcing method**

Heat/steam/cooling supply agreement

**Low-carbon technology type**

Biomass

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Denmark

**MWh consumed accounted for at a zero emission factor**

579.55

**Comment**

---

**Sourcing method**

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Denmark

**MWh consumed accounted for at a zero emission factor**

328.85

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Denmark

**MWh consumed accounted for at a zero emission factor**

1,171.95

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Ecuador

**MWh consumed accounted for at a zero emission factor**

16,717.59

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Solar

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Egypt

**MWh consumed accounted for at a zero emission factor**

19,305.49

**Comment**

---

**Sourcing method**

Other, please specify  
100% renewable national grid

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Ethiopia

**MWh consumed accounted for at a zero emission factor**

2,317.16

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Finland

**MWh consumed accounted for at a zero emission factor**

1,097.51

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Finland

**MWh consumed accounted for at a zero emission factor**

4,226.23

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

France

**MWh consumed accounted for at a zero emission factor**

74,317.97

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

France

**MWh consumed accounted for at a zero emission factor**

16,088.11

**Comment**

---

**Sourcing method**

Heat/steam/cooling supply agreement

**Low-carbon technology type**

Biomass

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Germany

**MWh consumed accounted for at a zero emission factor**

45,792.09

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Germany

**MWh consumed accounted for at a zero emission factor**

107,245.84

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Ghana

**MWh consumed accounted for at a zero emission factor**

5,764.89

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Greece

**MWh consumed accounted for at a zero emission factor**

11,052.34

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator without energy attribute certificates

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Guatemala

**MWh consumed accounted for at a zero emission factor**

97.83

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Honduras

**MWh consumed accounted for at a zero emission factor**

1,395.07

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Solar

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Honduras

**MWh consumed accounted for at a zero emission factor**

2,270.9

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Hungary

**MWh consumed accounted for at a zero emission factor**

27,579.39

**Comment**

---

**Sourcing method**

Heat/steam/cooling supply agreement

**Low-carbon technology type**

Biomass

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

India

**MWh consumed accounted for at a zero emission factor**

40.52

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

India

**MWh consumed accounted for at a zero emission factor**

246,112.78

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator without energy attribute certificates

**Low-carbon technology type**

Solar

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

India

**MWh consumed accounted for at a zero emission factor**

9,092.08

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator without energy attribute certificates

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

India

**MWh consumed accounted for at a zero emission factor**

1,408.27

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with on-site/off-site generator owned by a third party with no grid transfers (direct line)

**Low-carbon technology type**

Solar

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

India

**MWh consumed accounted for at a zero emission factor**

5,211.26

**Comment**

---

**Sourcing method**

Heat/steam/cooling supply agreement

**Low-carbon technology type**

Biomass

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Indonesia

**MWh consumed accounted for at a zero emission factor**

77,068.44

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Indonesia

**MWh consumed accounted for at a zero emission factor**

128,090.77

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Iran (Islamic Republic of)

**MWh consumed accounted for at a zero emission factor**

3,102.69

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Ireland

**MWh consumed accounted for at a zero emission factor**

295.21

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Solar

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Israel

**MWh consumed accounted for at a zero emission factor**

42,323.76

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Biomass

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Italy

**MWh consumed accounted for at a zero emission factor**

983.3

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Geothermal

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Italy

**MWh consumed accounted for at a zero emission factor**

321.22

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Italy

**MWh consumed accounted for at a zero emission factor**

47,415.03

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, other - please specify  
Japan Natural Energy Certificates

**Low-carbon technology type**

Low-carbon energy mix

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Japan

**MWh consumed accounted for at a zero emission factor**

5,039.08

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Kenya

**MWh consumed accounted for at a zero emission factor**

3,578.73

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Solar

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Kenya

**MWh consumed accounted for at a zero emission factor**

11,043.84

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Lithuania

**MWh consumed accounted for at a zero emission factor**

5,558.66

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Malaysia

**MWh consumed accounted for at a zero emission factor**

371.82

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Mexico

**MWh consumed accounted for at a zero emission factor**

29,892

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator without energy attribute certificates

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Mexico

**MWh consumed accounted for at a zero emission factor**

51,032.93

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with on-site/off-site generator owned by a third party with no grid transfers (direct line)

**Low-carbon technology type**

Solar

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Kenya

**MWh consumed accounted for at a zero emission factor**

671.8

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Morocco

**MWh consumed accounted for at a zero emission factor**

3,643.66

**Comment**

---

**Sourcing method**

Other, please specify  
100% renewable national grid

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Nepal

**MWh consumed accounted for at a zero emission factor**

1,646.04

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Netherlands

**MWh consumed accounted for at a zero emission factor**

1,817.57

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Netherlands

**MWh consumed accounted for at a zero emission factor**

25,499.55

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Nicaragua

**MWh consumed accounted for at a zero emission factor**

215.62

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Nigeria

**MWh consumed accounted for at a zero emission factor**

1,985.27

**Comment**

---

**Sourcing method**

Heat/steam/cooling supply agreement

**Low-carbon technology type**

Biomass

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Pakistan

**MWh consumed accounted for at a zero emission factor**

21,258.41

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, other - please specify  
PowerPlus certificates

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Pakistan

**MWh consumed accounted for at a zero emission factor**

8,943.98

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Pakistan

**MWh consumed accounted for at a zero emission factor**

1,544.41

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Panama

**MWh consumed accounted for at a zero emission factor**

221.51

**Comment**

---

**Sourcing method**

Other, please specify  
100% renewable national grid

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Paraguay

**MWh consumed accounted for at a zero emission factor**

464.19

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Peru

**MWh consumed accounted for at a zero emission factor**

209.78

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Geothermal

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Philippines

**MWh consumed accounted for at a zero emission factor**

42,130.87

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Philippines

**MWh consumed accounted for at a zero emission factor**

5,054.67

**Comment**

---

**Sourcing method**

Heat/steam/cooling supply agreement

**Low-carbon technology type**

Biomass

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Poland

**MWh consumed accounted for at a zero emission factor**

6,724.55

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Biomass

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Poland

**MWh consumed accounted for at a zero emission factor**

57,186.14

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Poland

**MWh consumed accounted for at a zero emission factor**

640.58

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Portugal

**MWh consumed accounted for at a zero emission factor**

9,180.64

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Romania

**MWh consumed accounted for at a zero emission factor**

9,538.01

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Russian Federation

**MWh consumed accounted for at a zero emission factor**

3,241.24

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator without energy attribute certificates

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Russian Federation

**MWh consumed accounted for at a zero emission factor**

70,166.68

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Solar

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Saudi Arabia

**MWh consumed accounted for at a zero emission factor**

15,128.44

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Singapore

**MWh consumed accounted for at a zero emission factor**

715.92

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Slovakia

**MWh consumed accounted for at a zero emission factor**

19.17

**Comment**

---

**Sourcing method**

Heat/steam/cooling supply agreement

**Low-carbon technology type**

Biomass

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

South Africa

**MWh consumed accounted for at a zero emission factor**

12,187.37

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Biomass

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

South Africa

**MWh consumed accounted for at a zero emission factor**

84,508.79

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Solar

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Spain

**MWh consumed accounted for at a zero emission factor**

3,537.1

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Spain

**MWh consumed accounted for at a zero emission factor**

13,329.51

**Comment**

---

**Sourcing method**

Heat/steam/cooling supply agreement

**Low-carbon technology type**

Biomass

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Sri Lanka

**MWh consumed accounted for at a zero emission factor**

33,804.42

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Sweden

**MWh consumed accounted for at a zero emission factor**

23,683.65

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Switzerland

**MWh consumed accounted for at a zero emission factor**

4,120.28

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Taiwan, Greater China

**MWh consumed accounted for at a zero emission factor**

3,103.01

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Biomass

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Thailand

**MWh consumed accounted for at a zero emission factor**

19,948.11

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Thailand

**MWh consumed accounted for at a zero emission factor**

3,815.66

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Trinidad and Tobago

**MWh consumed accounted for at a zero emission factor**

724.66

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Tunisia

**MWh consumed accounted for at a zero emission factor**

1,887.8

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Ukraine

**MWh consumed accounted for at a zero emission factor**

1,169.35

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Solar

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

United Arab Emirates

**MWh consumed accounted for at a zero emission factor**

20,216.64

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

United Kingdom of Great Britain and Northern Ireland

**MWh consumed accounted for at a zero emission factor**

25,284.84

**Comment**

---

**Sourcing method**

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

United Kingdom of Great Britain and Northern Ireland

**MWh consumed accounted for at a zero emission factor**

127,570.72

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Biomass

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

United Republic of Tanzania

**MWh consumed accounted for at a zero emission factor**

5,771.44

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Turkey

**MWh consumed accounted for at a zero emission factor**

90,492.4

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, Renewable Energy Certificates (RECs)

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

United States of America

**MWh consumed accounted for at a zero emission factor**

381,549.13

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Uruguay

**MWh consumed accounted for at a zero emission factor**

180.77

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Venezuela (Bolivarian Republic of)

**MWh consumed accounted for at a zero emission factor**

6,332.6

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Hydropower

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Viet Nam

**MWh consumed accounted for at a zero emission factor**

27,928.06

**Comment**

---

**Sourcing method**

Unbundled energy attribute certificates, International REC Standard (I-RECs)

**Low-carbon technology type**

Biomass

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Zimbabwe

**MWh consumed accounted for at a zero emission factor**

623.83

**Comment**

## C9. Additional metrics

### C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

---

**Description**

Energy usage

**Metric value**

1.21

**Metric numerator**

GJ

**Metric denominator (intensity metric only)**

Per tonne of production

**% change from previous year**

3.2

**Direction of change**

Decreased

**Please explain**

This metric relates to energy intensity within Unilever's manufacturing operations. Since 2008, energy intensity has been reduced by 31%, which has contributed to cumulative cost benefits of €870 million.

## C10. Verification

### C10.1

**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

### C10.1a

**(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.**

---

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**



**Page/ section reference**

2020 Limited Assurance Report: Page 3 – Limited assurance of the “Energy and greenhouse gases” EOS indicators includes Scope 1 and Scope 2 emissions from our manufacturing operations. See also Basis of Preparation document page 19. Verification of CO2 market-based emissions from our manufacturing operations accounts for 92% of total Scope 1 and 2 emissions reported in the 2020 Unilever Annual Report and Accounts (778,677 tonnes – refer to page 56).

**Relevant standard**

ISAE 3410

**Proportion of reported emissions verified (%)**

92

## C10.1b

**(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.**

---

**Scope 2 approach**

Scope 2 market-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**



**Page/ section reference**

2020 Limited Assurance Report: Page 3 – Limited assurance of the “Energy and greenhouse gases” EOS indicators includes Scope 1 and Scope 2 emissions from our

manufacturing operations. See also Basis of Preparation document page 19. Verification of CO<sub>2</sub> market-based emissions from our manufacturing operations accounts for 92% of total Scope 1 and 2 emissions reported in the 2020 Unilever Annual Report and Accounts (778,677 tonnes – refer to page 56).

**Relevant standard**

ISAE 3410

**Proportion of reported emissions verified (%)**

92

## C10.1c

**(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.**

**Scope 3 category**

Scope 3: Use of sold products

**Verification or assurance cycle in place**

Biennial process

**Status in the current reporting year**

Underway but not complete for reporting year – previous statement of process attached

**Type of verification or assurance**

Limited assurance

**Attach the statement**



**Page/section reference**

Page 2 – Limited assurance of the “Greenhouse gases footprint” USLP indicator “The percentage change in the greenhouse gas impact of our products across the lifecycle per consumer use between the 2010 baseline and 2019 footprint. Scope 3 emissions cover 6 lifecycle phases: raw materials (primary & secondary packaging, ingredients), manufacturing, distribution, retail, consumer use, and disposal i.e. cover more than the emissions from “use of sold products”. See also Annual Report 2019 page 22

**Relevant standard**

ISAE 3410

**Proportion of reported emissions verified (%)**

100

## C10.2

**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

Yes

### C10.2a

**(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?**

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Progress against emissions reduction target	ISAE3000 (Revised) ISAE 3410	<p>We assure the reduction in absolute and per tonne of production of Scope 1 and 2 manufacturing CO<sub>2</sub> from energy use versus a 2008 baseline:</p> <ul style="list-style-type: none"> <li>• Absolute change in the tonnes of CO<sub>2</sub> from energy use (market based) in 2020 (1 October 2019 to 30 September 2020) compared to 2008 (1 January 2008 to 31 December 2008) - 2,068,484 fewer tonnes of CO<sub>2</sub> from energy use in 2020 than in 2008</li> <li>• Percentage change in CO<sub>2</sub> from energy use (market based) per tonne of production in 2020 (1 October 2019 to 30 September 2020) compared to 2008 (1 January 2008 to 31 December 2008) - 75% reduction per tonne of production (market based). See also Basis of Preparation attachment page 19.</li> </ul> <p></p>
C4. Targets and performance	Year on year change in emissions (Scope 1 and 2)	ISAE3000 (Revised) ISAE 3410	<p>Our external assurance provider (PwC) includes in its assurance report the CO<sub>2</sub> emissions from energy per tonne of production reduction (intensity) in Scope 1 + 2 emissions for manufacturing emissions such that progress against our target in Metric tonnes CO<sub>2</sub>e per metric tonne of product is verified. See also Basis of Preparation attachment page 19.</p> <p></p>
C8. Energy	Other, please specify Energy use per tonne of production	ISAE3000 (Revised) ISAE 3410	<p>Our external assurance provider (PwC) includes in its assurance report the energy use in gigajoules per tonne of production in 2020. See also Basis of Preparation attachment page 19.</p>

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## C11. Carbon pricing

### C11.1

**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

No, but we anticipate being regulated in the next three years

### C11.1d

**(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?**

Our strategy is focused on trying to reduce emissions/ decarbonize faster than the Paris Agreement and below the carbon caps set by governing bodies. In 2020, we reaffirmed and sharpened our climate commitments. This was launched through a corporate wide Unilever Compass strategy committing to zero GHG emissions in our operations (scope 1 and scope 2) by 2030 i.e., earlier than the Paris Agreement. Our actions against this ambition have already started. In 2020, we achieved 100% renewable electricity from grid for all our operations and we are working to eliminate coal from our energy mix and our transition to 100% renewable energy by 2030. Despite this, Unilever understands the number of carbon taxes and trading systems are increasing, and expects this to continue to happen in the future. Therefore, given the nature of our global operations, we continue to monitor development of carbon taxes and trading schemes, and anticipate that Unilever could have to comply in the next three years.

We continue our work on complying and advocating for stringent climate regulatory systems such as:

- 1) Monitoring carbon pricing in our markets e.g. in the next few years we anticipate being impacted by carbon pricing in two of our largest markets, the UK (in 2021) and China (in 2021);
- 2) Monitoring governmental development around actions to combat climate change and advocating for changes to public policy frameworks that will enable accelerated decarbonisation;
- 3) Supporting alliances such as the We Mean Business Coalition and continuing to push for pro-climate market reforms.

### C11.2

**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

No

## C11.3

### (C11.3) Does your organization use an internal price on carbon?

Yes

## C11.3a

### (C11.3a) Provide details of how your organization uses an internal price on carbon.

#### Objective for implementing an internal carbon price

- Stakeholder expectations
- Change internal behavior
- Drive energy efficiency
- Drive low-carbon investment
- Identify and seize low-carbon opportunities
- Other, please specify
  - Transition to a low carbon economy & drive innovation

#### GHG Scope

- Scope 1
- Scope 2
- Scope 3

#### Application

Over the past five years, we have piloted different carbon pricing schemes across our direct operations. Prior to 2020, we used the internal price on carbon in two ways. First, to evaluate the business case for new capital investments of significant size, e.g. in new manufacturing capacity, plant or equipment. Secondly, we created an internal tax on divisional capital expenditure budgets (initially formed from the carbon emissions of the divisions) to create a centrally managed Low Carbon Fund. This tax has created an internal Low Carbon Fund for energy and low carbon projects at our manufacturing sites globally, in support of our climate commitments. In 2020, through the Fund, we invested €13 million in over 100 energy and emissions reduction projects globally which will reduce our global CO2 emissions by 2.7%.

#### Actual price(s) used (Currency /metric ton)

50

#### Variance of price(s) used

In July 2016, Unilever introduced an explicit internal price of carbon of €30 per tonne for scope 1 and 2 emissions. This was increased to €40 per tonne for the emissions of 2017 and continued for 2018 and 2019. For 2020, we raised this to €50 per tonne, but due to the Covid crisis funds were redirected to Covid relief initiatives bringing the actual price for the year down to €25/tonne. In 2021, our internal carbon price was €60/tonne and we expect to increase back to our pre 2020 investment levels. To stay in line with our climate change commitments we will need to further accelerate our investments. Our ice cream brand, Ben & Jerry's has an internal carbon price which also covers

Scopes 1, 2 and 3 emissions.

### **Type of internal carbon price**

- Shadow price
- Internal fee
- Implicit price

### **Impact & implication**

The Low Carbon Fund was used to accelerate clean technology investment through energy and emissions reduction projects globally which reduced global CO<sub>2</sub> emissions. For example, through the fund we have installed renewable energy technologies on our factory sites, including solar water heating systems at sites in Australia, Israel, Mexico and India that together reduce CO<sub>2</sub> emissions by around 1,500 tonnes per year, and a biomass boiler at our Tema factory in Ghana. We have decided to replace this programme with an explicit commitment to ensure that future capital expenditure is aligned with the Paris Agreement's objective of limiting global average temperature rise to 1.5 degrees.

In addition, our ice cream company Ben & Jerry's has instituted an internal carbon tax for each metric tonne of its GHG emissions from farm to landfill. The company pays the tax itself with funds going towards internal GHG-reducing initiatives. 42% of its ice cream lifecycle emissions come from dairy so the company works with farmers to implement GHG footprint-reducing strategies, including manure separators that turn methane into bedding for cows. Additional measures include investing in solar panels at the Vermont ice cream factory, and installing electric vehicle charging stations at its facilities.

Further to these explicit price of carbon, Unilever also applies an implicit cost of carbon (as defined by the UN Global Compact) by setting emissions reductions targets and delivering against them, so driving down emissions as if an explicit price were used in the decision calculation.

## **C12. Engagement**

### **C12.1**

#### **(C12.1) Do you engage with your value chain on climate-related issues?**

- Yes, our suppliers
- Yes, our customers
- Yes, other partners in the value chain

## C12.1a

### (C12.1a) Provide details of your climate-related supplier engagement strategy.

#### Type of engagement

Engagement & incentivization (changing supplier behavior)

#### Details of engagement

Run an engagement campaign to educate suppliers about climate change

Other, please specify

Suppliers must commit to the fundamental mandatory principles of Unilever's RSP which includes reducing their environmental impact. This is a prerequisite for supplying us.

#### % of suppliers by number

52

#### % total procurement spend (direct and indirect)

83

#### % of supplier-related Scope 3 emissions as reported in C6.5

#### Rationale for the coverage of your engagement

Unilever spent around €32 billion on goods and services from around 56,000 suppliers in 2020, giving us the scale and impact to influence those in our wider value chain. Across our value chain – operations; sourcing and manufacturing, our suppliers help us achieve our sustainability commitments such as zero net deforestation which contributes to our wider climate change commitments. Through our Responsible Sourcing Policy (RSP), suppliers must confirm they have read and are committed to the mandatory requirements we set under the RSP's fundamental principles. One of these fundamental mandatory principles is 'Business is conducted in a manner which braces sustainability and reduces environment impact'. Unilever then provide suppliers with implementation guidance to ensure compliance, as well as the RSP Audit Requirements document, outlining how we undertake due diligence.

#### Impact of engagement, including measures of success

Our target is set at 100% of procurement spend being met through suppliers meeting the mandatory requirements of the Responsible Sourcing Policy (RSP). In 2017, we relaunched our RSP programme to strengthen our approach and to drive an increase in the number of suppliers committing to the programme. In 2020, we had achieved 83% of procurement spend, up from 70% in 2019, and 61% in 2018. Whilst we haven't met 100%, we are clearly progressing in the right direction to show that the process is working. As a result, we expect our supplier to meet a minimum level of environmental criteria in their supply chains as outlined in the RSP.

Also in 2020, we continued our engagement with a subset of priority suppliers via the

CDP Supply Chain survey, achieving 97% participation rate. This is well above average member participation rates of 71%, which aligns with our ambition to be an industry leader. We have consistently engaged directly with 75 of our key suppliers from a GHG and spend impact perspective over a period of a few years, achieving very high response rates. This has resulted in our suppliers becoming more mature in relation to climate, with improvement in scopes across a range of parameters, such as setting emission reduction targets, calculating their scope 3 emissions, and integration of climate change into their strategy.

In addition in 2020, we engaged with 20% of our PI (direct) suppliers via our Sustainable Agriculture program. The program has as its basis the Unilever Sustainable Agriculture Code (SAC), which includes mandatory requirements on energy use and greenhouse gas emission practices at farm level (where majority of emissions arise). Research published by Unilever in conjunction with Radboud University indicated a 25% reduction in tomato GHG footprint across 14 countries in the Unilever supply chain over 3 years. In 2020, we have begun to engage deeply with a handful of suppliers to inform our wider supplier climate engagement programme.

### Comment

Our target that we have succeeded is set at 100% for procurement spend being met through suppliers meeting the mandatory requirements of the RSP. In 2020, we had achieved 83% of procurement spend, up from 70% in 2019, and 61% in 2018. Whilst we haven't met 100%, we are progressing in the right direction to show that the process is working.

## C12.1b

**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

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### Type of engagement

Education/information sharing

### Details of engagement

Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

### % of customers by number

100

### % of customer - related Scope 3 emissions as reported in C6.5

0

**Please explain the rationale for selecting this group of customers and scope of engagement**

Our brands are working to halve the greenhouse gas (GHG) footprint of a cup of tea, a laundry load or a hair wash by the end of this decade. Through innovation, R&D expertise, and partnerships with suppliers, we are finding lower carbon solutions for everyday products. Our goal is to halve the GHG impact of our products across the lifecycle by 2030.

A key part of our efforts to reduce greenhouse gas emissions across the lifecycle of our products is our engagement with our large retail customers who serve millions of consumers every day – in store (e.g. through point of sale communications) and increasingly online (e.g. through retailer e-commerce platforms). Our aim is to help consumers make sustainable choices, in pursuit of our purpose to make sustainable living commonplace.

Engaging with all our large retail customers on sustainability issues such as climate change and climate is a key part of the Unilever Compass, our business strategy which seeks to leverage our 'brands with purpose' to help our business grow. Furthermore, it's the ambition of our Customer Development function to deeply embed sustainability in the Joint Business Plans of our top 30 Modern Trade Retailers.

### **Impact of engagement, including measures of success**

Example of in store engagement: In the Netherlands we have established a 7-year collaboration with Albert Heijn (35% market share) and the National Postcode Lottery (NPL) to accelerate the transition towards more sustainable eating and plant-based diets (which have a lower carbon footprint). In the campaign all 2.85 million NPL members received a €12.50 voucher, which they could spend in a 3-week period to buy a more sustainable meal, choosing from over 1,500 Unilever or Albert Heijn private label products with a sustainability certification (i.e. Fairtrade or Rainforest Alliance) or based on Unilever's sustainable agriculture programme. The focus of the programme in 2020 was to show how easy it is to make a vegetarian dish or choose for a vegan dessert, through Unilever brands such as Unox, The Vegetarian Butcher, Knorr and Magnum.

Example of online engagement: We're working with our customer Amazon, to help shoppers find sustainable Unilever brands with a lower environmental footprint such as Cif, Dove and Seventh Generation through the Climate Pledge Friendly filter which was launched in September 2020. The purpose of the programme is to make it easy for shoppers to discover and shop for more sustainable products through badging. Products qualify by either being either "compact by design" – meaning they are smaller and lighter compared to the category standard, or certified by a select list of trusted third-party organizations like the Rainforest Alliance. The goal of the programme is to reduce the GHG emissions and physical waste impact from everyday consumables, while also improving profitability by lowering the cost of last mile delivery.

Our measures of success depend on the specific sustainability collaboration focus per retailer, for example, how many consumers are reached based on loyalty or sales data, the level of behaviour change we realise based on qualitative market research, the amount of waste we collect or recycle, etc., and the GHG impact we achieve. For the

Albert Heijn example above our measure of success was to drive long-lasting consumer behaviour change by encouraging people to eat more sustainable meals, including plant-based meals with a lower carbon footprint. The positive outcome achieved (based on an annual qualitative survey) is an increase in the number of people who eat sustainably from 45% in 2016 to 61% in 2020.

## C12.1d

### **(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.**

We have a long tradition of working with civil society organisations, multilateral institutions and other companies to advance the sustainable development agenda and influence the public policy frameworks that will accelerate progress.

To support our Climate Transition Action Plan, our approach to advocacy and partnerships is divided into four types of activity:

1. High-level advocacy in support of the goals of the Paris Agreement
2. National and regional climate policy
3. Issue-specific policy engagement and partnerships
4. Industry partnerships

An example of our engagement with industry partners to deliver our climate strategy, is through our Clean Future initiative which aims to replace all of the carbon derived from fossil fuels in our Home Care formulations with renewable or recycled carbon by 2030. The science which underpins this initiative is ground breaking and will require us to reinvent the chemistry of our Home Care products working with innovative partners across our value chain. We are partnering with Tuticorin Alkali Chemicals (TAC) in southern India and Carbon Clean Solutions (CCSL). They have developed cutting-edge technologies to capture the CO<sub>2</sub> from their use of energy in their production processes and turn it into soda ash - a source of renewable or recycled carbon for ingredient production for our laundry detergents. We're also partnering with Evonik Industries who produce Rhamnolipids – a biosurfactant made from naturally occurring fermentation and which is 100% biodegradable and renewable. It gives superior cleaning performance and is ultra-mild on skin. We are pioneering large-scale production of this ingredient with Evonik Industries, and it's already in some of our dishwashing products in Chile and Vietnam.

## C-AC12.2/C-FB12.2/C-PF12.2

### **(C-AC12.2/C-FB12.2/C-PF12.2) Do you encourage your suppliers to undertake any agricultural or forest management practices with climate change mitigation and/or adaptation benefits?**

Yes

## C-AC12.2a/C-FB12.2a/C-PF12.2a

**(C-AC12.2a/C-FB12.2a/C-PF12.2a) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.**

---

**Management practice reference number**

MP1

**Management practice**

Biodiversity considerations

**Description of management practice**

Practices include afforesting with native species suited to the site conditions and those that contribute to improvement and restoration of ecological connectivity.

**Your role in the implementation**

Procurement

**Explanation of how you encourage implementation**

We work with our suppliers and other stakeholders to promote forest certification through our purchases. We give preference to supplies delivered through the Forest Stewardship Council (FSC) certification scheme and accept other national schemes under the framework of the Programme for the Endorsement of Forest Certification (PEFC).

**Climate change related benefit**

Increasing resilience to climate change (adaptation)

Increase carbon sink (mitigation)

**Comment**

These practices encourage the capture of carbon from the atmosphere, whilst boosting resilience of biodiversity and ecosystem services that forest provided, such as habitat for biological pest control species and fuel wood for farmers.

---

**Management practice reference number**

MP19

**Management practice**

Reforestation

**Description of management practice**

Practices include reforestation with native species suited to the site conditions and those that contribute to improvement and restoration of ecological connectivity. Practices to increase wood production and productivity: As an example, the PEFC standard requires

that regeneration, tending and harvesting operations are carried out in time, and in a way that does not reduce the productive capacity of the site.

### **Your role in the implementation**

Procurement

### **Explanation of how you encourage implementation**

We work with our suppliers and other stakeholders to promote forest certification through our purchases. We give preference to supplies delivered through the Forest Stewardship Council (FSC) certification scheme and accept other national schemes under the framework of the Programme for the Endorsement of Forest Certification (PEFC).

### **Climate change related benefit**

Increasing resilience to climate change (adaptation)  
Increase carbon sink (mitigation)

### **Comment**

These practices encourage the capture of carbon from the atmosphere, whilst boosting resilience of biodiversity and ecosystem services that forest provided, such as habitat for biological pest control species and fuel wood for farmers.

---

### **Management practice reference number**

MP15

### **Management practice**

Practices to increase wood production and forest productivity

### **Description of management practice**

Practices to increase wood production and productivity: As an example, the PEFC standard requires that regeneration, tending and harvesting operations are carried out in time, and in a way that does not reduce the productive capacity of the site.

### **Your role in the implementation**

Procurement

### **Explanation of how you encourage implementation**

We work with our suppliers and other stakeholders to promote forest certification through our purchases. We give preference to supplies delivered through the Forest Stewardship Council (FSC) certification scheme and accept other national schemes under the framework of the Programme for the Endorsement of Forest Certification (PEFC).

### **Climate change related benefit**

Increasing resilience to climate change (adaptation)  
Increase carbon sink (mitigation)

### **Comment**

Practices to increase wood production and productivity: Such practices made foresters more economically resilient to future shocks and highly productive forests are better able to capture more carbon.

---

**Management practice reference number**

MP1

**Management practice**

Biodiversity considerations

**Description of management practice**

The SAC and equivalent schemes, stipulate management requirements for biodiversity, natural resources and ecosystem services, like the need for a plan to manage

**Your role in the implementation**

Knowledge sharing

Operational

Procurement

**Explanation of how you encourage implementation**

Our role when sourcing against the SAC versus schemes recognised as equivalent with the principles and practices of sustainable agriculture differs.

Knowledge Sharing and Operational: For suppliers using Unilever's own code, an agronomic network of consultants implements the standard, through training and capacity building.

Procurement: For those suppliers of materials assured against external or industry-recognised standards, the demand Unilever procurement creates for sustainably grown materials, maintains and drives the uptake of these practices in the regions we source from.

**Climate change related benefit**

Increasing resilience to climate change (adaptation)

**Comment**

Management provides supporting services to agricultural, like pollination by bees and other insects. By supporting biodiversity, agriculture is better able to cope with shocks that could undermine productivity.

---

**Management practice reference number**

MP5

**Management practice**

Composting

### **Description of management practice**

Some of the standards recognised by us have requirements for the production, application, handling and storage of compost. An example of a composting requirement is for the location of the storage area to be a safe distance from living quarters and waterways.

### **Your role in the implementation**

Knowledge sharing  
Operational  
Procurement

### **Explanation of how you encourage implementation**

Our role when sourcing against the SAC versus schemes recognised as equivalent with the principles and practices of sustainable agriculture differs.

Knowledge Sharing and Operational: For suppliers using Unilever's own code, an agronomic network of consultants implements the standard, through training and capacity building.

Procurement: For those suppliers of materials assured against external or industry-recognised standards, the demand Unilever procurement creates for sustainably grown materials, maintains and drives the uptake of these practices in the regions we source from.

### **Climate change related benefit**

Reduced demand for fossil fuel (adaptation)  
Reduced demand for fertilizers (adaptation)

### **Comment**

As an alternative to the use of synthetic fertilizers, this practice would reduce their use and the emissions attributed to fossil fuels used in production of the product.

---

### **Management practice reference number**

MP3

### **Management practice**

Contour farming

### **Description of management practice**

As an example, farmers implementing the SAC are encouraged to use apply contour farming to mitigate soil erosion.

### **Your role in the implementation**

Knowledge sharing  
Operational  
Procurement

### **Explanation of how you encourage implementation**

Our role when sourcing against the SAC versus schemes recognised as equivalent with the principles and practices of sustainable agriculture differs.

Knowledge Sharing and Operational: For suppliers using Unilever's own code, an agronomic network of consultants implements the standard, through training and capacity building.

Procurement: For those suppliers of materials assured against external or industry-recognised standards, the demand Unilever procurement creates for sustainably grown materials, maintains and drives the uptake of these practices in the regions we source from.

### **Climate change related benefit**

Reduced demand for fossil fuel (adaptation)

Reduced demand for fertilizers (adaptation)

### **Comment**

By reducing the risk of soil erosion and consequent loss of valuable nutrients, contour farming reduces overall fertilizer use.

---

### **Management practice reference number**

MP10

### **Management practice**

Integrated pest management

### **Description of management practice**

As an example, farmers implementing the SAC are required to incorporate crop rotation into their integrated pest management plan.

### **Your role in the implementation**

Knowledge sharing

Operational

Procurement

### **Explanation of how you encourage implementation**

Our role when sourcing against the SAC versus schemes recognised as equivalent with the principles and practices of sustainable agriculture differs.

Knowledge Sharing and Operational: For suppliers using Unilever's own code, an agronomic network of consultants implements the standard, through training and capacity building.

Procurement: For those suppliers of materials assured against external or industry-recognised standards, the demand Unilever procurement creates for sustainably grown

materials, maintains and drives the uptake of these practices in the regions we source from.

### **Climate change related benefit**

Reduced demand for fossil fuel (adaptation)  
Reduced demand for fertilizers (adaptation)  
Reduced demand for pesticides (adaptation)

### **Comment**

This activity is beneficial for preventing the build-up of particular pests and improving soil fertility, by rotating crops that have different nutrient requirements. As such, it may reduce the demand for synthetic fertilizers and pesticides, and their associated reliance on fossil fuels in production of these.

---

### **Management practice reference number**

MP5

### **Management practice**

Efficient equipment use

### **Description of management practice**

Most standards require farmers have an energy management plan to identify, management and monitor energy use to gain efficiencies.

### **Your role in the implementation**

Knowledge sharing  
Operational  
Procurement

### **Explanation of how you encourage implementation**

Our role when sourcing against the SAC versus schemes recognised as equivalent with the principles and practices of sustainable agriculture differs.

Knowledge Sharing and Operational: For suppliers using Unilever's own code, an agronomic network of consultants implements the standard, through training and capacity building.

Procurement: For those suppliers of materials assured against external or industry-recognised standards, the demand Unilever procurement creates for sustainably grown materials, maintains and drives the uptake of these practices in the regions we source from.

### **Climate change related benefit**

Emissions reductions (mitigation)  
Reduced demand for fossil fuel (adaptation)

### **Comment**

Reducing energy use will have a direct reduction in emissions associated with generation and fossil fuels implicated in this.

---

### **Management practice reference number**

MP6

### **Management practice**

Equipment maintenance and calibration

### **Description of management practice**

As an example, farmers implementing the SAC are required to maintain and calibrate their machinery to ensure desired flow rates and distribution patterns are delivered.

### **Your role in the implementation**

Knowledge sharing  
Operational  
Procurement

### **Explanation of how you encourage implementation**

Our role when sourcing against the SAC versus schemes recognised as equivalent with the principles and practices of sustainable agriculture differs.

Knowledge Sharing and Operational: For suppliers using Unilever's own code, an agronomic network of consultants implements the standard, through training and capacity building.

Procurement: For those suppliers of materials assured against external or industry-recognised standards, the demand Unilever procurement creates for sustainably grown materials, maintains and drives the uptake of these practices in the regions we source from.

### **Climate change related benefit**

Emissions reductions (mitigation)  
Reduced demand for fossil fuel (adaptation)  
Reduced demand for fertilizers (adaptation)  
Reduced demand for pesticides (adaptation)

### **Comment**

This practice would optimise use of inputs, thus avoiding wastage and leading to the associated climate change benefits.

---

### **Management practice reference number**

MP8

## Management practice

Fertilizer management

### Description of management practice

As an example, farmers implementing the SAC are required to take crop needs into account at all stages of growth and use this to design the Nutrient Management Plan.

### Your role in the implementation

Knowledge sharing  
Operational  
Procurement

### Explanation of how you encourage implementation

Our role when sourcing against the SAC versus schemes recognised as equivalent with the principles and practices of sustainable agriculture differs.

Knowledge Sharing and Operational: For suppliers using Unilever's own code, an agronomic network of consultants implements the standard, through training and capacity building.

Procurement: For those suppliers of materials assured against external or industry-recognised standards, the demand Unilever procurement creates for sustainably grown materials, maintains and drives the uptake of these practices in the regions we source from.

### Climate change related benefit

Emissions reductions (mitigation)  
Reduced demand for fossil fuel (adaptation)  
Reduced demand for fertilizers (adaptation)

### Comment

Management would reduce emissions released through over-application of synthetic fertilisers and the emissions attributed to fossil fuels used in production of the product.

---

## Management practice reference number

MP9

## Management practice

Fire control

### Description of management practice

As an example, farmers implementing the SAC must not use fire for land preparation or in-field disposal of harvest residues.

### Your role in the implementation

Knowledge sharing  
Operational  
Procurement

### **Explanation of how you encourage implementation**

Our role when sourcing against the SAC versus schemes recognised as equivalent with the principles and practices of sustainable agriculture differs.

Knowledge Sharing and Operational: For suppliers using Unilever's own code, an agronomic network of consultants implements the standard, through training and capacity building.

Procurement: For those suppliers of materials assured against external or industry-recognised standards, the demand Unilever procurement creates for sustainably grown materials, maintains and drives the uptake of these practices in the regions we source from.

### **Climate change related benefit**

Emissions reductions (mitigation)

### **Comment**

By avoiding use of fire in farming practices, atmospheric pollution and associated emission would be avoided.

---

### **Management practice reference number**

MP11

### **Management practice**

Governmental or institutional policies and programs

### **Description of management practice**

As an example, farmers implementing the SAC must comply with legal requirements applicable to the country of production. This could apply to laws prohibiting illegal deforestation.

Please ignore the management practice reference number. This is an additional management practice not already highlighted in 4.4a.

### **Your role in the implementation**

Knowledge sharing  
Operational  
Procurement

### **Explanation of how you encourage implementation**

Our role when sourcing against the SAC versus schemes recognised as equivalent with the principles and practices of sustainable agriculture differs.

Knowledge Sharing and Operational: For suppliers using Unilever's own code, an agronomic network of consultants implements the standard, through training and capacity building.

Procurement: For those suppliers of materials assured against external or industry-recognised standards, the demand Unilever procurement creates for sustainably grown materials, maintains and drives the uptake of these practices in the regions we source from.

### **Climate change related benefit**

Emissions reductions (mitigation)

Increasing resilience to climate change (adaptation)

### **Comment**

Legal compliance that prevents environmental damage and exploitation of resources has general benefits to ensuring resilience of the farming system is maintained and that emissions associated with activities like land use change from illegal deforestation are avoided.

---

### **Management practice reference number**

MP10

### **Management practice**

Integrated pest management

### **Description of management practice**

As an example, farmers implementing the SAC must produce a plan that incorporate IPM principles of prevention, observation and intervention.

### **Your role in the implementation**

Knowledge sharing

Operational

### **Explanation of how you encourage implementation**

Our role when sourcing against the SAC versus schemes recognised as equivalent with the principles and practices of sustainable agriculture differs.

Knowledge Sharing and Operational: For suppliers using Unilever's own code, an agronomic network of consultants implements the standard, through training and capacity building.

Procurement: For those suppliers of materials assured against external or industry-recognised standards, the demand Unilever procurement creates for sustainably grown materials, maintains and drives the uptake of these practices in the regions we source from.

**Climate change related benefit**

Reduced demand for pesticides (adaptation)

**Comment**

Adoption of this approach ensures that precautionary measures inform the application of pesticides and that pesticide use is reduced through the opting for preventative measures or biological agents.

---

**Management practice reference number**

MP13

**Management practice**

Land use change

**Description of management practice**

As an example, farmers implementing the SAC may not convert high conservation value / high ecological value or high carbon stock land to farmland.

Please ignore the management practice reference number. This is an additional management practice not already highlighted in 4.4a.

**Your role in the implementation**

Knowledge sharing  
Operational  
Procurement

**Explanation of how you encourage implementation**

Our role when sourcing against the SAC versus schemes recognised as equivalent with the principles and practices of sustainable agriculture differs.

Knowledge Sharing and Operational: For suppliers using Unilever's own code, an agronomic network of consultants implements the standard, through training and capacity building.

Procurement: For those suppliers of materials assured against external or industry-recognised standards, the demand Unilever procurement creates for sustainably grown materials, maintains and drives the uptake of these practices in the regions we source from.

**Climate change related benefit**

Emissions reductions (mitigation)

**Comment**

By preventing conversion of natural or semi-natural land uses to agriculture, the release of stored carbon will be avoided.

**Management practice reference number**

MP18

**Management practice**

Reducing energy use

**Description of management practice**

As an example, farmers implementing the SAC must develop an energy management plan to reduce energy consumption.

**Your role in the implementation**

Knowledge sharing

Operational

Procurement

**Explanation of how you encourage implementation**

Our role when sourcing against the SAC versus schemes recognised as equivalent with the principles and practices of sustainable agriculture differs.

Knowledge Sharing and Operational: For suppliers using Unilever's own code, an agronomic network of consultants implements the standard, through training and capacity building.

Procurement: For those suppliers of materials assured against external or industry-recognised standards, the demand Unilever procurement creates for sustainably grown materials, maintains and drives the uptake of these practices in the regions we source from.

**Climate change related benefit**

Emissions reductions (mitigation)

**Comment**

This will directly reduce emissions of the farm operation, given the emissions associated with upstream energy generation, where fossil fuel-derived sources are concerned.

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**Management practice reference number**

MP15

**Management practice**

Timing of farm operations

**Description of management practice**

As an example, the timing of application of nutrients should consider weather conditions, to avoid runoff and loss of nutrient to rivers.

Please ignore the management practice reference number. This is an additional management practice not already highlighted in 4.4a.

**Your role in the implementation**

- Knowledge sharing
- Operational
- Procurement

**Explanation of how you encourage implementation**

Our role when sourcing against the SAC versus schemes recognised as equivalent with the principles and practices of sustainable agriculture differs.

Knowledge Sharing and Operational: For suppliers using Unilever’s own code, an agronomic network of consultants implements the standard, through training and capacity building.

Procurement: For those suppliers of materials assured against external or industry-recognised standards, the demand Unilever procurement creates for sustainably grown materials, maintains and drives the uptake of these practices in the regions

**Climate change related benefit**

Reduced demand for fertilizers (adaptation)

**Comment**

By timing the use of inputs to account for external factors, the wastage of inputs is avoided, thus avoiding the need for further application.

**C-AC12.2b/C-FB12.2b/C-PF12.2b**

**(C-AC12.2b/C-FB12.2b/C-PF12.2b) Do you collect information from your suppliers about the outcomes of any implemented agricultural/forest management practices you have encouraged?**

Yes

**C12.3**

**(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?**

- Direct engagement with policy makers
- Trade associations
- Funding research organizations

**C12.3a**

**(C12.3a) On what issues have you been engaging directly with policy makers?**

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
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Cap and trade	Support	<p>Unilever has publicly supported calls for carbon pricing and previously introduced an internal carbon price in our investment decisions. Unilever has also signed a number of statements in support of carbon pricing, for example the Prince of Wales's Corporate Leaders Group Carbon Price Communiqué, the World Bank statement on carbon pricing and we are part of the UN Global Compact Carbon Pricing Coalition. At COP 2015 in Paris, Unilever was part of the We Mean Business Coalition which called for a Price on Carbon as a key policy ask. Unilever has also consistently called for a price on carbon, for example in at the World Bank for the Carbon Pricing Leadership Coalition in April 2016. Unilever also participated in the High Level Assembly of the CPLC in April 2018, and the Global Commission on the Economy and Climate whose policy recommendations include carbon pricing. We have engaged finance ministers and heads of state through our leadership, on the need for carbon pricing as a key policy solution to address climate change, for example at the World Economic Forum's CEO Climate Leaders Group at Davos.</p> <p>In 2019, we welcomed the report of the High Level Commission on Carbon Pricing and Competitiveness, which showed there was little evidence to support the view that carbon pricing damaged competitiveness – and that potential risks could be</p>	<p>Unilever believes that carbon pricing is a fundamental part of the global response to climate change. Unilever also recognises that without it, we are unlikely to be able to meet our own greenhouse gas reduction targets. By signing the World Bank carbon pricing statement, Unilever has added its name to governments and companies calling for a strengthening of carbon pricing policies to redirect investment commensurate with the scale of the climate challenge; bringing forward and strengthening the implementation of existing carbon pricing policies to better manage investment risks and opportunities; and enhancing cooperation to share information, expertise and lessons learned on developing and implementing carbon pricing through various "readiness" platforms.</p>
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		overcome by smart policy design.	
Energy efficiency	Support	<p>Unilever advocated, as part of a coalition coordinated by Transport &amp; Environment, for a strengthening of EU efficiency targets for trucks. A joint letter requesting a high level of ambition was well received and resulted in draft proposals significantly more ambitious than those for which the haulage industry had asked. In 2017 we were part of the CEPS Circular Economy Task Force which produced its report in 2018 with a number of recommendations to drive resource efficiency including energy efficiency in the EU. Through the EU Alliance to Save Energy, EUASE, Unilever has called for recognition that energy efficiency can drive forward the EU's competitiveness, energy security and climate change objectives, and for ambitious energy efficiency targets for 2030. In the US, Unilever has signed the BICEP (Business for Innovative Climate and Energy Policy) Climate Declaration, which specifically mentions the importance of energy efficiency.</p>	<p>Energy efficiency measures, for example those that encourage the purchase and installation of more efficient boilers and appliances, will be critical to enabling a lower greenhouse gas impact across Unilever's product lifecycle. This is why Unilever has supported energy efficiency policies through organisations like EUASE and BICEP.</p> <p>Unilever believes that policy measures that incentivise, or indeed mandate, energy efficiency improvements have the potential to reduce greenhouse gas emissions cost effectively as well as create jobs and improve resilience to future high or volatile energy prices. Specifically, we support emissions performance standards in power generation and the tightening of energy efficiency standards for vehicles, appliances and buildings.</p>
Clean energy generation	Support	<p>Unilever supports renewable energy initiatives that deliver benefits on a lifecycle basis, helping to combat climate change and reduce dependency on fossil fuels. We are part of the RE100 campaign where we commit to 100% renewable energy and advocate for policies to support widespread adoption of renewables. In 2020 we announced targets to source</p>	<p>As a member of the groups such as the World Business Council for Sustainable Development, the RE100 campaign, the EU Corporate Leaders Group on Climate Change and the Global Commission on the Economy and Climate, we have called for legislative measures including:</p> <ul style="list-style-type: none"> <li>• The introduction of carbon pricing, including the removal of fossil fuel subsidies.</li> <li>• Incentives to support the development of clean energy</li> </ul>

		<p>100% of our energy across our operations from renewable sources by 2030 (this supersedes our previous target of sourcing 40% of our energy across our operations from renewable sources by 2020); as of January 2020, 100% of Unilever's grid electricity is from renewable sources across all factories, offices, R&amp;D facilities, data centres, warehouses and distribution centres.; in 2020 we eliminated direct coal from our energy mix; and in order to achieve our target of net zero emissions by 2030, we set out to directly support the generation of more renewable energy than we consume and make the surplus available to the wider value chain in which we operate.</p> <p>We also generate our own power at sites in 23 countries. In the US, Unilever has signed the BICEP (Business for Innovative Climate and Energy Policy) Climate Declaration, which specifically mentions the importance of clean energy generation and renewable energy.</p> <p>In 2020, we were part of an RE100 campaign calling for a higher renewable energy target in Japan, and as a member for the RE 100 Advisory Board, have been helping to direct the advocacy strategy for the group. RE100 Members' combined demand for renewable energy is now greater than that of two G7 countries, UK or Italy.</p> <p>Unilever's CEO, Alan Jope also serves as a member of WEF's Alliance of CEO Climate Leaders.</p>	<p>generation. • Increases in research and development spending on renewable energy. Disclosure by companies of climate related financial risks.</p>
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<p>Other, please specify</p> <p>Net Zero Emissions Targets</p>	<p>Support</p>	<p>We have actively pushed for global emissions targets of Net Zero by 2050, as part of the B-Team's campaign for ambitious climate action. We pushed for this language in the Paris the 1.5 degree reference in the text is widely understood to be synonymous with this level of ambition. Our advocacy included public letters, interventions directly to ministers asking for a long-term goal within the Paris Agreement and setting our own internal targets to show what is possible. This core message has been included in key advocacy engagements including media OpEds and on platforms such as the World Economic Forum in Davos and the UN Climate Change Bonn negotiations in May 2018, including the Talanoa Dialogue. Our CEO Alan Jope was a signatory to a letter to EU Heads of State in spring 2019 calling on them to adopt the European Commission's vision of a Climate Neutral Europe by 2050, and the EVP of our UK &amp; Ireland business participated in a roundtable to push for the UK to adopt a Net Zero by 2050 target in line with the recommendation from the UK's Committee on Climate Change.</p> <p>We have also worked with the World Business Council for Sustainable Development to share best practice in the development of Power Purchase Agreements.</p>	<p>Mandatory global goals of Net Zero Emissions by 2050. Country Level 2050 Pathways compatible with the Paris Agreement. Where relevant this goal should be enshrined in national polices too.</p> <p>We engaged at the Bonn negotiations in May 2018 to call for governments to give a signal that the ambition in Nationally Determined contributions will be raised during the 2018-2020 period, and asked that they signal this rise in ambition as early as COP24 in Poland in December 2018.</p>
<p>Other, please specify</p>	<p>Support</p>	<p>Unilever is a member of EV100, the global initiative bringing companies together committed to</p>	<p>As part of the EV coalition we are asking for:</p> <ul style="list-style-type: none"> <li>-Governments to set ambitious EV</li> </ul>

Electric Vehicles		switching their fleets to electric vehicles (EVs) and installing charging points for employees and customers by 2030. In 2021 we co-signed a letter to the European Commission urging them to set a high bar for EV ambition and the decarbonisation of transport as part of the Fit for 55 package. Also in 2021 we supported the UK Electric Fleets Coalition policy paper, calling on the UK government to introduce measures that allow for faster adoption of EVs	targets backed by robust policy frameworks -Stimulate supply of zero emission vehicles (ZEVs) by setting stretching vehicle emission targets -Drive demand for ZEVs by introducing/extending incentives for ZEV use and purchase -Invest in infrastructure to facilitate EV charging for all
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## C12.3b

**(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?**

Yes

## C12.3c

**(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.**

### Trade association

Consumer Goods Forum (CGF)

### Is your position on climate change consistent with theirs?

Consistent

### Please explain the trade association's position

The Consumer Goods Forum (CGF) is a global, parity-based industry network that is driven by its members to encourage the global adoption of practices and standards that serve the consumer goods industry worldwide. It brings together the CEOs and senior management of some 400 retailers, manufacturers, service providers, and other stakeholders across 70 countries, and it reflects the diversity of the industry in geography, size, product category and format. Its member companies have combined sales of €3.5 trillion and directly employ nearly 10 million people, with a further 90 million related jobs estimated along the value chain. It is governed by its Board of Directors, which comprises more than 50 manufacturer and retailer CEOs.

The CGF's environmental sustainability work positions the consumer goods industry as a leader in tackling climate change, reducing waste and improving environmental stewardship in global supply chains.

In pulling its weight to tackle climate change, the CGF has identified three key areas where its members are well-positioned to effect significant change. These are:

- Reducing food waste across operations and throughout the rest of the value chain
- Tackling deforestation
- Phasing out the most polluting refrigerants

To help the industry align around a common set of targets, CGF members have publicly committed to certain business practices through resolutions on deforestation (2010), refrigeration (2010 and 2016) and food waste (2015): these issues continue to be recognised as significant sources of greenhouse gasses.

There is additional work with stakeholders to drive progress towards broader international goals, such as those set by the UN Sustainable Development Goals with a focus on developing partnerships (SDG 17). The CGF's environmental work is also working on SDG 12 (ensure sustainable consumption for all), SDG 13 (Combat climate change and its impacts) and SDG 15 (Protect the planet).

By joining forces and acting collectively, members of The CGF have a transformative impact.

### **How have you influenced, or are you attempting to influence their position?**

Unilever's Chief Sustainability Officer, co-led the Sustainability Steering Committee during 2018. As co-lead, Unilever is very deeply involved in the development of both the CGF resolutions directly related to climate change on deforestation and sustainable refrigeration. Unilever's CEO, Alan Jope, is a member of the Board of Directors of the CGF.

### **Trade association**

World Business Council for Sustainable Development (WBCSD)

### **Is your position on climate change consistent with theirs?**

Consistent

### **Please explain the trade association's position**

A key thrust of the WBCSD's work is to advance the international climate policy debate through an active involvement in multilateral processes, particularly the United Nations Framework Convention on Climate Change (UNFCCC). WBCSD is one of the leading members of the We Mean Business Coalition and supports the policy asks championed by that coalition which are set out here:

<https://www.wemeanbusinesscoalition.org/policy/>

### **How have you influenced, or are you attempting to influence their position?**

Unilever is a member of the WBCSD's SOS 1.5 programme, including contributing funding, and participates in its Climate Policy Working group

### **Trade association**

UN Global Compact

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

Caring for Climate, the relevant UNGC initiative on climate change, was launched by the UN Secretary General Ban Ki Moon in 2007. It is aimed at advancing the role of business in addressing climate change by creating a platform for business leaders to advance practical solutions and help shape public policy as well as public attitudes. • Caring for Climate is a business leadership platform that calls for the global business community to make a long-term and lasting commitment to taking action to tackle climate change. Caring for Climate works collaboratively on joint initiatives between public and private sectors to understand and determine how both the public and private sectors can best take proactive and effective action in tackling climate change. Caring for Climate also encourages the private sector to take practical actions to continuously drive improvements on issues such as resource efficiency, carbon footprint reduction, working with governments and NGOs, peers, employees, customers and investors, as well as the broader public. Caring for Climate describes its position in its statement which is included in the Further Information box below. Caring for Climate is part of the UNGC's Action Platform on Pathways to Low Carbon and Resilient Development.

**How have you influenced, or are you attempting to influence their position?**

In 2018, Unilever engaged directly with the Global Compact's climate action initiative and through our former CEO's (Paul Polman) role as Vice Chair of the UN Global Compact. As members of the UNGC Action Platform on Pathways to Low Carbon and Resilient Development we help to steer the programme.

We are a member of the UNGC's Caring for Climate Campaign and we have implemented the UNGC's Business Leadership Criteria on Carbon Pricing. We also support the UNGC's Guide to Responsible Engagement in Climate Policy, which calls for companies and trade associations to ensure their lobbying aligns with their public position on climate change. As members of the UNGC Action Platform on Pathways to Low Carbon and Resilient Development we help to steer the programme.

**Trade association**

Alliance of CEO Climate Leaders

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

The Alliance of CEO Climate Leaders is convened by the World Economic Forum. While not a trade association in the traditional sense, it does advocate policy positions in respect of climate change at an international level. In November 2018 the group issues an open letter to heads of state calling for the introduction of policies including the introduction of carbon pricing and the adoption of climate-related financial disclosure standards.

<https://www.weforum.org/agenda/2018/11/alliance-ceos-open-letter-climate-change-action/>

And in 2021, the group issued an open letter ahead of the G7 Heads of State meeting in the UK.

<https://www.weforum.org/press/2021/06/ceos-to-g7-and-world-leaders-support-bold-net-zero-commitments/>

**How have you influenced, or are you attempting to influence their position?**

Alan Jope, CEO of Unilever, succeeded Paul Polman (our former CEO) as a member of the Alliance in January 2019 and Thomas Lingard, Director, Climate & Environment, is a member of the Senior Advisors group which develops and recommends the strategy to the CEOs.

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**Trade association**

International Association for Soaps, Detergents and Maintenance Products (AISE)

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

With regards to climate change, AISE is strongly committed to improving the sustainability of the European detergent and maintenance products industry as a whole by strong cooperation with the European legislators on this aspect, and by developing voluntary initiatives to reduce the environmental impact of the industry and its products.

- In 2013 AISE volunteered for the EU Commission's Product Environmental Footprint (PEF) 3 year pilot project that aims to set product category specific rules for reporting and/or communicating key product environmental scores. This will likely form the basis of EU sustainability initiatives for consumer products in the future.
- AISE voluntary initiatives include detergent compaction projects for laundry products, and the AISE Charter for Sustainable Cleaning which lays down principles of continuous improvement in production as well as defines criteria for the more sustainable detergent products. Over 200 European companies have now committed to this Charter.
- Furthermore AISE is strongly involved in consumer education to reduce the use of energy, water and chemicals in the use phase, via the Cleanright.eu portal and the 'I prefer 30' campaign that aims to reduce the average wash temperature used in Europe. This campaign was initiated in 2013 and ran until 2016 in 5 EU countries (UK, IT, FR, DK & BE), after which it delivered the results to the European Commission.

**How have you influenced, or are you attempting to influence their position?**

Unilever has been strongly engaged in the formulation of the AISE position and vision, and the execution of it. Unilever's brands have developed concentrated detergents that work at lower temperatures. Our Vice President of Regulatory Affairs is on the AISE Board.

**Trade association**

Personal Care Products Council (PCPC)

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

The PCPC state 'PCPC and its Member Companies are aligned in their understanding of the immediate and potential long-term impacts of climate change and its effect on our planet, natural environment and the well-being of society. Member Companies are committed to reducing their CO2 emission and implementing mitigation, adaptation and resilience strategies.' In 2010, the PCPC Board, with support from Unilever, approved Sustainability Principles that demonstrate the industry's commitment to three pillars of sustainability: - Environment - Society - Economy. As a part of this commitment, PCPC conducts training and informational seminars to help members advance in their adoption and implementation of these important priorities. PCPC actively supports ongoing work to target and identify plastic ocean debris to protect our environment.

**How have you influenced, or are you attempting to influence their position?**

We welcomed the launch of PCPC's sustainability initiative at the AGM in March 2020. Our EVP & COO NA for Beauty and Personal Care is Vice Chair of the PCPC.

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**Trade association**

Ceres

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

Ceres brings together industry groups to promote the business case for sustainability and advocate for climate change solutions to policymakers. Ceres' unique theory of change is to move investors, companies, policymakers and other capital market influencers to take action on four global sustainability challenges: climate change, water scarcity and pollution, inequitable workplaces and outdated capital market systems.

**How have you influenced, or are you attempting to influence their position?**

Unilever US actively participates in all Ceres' industry meetings, calls and advocacy days. Annually we gather with other like-minded businesses in Washington D.C. to meet with policymakers to push for action on climate change. In 2020 and 2021 we advocated specifically for a carbon pricing strategy.

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**Trade association**

Climate Leadership Council

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

CLC was founded by industry groups from the energy, automotive and CPG sector, along with environmental NGOs, to push specifically for a carbon pricing strategy, and in particular the Baker-Shultz plan which is a bipartisan carbon tax plan that would reduce emissions and return fees back to taxpayers.

**How have you influenced, or are you attempting to influence their position?**

Unilever US has been involved with CLC since its inception and is active in the working groups to shape the framework for a carbon tax plan.

**Trade association**

CEO Climate Dialogue

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

The CEO Climate Dialogue attempts to advance federal climate policy based on its guiding principles that represent diverse industry sectors of the US economy. The guiding principles are that climate solution policy should: significantly reduce GHG emissions; deliver timely emissions reductions across the economy ; be market-based; be durable and responsive; do no harm; promote equity. Unique to this group is that it is really the leaders of the businesses (the CEOs) who are showing leadership by calling for action, and putting a face to the need for change in the industry.

**How have you influenced, or are you attempting to influence their position?**

Unilever is a member of the CEO Climate Dialogue and we have been inputting directly into the Guiding Principles for Federal Action on Climate.

**Trade association**

Sustainable Food Policy Alliance (SFPA)

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

The Sustainable Food Policy Alliance seeks to accelerate the pace of change in the food industry through individual company leadership and collective support for public policies that raise the bar and inspire further action. In 2019, SFPA released a set of climate policy principles and urged the U.S. government to adopt policies that will significantly reduce GHG emissions across the economy, which include:

- Establishing an ambitious carbon pricing system that sends a clear signal to the marketplace to reduce economy-wide GHG emissions aligned with the Paris Agreement goal to keep global temperature increase well below 2°C;
- Accelerating new and existing policies to reduce carbon pollution and promote innovation at the federal and state levels to develop more sustainable energy sources.

- Including the land sector, via agriculture and forestry, as part of an incentives-based strategy to reduce emissions and sequester GHGs from the atmosphere to meet global and national targets.
- Investing in American workers and in disadvantaged communities that have fewer resources to manage the costs of climate change, including rising energy costs as a result of policy changes.

### **How have you influenced, or are you attempting to influence their position?**

Unilever is a founding member of SFPA and we have been inputting directly into the Climate Principles, along with advocating for policy related to our principles at the federal and state level.

## **C12.3d**

### **(C12.3d) Do you publicly disclose a list of all research organizations that you fund?**

No

## **C12.3f**

### **(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

Ensuring that our direct and indirect activities advance ambitious climate policy is an essential part of Unilever's climate change strategy:

Unilever's climate change strategy recognises the importance of limiting global average temperatures to well below 2 degrees, and preferably no more than 1.5 degrees above pre-industrial levels, in line with the Paris Agreement on Climate Change.

Policy advocacy in support of these ambitious climate goals is an explicit part of that strategy and a responsibility of the Global Sustainability Team in partnership with Corporate Affairs.

Unilever is active in several key markets (including the EU, US and UK) in advocating our support of ambitious national or regional level climate policy. We typically engage through dedicated climate advocacy organisations such as the EU Corporate Leaders Group, the Climate Leadership Council and HRH The Prince of Wales' Corporate Leaders Group on Climate Change. For example, we actively supported the EU's 55% emissions reduction target, which has now been adopted.

Unilever invests management time in several industry working groups, advocacy groups and task forces, to positively influence the enabling conditions for the net zero transition. Our engagement strategy is reviewed annually. Priority areas for engagement for the next three years include: carbon pricing, natural climate solutions and renewable energy.

However, direct advocacy is not the only form of policy influence that a business exerts. Unilever has long championed the importance of aligning indirect climate lobbying (through trade associations) with an organisation's climate position. In 2019, we asked our trade

associations to confirm whether their policy engagement matched the 1.5-degree ambition of the Paris Agreement. Our intervention was positively received, and in several cases, it triggered a discussion about clarifying existing positions.

We believe this is a growing area of importance, and beginning later this year (2021), we will publish:

- An annual list of our principal trade associations
- A climate policy position that we will use to assess trade association membership renewals.

This commitment is outlined in our Climate Transition Action Plan. Where inconsistent positions are uncovered they are discussed by the Global Corporate Affairs Director and the Global Climate And Environment Director and an action plan formed – either to engage with that trade association to seek a change in their policy, a public clarification that on that issue they do not represent Unilever, or to take a decision exit that trade association.

In addition, we use tools such as Influence Map, who track trade association influence on climate change, to check that organisations to which we belong are not – without our knowledge – lobbying against the policies we want to see enacted.

We also seek guidance on this issue from the Unilever Sustainability Advisory Council. The Council is made up of internationally respected independent external experts on a broad range of environmental, social and economic issues including climate change, sustainable agriculture and women’s rights.

The Council includes:

Jonathan Porritt, Forum for the Future  
 Katja Iversen, Women Deliver  
 Bill McDonough, Cradle to Cradle  
 Kate Hampton, Children’s Investment Fund Foundation  
 Kavita Prakash-Mani, WWF  
 Ricken Patel, Avaaz  
 Professor John Ruggie

## C12.4

**(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

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### Publication

In mainstream reports, incorporating the TCFD recommendations

### Status

Complete

### Attach the document



**Page/Section reference**

Our Unilever Compass Strategy including our climate commitments is on p10-11

Information about our overarching response to climate change is included in the Planet & Society pages beginning on p28

Non financial performance including GHG emissions are disclosed on p34

Pages 51-57 provides our TCFD disclosure

**Content elements**

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Other, please specify

Also includes our SECR disclosure (UK reporting requirement)

**Comment**

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**Publication**

Other, please specify

The Planet & Society Hub on Unilever.com including our Climate Transition Action Plan

**Status**

Complete

**Attach the document**



**Page/Section reference**

See Climate Action section of the Planet & Society Hub: [www.unilever.com/planet-and-society/climate-action](http://www.unilever.com/planet-and-society/climate-action)

Please also refer to our recently published Climate Transition Action Plan.

**Content elements**

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Other, please specify

Transformation change agenda and how we're working with our partners

### Comment

Unilever's Greenhouse gas emissions reporting is online as it is easier for our stakeholders to access.

This section of the Unilever Planet & Society hub includes our Climate Governance, Strategy, Risks & opportunities, Emissions figures, Emissions targets and information on our climate advocacy efforts across the industry and with our wider stakeholders (e.g. NGO's, governments etc).

Also attached is our recently published Climate Transition Action Plan (see attachment) that was approved at Unilever's AGM in May 2021.

## C13. Other land management impacts

### C-AC13.1/C-FB13.1/C-PF13.1

**(C-AC13.1/C-FB13.1/C-PF13.1) Do you know if any of the management practices implemented on your own land disclosed in C-AC4.4a/C-FB4.4a/C-PF4.4a have other impacts besides climate change mitigation/adaptation?**

Yes

### C-AC13.1a/C-FB13.1a/C-PF13.1a

**(C-AC13.1a/C-FB13.1a/C-PF13.1a) Provide details on those management practices that have other impacts besides climate change mitigation/adaptation and on your management response.**

---

#### Management practice reference number

MP8

#### Overall effect

Positive

#### Which of the following has been impacted?

Soil

Water

Yield

Other, please specify  
Financial

**Description of impact**

Fertiliser management: optimising fertiliser application saves money for the farmer (economic sustainability) and prevents damaging nutrient loss to watercourses.

**Have you implemented any response(s) to these impacts?**

Yes

**Description of the response(s)**

A detailed fertilizer guide is developed and implemented each year.

**Management practice reference number**

MP10

**Overall effect**

Positive

**Which of the following has been impacted?**

Yield

**Description of impact**

Integrated pest management: Minimises risk to health of workers and bystanders (social sustainability) and can lead to better pest control overall, through prevention of damage

**Have you implemented any response(s) to these impacts?**

Yes

**Description of the response(s)**

Monitoring for signs of pest and disease in plantations is undertaken. Biological control methods are used.

**Management practice reference number**

MP11

**Overall effect**

Positive

**Which of the following has been impacted?**

Other, please specify  
Other: Improved livelihoods

**Description of impact**

Knowledge sharing: This has improved farming skills and business knowledge of farmers.

**Have you implemented any response(s) to these impacts?**

Yes

**Description of the response(s)**

The implementation of farmer field schools and training is conducted.

---

**Management practice reference number**

MP15

**Overall effect**

Positive

**Which of the following has been impacted?**

Yield

**Description of impact**

Practices to increase wood production and forest productivity: Greater yield of biomass and calorific value, and higher income for farmers.

**Have you implemented any response(s) to these impacts?**

Yes

**Description of the response(s)**

Improved forestry and wood handling procedures and programs.

---

**Management practice reference number**

MP19

**Overall effect**

Positive

**Which of the following has been impacted?**

Biodiversity

Yield

**Description of impact**

Reforestation: The improvement of habitat has supported native wildlife, establishing a reservoir of natural enemies to crop pests, reducing pest or disease pressure.

Furthermore, these areas have improved surface water infiltration within watersheds and thus have helped to regulate water flow.

**Have you implemented any response(s) to these impacts?**

Yes

**Description of the response(s)**

A reforestation programme is in place and participatory forest conservation and reforestation being done with partners - community, ISLA and IDH, KFS

## C-AC13.2/C-FB13.2/C-PF13.2

**(C-AC13.2/C-FB13.2/C-PF13.2) Do you know if any of the management practices mentioned in C-AC12.2a/C-FB12.2a/C-PF12.2a that were implemented by your suppliers have other impacts besides climate change mitigation/adaptation?**

Yes

## C-AC13.2a/C-FB13.2a/C-PF13.2a

**(C-AC13.2a/C-FB13.2a/C-PF13.2a) Provide details of those management practices implemented by your suppliers that have other impacts besides climate change mitigation/adaptation.**

---

**Management practice reference number**

MP1

**Overall effect**

Positive

**Which of the following has been impacted?**

Biodiversity

**Description of impacts**

Biodiversity considerations: Improves habitat conditions for species, many of which are beneficial to agriculture, through the control of pests and pollination.

**Have any response to these impacts been implemented?**

Yes

**Description of the response(s)**

A biodiversity action plan describes initiatives to deliver improvements to this dimension.

---

**Management practice reference number**

MP1

**Overall effect**

Positive

**Which of the following has been impacted?**

Biodiversity

Soil

Water

**Description of impacts**

Biodiversity – considerations & composting: Improves soil fertility and structure, allowing soil to better retain water and improving habitat for soil biota.

**Have any response to these impacts been implemented?**

Yes

**Description of the response(s)**

Soil management measures are typically captured in a management plan. This ensures a defined set of management interventions are undertaken.

---

**Management practice reference number**

MP3

**Overall effect**

Positive

**Which of the following has been impacted?**

Biodiversity

Soil

Water

**Description of impacts**

Contour farming: Improve soil stability on sloped terrain helping to retain topsoil from the impact of weather events

**Have any response to these impacts been implemented?**

Yes

**Description of the response(s)**

Soil management measures are typically captured in a management plan. This ensures a defined set of management interventions are undertaken.

---

**Management practice reference number**

MP2

**Overall effect**

Positive

**Which of the following has been impacted?**

Soil

Yield

Other, please specify

Pests

**Description of impacts**

Crop Diversity & crop rotation: Crop rotation is beneficial to soil, as it prevents the build-up of pests and allows nitrogen fixing crops to 'pass on' nutrients to the next crop. This improvement in soil health can lead to better yields. Moreover, rotations can prevent the risk of pest infestations.

**Have any response to these impacts been implemented?**

Yes

**Description of the response(s)**

A farm management plan typically includes records of crop rotation for planning purposes.

---

**Management practice reference number**

MP8

**Overall effect**

Positive

**Which of the following has been impacted?**

Yield

**Description of impacts**

Fertiliser Management: Optimising fertiliser application saves money for the farmer (economic sustainability) and prevents damaging nutrient loss to watercourses.

**Have any response to these impacts been implemented?**

Yes

**Description of the response(s)**

A nutrient management plan is kept by farmers to document crop needs, capture results from soil or tissue nutrient testing and application rates.

---

**Management practice reference number**

MP10

**Overall effect**

Positive

**Which of the following has been impacted?**

Yield

**Description of impacts**

Integrated Pest Management: Minimises risk to health of workers and bystanders (social sustainability) and can lead to better pest control overall, through prevention of damage to beneficial insects. Yields of crops may also be increased by reducing harmful exposure to pollinators.

**Have any response to these impacts been implemented?**

Yes

**Description of the response(s)**

An integrated pest management plan captures management measures like recommended thresholds or triggers to spray pesticides by.

---

**Management practice reference number**

MP7

**Overall effect**

Positive

**Which of the following has been impacted?**

Biodiversity

Soil

Water

**Description of impacts**

Enhanced forest regeneration practices & land use change: By preventing land use change of important ecological areas like forest, grassland or wetlands, their soil, biodiversity and water features will be preserved.

**Have any response to these impacts been implemented?**

Yes

**Description of the response(s)**

A biodiversity action plan should identify areas of ecological importance that should not be converted to agriculture.

---

**Management practice reference number**

MP8

**Overall effect**

Positive

**Which of the following has been impacted?**

Biodiversity

Soil

Water

**Description of impacts**

Fertiliser application: The appropriate timing of activity, accounting for weather conditions, avoids wastage of inputs and damage to biological features of agricultural land (e.g. pollution of rivers from fertiliser application).

**Have any response to these impacts been implemented?**

Yes

**Description of the response(s)**

Management plans that apply to irrigation, pesticide and fertiliser use, should consider weather events).

## C15. Signoff

### C-FI

**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

None

### C15.1

**(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

	Job title	Corresponding job category
Row 1	Chief Supply Chain Officer  Our CSCO is a member of our Unilever Leadership Executive (ULE) - the highest operational Board within Unilever.	Board/Executive board

## SC. Supply chain module

### SC0.0

**(SC0.0) If you would like to do so, please provide a separate introduction to this module.**

We would like to thank our customers for participating in the CDP Supply Chain programme. We have recently set out our net zero commitment and we're currently looking at how to measure progress towards this commitment and to allocate emissions to all our products. We're not yet in a position to allocate emissions to specific customers, but hope to be able to do so in the future. See SC1.3 for further details.

### SC0.1

**(SC0.1) What is your company's annual revenue for the stated reporting period?**

	Annual Revenue
Row 1	50,724,000,000

### SC0.2

**(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?**

Yes

## SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	GB	00B10RZP78

## SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

## SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

Not applicable

## SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Customer base is too large and diverse to accurately track emissions to the customer level	Our Climate Transition Action Plan gives direction on the actions we will take to reduce emissions to zero within our own operations by 2030 and to net zero across our value chain by 2039. We're convinced that early action to drive aggressive reductions in emissions will make us a more competitive business in the future. Working closely with our customers will be critical if we are to achieve our commitments. Unilever has been measuring Scope 1 and 2 emissions from all our manufacturing sites worldwide for many years. Since 2010, we have also been estimating the emissions of our products across the lifecycle, including consumer use. We are currently looking at how to measure progress towards our net zero commitment and to allocate emissions to all our products. Until we have found a measurement solution, we are unable to allocate emissions to different customers for a number of reasons: 1. The lack of specificity of data – manufacturing data is reported at site level and many of our sites manufacture a range of products across Food & Refreshments, Home Care and Beauty & Personal Care. We do not breakdown emissions within a site so we cannot allocate accurately to customers. 2. Scope 3 data is sufficiently specific as we collect emissions by stock keeping unit (SKU). However, it would be highly resource intensive and inefficient at present to link the emissions of each SKU to our sales by

	customer because our data systems are not designed this way and so the procedure would need to be manual.
--	---

## SC1.4

**(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?**

Yes

## SC1.4a

**(SC1.4a) Describe how you plan to develop your capabilities.**

We are currently looking at how to measure progress towards our net zero commitment and to allocate emissions to all our products. We welcome engagement with all our value chain partners to help achieve this goal.

## SC2.1

**(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.**

## SC2.2

**(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?**

No

## SC4.1

**(SC4.1) Are you providing product level data for your organization's goods or services?**

No, I am not providing data

## Submit your response

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Investors Customers	Public	Yes, I will submit the Supply Chain questions now



**Please confirm below**

I have read and accept the applicable Terms