

Unilever PLC
Registered in England and Wales
No. 41424

Registered office
Port Sunlight, Wirral
Merseyside, CH62 4ZD

Unilever PLC
Unilever House
100 Victoria Embankment
London EC4Y 0DY

+44 (0)20 2822 6542
unilever.com



June 2022

Dear Ms Ojiambo,

We are now living in a state of permanent crisis management. In the short time I have had the pleasure of sharing our Communication on Progress with you, the world has faced Covid-19 and war returning to Europe. Huge shocks that have had wide ranging second and third order impacts. All of which will be felt for a long time.

I am, however, a natural optimist, and whilst it is easy to look at the world and be dismayed – there is plenty to be hopeful about. The world has proven it has the technical ability to develop safe and effective vaccines (although it would be glib of me not to mention the failure to ensure equitable deployment). And whilst the war in Ukraine has created a huge energy shock and will likely increase our collective reliance on fossil fuels in the short term, it could well be the spark that accelerates decarbonisation in the medium and long term.

Even an optimist cannot ignore the data on our three biggest challenges. Climate, Nature and Inequality. Emissions are rising, nature continues to be degenerated, not regenerated, and inequality within countries continues to rise.

The Sustainable Development Goals (SDGs) are our global framework to tackle these challenges, supported by international agreements in place (such as the Paris Agreement, supported by the Glasgow Climate Pact), being refreshed (the Convention on Biological Diversity) and in development (the UN Plastic Treaty).

We are firm supporters of the SDGs, and these agreements are helping to deliver the promise they hold, whilst creating new markets and growing economies. These goals closely align with Unilever's deeply held belief that we will be a better business by taking a long-term, sustainable approach where we seek to create value for all our stakeholders.

Now more than ever we need strong leadership, deep collaboration, and a focus on delivery, across all sectors to turn the tide on the global threats we face.

It is in this spirit I would like to share three of Unilever's highlights of the last year.

Since launching our commitments on living wage and income and supplier diversity, over 60 of our key suppliers have signed our partner promises – ensuring they are on the path to paying living wages and incomes and achieving diversity targets. We are continuing to build momentum including being strong supporters of the World Business Council for Sustainable Development Business Commission to Tackle Inequality (BCTI). Finally, with the BCTI, we initiated a Living Wage Action Alliance, bringing together leaders on living wages from business, government, NGOs and others, including UNGC, to accelerate action on living wages.

We are continuing our work towards a deforestation-free supply chain for palm oil, paper and board, tea, soy, and cocoa from 2023. A central tenet of this work is to increase transparency of our supply chain, leading to the development of the innovative Forest Data Partnership between Unilever, NASA, Google and others. Through this partnership we will be able to collect and make sense of huge amounts of complex data, gaining insights into local environment and community impact – proactively addressing challenges in our supply chain. And we are scaling up regeneration of nature, we now have a target to help protect and restore 1.5 million hectares of land and oceans by 2030 and we will achieve this with our brands, for example, our Magnum brand is driving agroforestry uptake in Cote D'Ivoire and Knorr is investing in scaling up regenerative agriculture globally.

On climate, we gained shareholder support for our Climate Transition Action Plan – our delivery plan for achieving Net Zero by 2039. This shareholder mandate has allowed us to accelerate the actions we are taking to decarbonise. A few highlights: operational emissions reduced by 64% since 2015. Energy per tonne of production reduced by 77% compared to 2008 and by 14% versus 2020. In 2021, 86% of our total electricity was from renewable sources. We are phasing out gas-fired boilers and exploring new renewable heating technologies such as heat pumps, concentrated solar power and lower carbon biogenic-derived sources. We are maintaining our strong external voice to accelerate the net zero transition, including being a Principal Partner of COP26 in Glasgow.

We share these highlights humbly and in recognition that we have a lot more work to do to accelerate our shift towards a truly sustainable business model.

Unilever was a founding member of UNGC, and The Communication on Progress is an important transparency initiative that provides an opportunity for business to evaluate its achievements and the challenges it faces. I have shared above some of our actions and while we are proud of the progress we are making, we have no complacency about the size of the task ahead. I am proud to be re-confirming our support for the United Nations Global Compact.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Alan Jope', with a horizontal line underneath.

Alan Jope
CEO, Unilever