



EU CODE OF CONDUCT ON RESPONSIBLE FOOD BUSINESS AND MARKETING PRACTICES

UNILEVER

REPORT SUBMITTED ON 28/04/2023

ALL INFORMATION ARE PUBLICLY AVAILABLE IN OUR ANNUAL REPORT & ACCOUNT (2022) AVAILABLE [HERE](#)

Type of business/sector <i>(E.g., retail, dairy)</i>	Sustainability dimension <i>(E.g., environmental, social)</i>	Code aspirational objective <i>(1-7)</i>	Individual commitments with baseline	Progress on KPIs and goals (qualitative and/or quantitative) 2022 data	Additional information (optional) <i>(E.g., partnerships, geographical coverage, sharing best practices, links with other COM initiatives, with other reporting initiatives)</i>	Comments (optional) <i>(E.g., enablers, ideas on how to improve)</i>
Manufacturer	Health & nutrition	1 Healthy, balanced and sustainable diets for all European consumers, thereby contributing to: 1) Reversing malnutrition and diet-related noncommunicable	Doubling the number of products delivering positive nutrition globally by 2025 – defined as products containing impactful amounts of vegetables, fruits, proteins, or micronutrients like	In 2022, 48% of our products delivered positive nutrition (per serving), including progress in reducing salt, sugar and calories.	In 2020 we released our Future Foods ambition to help people eat healthier diets and reduce the environmental impact of the global food chain. Many organisations support our approach, which makes us believe we’re on the right track. Building on our nutritional standards work and positive	



		<p>diseases (NCDs) in the EU</p> <p>2) Reducing the environmental footprint of food consumption by 2030</p>	<p>vitamins, zinc, iron and iodine (baseline 2020)¹</p> <p>*Nutrition & Ice Cream portfolio</p>		<p>nutrition agenda, we have decided to raise the bar on the nutritional profile of our Nutrition and Ice Cream products. By 2028, we want 85% of our servings to meet our new Unilever Science-based Nutrition Criteria (USNC). These product-specific criteria set thresholds for calories, sugar, salt and saturated fat. We are also working with partners to incentivise reformulation at scale and enhance the impact on public health. As a step towards this, in 2022 we were the first global food company to publicly report on the performance of our product portfolio against six different externally endorsed Nutrient Profile Models. We are advocating for an industry-wide standard Nutrient Profile Model that every food company can report against.</p>	
		1	Continue lowering calorie, salt and sugar levels	In 2022, 82% of our food portfolio helped consumers		

¹ Unilever Annual Report & Account, 2022 – pages 61



			<p>across products (baseline 2021):²</p> <ul style="list-style-type: none"> 85% of Unilever’s global Foods portfolio will help consumers reduce their salt intake to no more than 5g per day by 2022. 95% of Unilever’s packaged ice cream will not contain more than 22g of total sugar, and 250 Kcal per serving, by 2025. <p>*Nutrition & Ice Cream portfolio</p>	<p>reduce their salt intake to no more than 5g per day.</p> <p>89% of packaged IC contains no more than 22g of sugar and 94% of packaged IC contains no more than 250Kcal per serving (sales by volume).</p>		
		1	<p>Reach an annual global sales target of €1.5 billion from plant-based meat and dairy alternatives, by 2025-2027 (baseline 2021)³.</p> <p>*Nutrition & Ice Cream portfolio</p>	<p>In 2022, 1.2 bn of sales of plant-based meat and dairy alternatives were registered.</p>	<p>We are committed to offering more plant-based meat substitutes and dairy alternatives, which was reflected in our €1 billion plant-based sales goal announced in November 2020. To better reflect our plant-based strategy and sustainability agenda, we have broadened the scope of the original goal to include plant-based products in categories which have</p>	

² Unilever Annual Report & Account, 2022 – p. 33

³ Unilever Annual Report & Account, 2022 – pages 22, 31, 34-35



					traditionally used animal-derived ingredients, such as bouillons. Hence, to reflect this change we have now revised our goal to achieve sales of plant-based products to €1.5 billion per annum by 2025.	
	Environmental	2 Prevention and reduction of food loss and waste	Halving food waste in our direct global operations by 2025 (baseline 2019)⁴ *Nutrition & Ice Cream portfolio	In 2022, we'd reduced food waste per tonne of food handled in our operations by 17% versus 2019.	<p>Our progress in reducing manufacturing food waste has been hampered by Covid-related disruptions. We are exploring solutions with our engineering teams such as anaerobic digestion, using the biogas generated on-site, composting and using the waste as fertiliser.</p> <p>We have been engaging in positive initiatives to tackle food waste, including teaming up with food waste combat app TooGoodToGo, which offers the opportunity to buy products at the end of their shelf life at advantageous prices – a win win for retailers and consumers.</p> <p>We have also partnered with Orbisk to introduce AI in the food</p>	Setting clear targets, real time monitoring, a new culture and mindset, and investing in training and maintenance can make a difference when it comes to food waste.

⁴ Unilever Annual Report & Account, 2022 – pages 32 to 33, 60



					<p>service industry, which gives chefs insights on how to plan better and waste less.</p> <p>Our brands Hellman and Knorr are leading purposeful campaigns which encourage consumers to waste less by sharing recipes that help consumers get creative with their leftovers.</p>	
		<p>3 A climate neutral food chain in Europe by 2050</p>	<p>Achieving net-zero emissions for all Unilever products from sourcing to point of sale by 2039 (baseline 2018)⁵</p>	<p>In 2022 we had achieved:</p> <p>A reduction of 68% GHG emissions in our operations (change in tonnes on GHG emissions from energy and refrigerant use)</p> <p>A 19% reduction in gr of CO2 and per consumer)</p> <p>*full Unilever portfolio</p>	<p>We continued our engagement with a selected group of international climate leadership strategic partners – the United Nations Global Compact, the World Economic Forum, the World Business Council for Sustainable Development, and the Consumer Goods Forum (CGF). We initiated and co-chaired with Walmart a Race to Zero Task Force within the CGF to encourage other consumer goods and retail companies to join the UN’s Race to Zero. This succeeded in doubling the number of CGF Board members making such commitments. We</p>	

⁵ Unilever Annual Report & Account, 2022 – pages 32 to 41, 60



					also helped to create a 'Transform to Net Zero' guide for businesses.	
	Environmental	<p>4</p> <p>An optimised circular and resource-efficient food chain in Europe</p>	<p>100% of plastic packaging reusable, recyclable, or compostable by 2025 (baseline 2018)⁶</p>	<p>In 2022, we reported that 55% of our plastic portfolio is reusable, recyclable, or compostable. This is our actual recyclability rate, based on the Ellen MacArthur Foundation's global definition of 'recyclable'.</p> <p>*full Unilever portfolio</p>	<p>While 55% of our packaging is recyclable based on the Ellen MacArthur Foundation definition of 'actually' recyclable, 71% of our portfolio is 'technically' recyclable with existing technology.</p> <p>While we are making progress on implementing solutions that are technically recyclable, we know that they are only a first step and that the development of the in-market recycling infrastructure will take longer. Our long-term focus is to reduce our virgin plastic use and unlock actual recyclability, ensuring that our investments in future packaging innovations have real impact and truly help to tackle waste.</p>	

⁶ Unilever Annual Report & Account, 2022 – pages 32 to 33, 60



	Environmental	4	Halving our use of virgin plastic by 2025 (baseline 2019) ⁷	<p>In 2022, we reported our virgin plastic footprint reduction as -13%, versus our 2019 baseline.</p> <p>*full Unilever portfolio</p>	<p>The reduction of our virgin plastic footprint has been achieved through the increased use of recycled plastic, combined with innovations that use less plastic.</p> <p>We are working hard to reduce the overall amount of plastic used in our packaging. One of the ways we are doing this is by shifting to alternative packaging materials to help remove plastic entirely from some of our products. In France, for example, our laundry brand Skip has introduced a new cardboard box for its 3-in-1 laundry capsules, which is set to save around 6,000 tonnes of plastic from our portfolio per year.</p> <p>Reuse and refill initiatives are also a key part of our plan to reduce the amount of plastic we use; to date, we have conducted around 50 pilots across the world. Collaboration is essential if we are going to get reuse-refill models working economically at</p>	
--	---------------	---	--	--	---	--

⁷ Unilever Annual Report & Account, 2022 – pages 32 to 33, 60



					scale. As well as consumers, we need buy-in from across the value chain: retailers, manufacturers, delivery services, policymakers, and civil society organisations. As we move beyond our initial 'test and learn' approach, we are now working with partners, sharing our learnings, and focusing our efforts to support an industry-wide shift towards reusable and refillable packaging at scale, in addition to scaling our own successful models.	
			Use 25% recycled plastic in our packaging (baseline 2018)⁸	In 2022, we increased our use of recycled plastic to 21% of our total packaging footprint – an increase of 3% on last year.	We continue to focus our initiatives on our biggest brands for the greatest possible impact. For example, across Europe and North America, Hellman's is using 100% recycled plastic in its mayonnaise bottles, while Dove uses 100% recycled plastic in its bottles where technically feasible.	
	Social	5 Sustained, inclusive and sustainable economic growth,	Ensuring that everyone who directly provides goods and services to the company earns at least a	Since 2020, we've continued to pay all our employees a living wage, and in 2021 were awarded our first global	We are already accredited as a global living wage employer by the Fair Wage Network. We are working to raise living standards throughout our value chain. A key pillar of our approach is	

⁸ Unilever Annual Report & Account, 2022 – pages 32 to 33, 60



		<p>employment and decent work for all</p>	<p>living wage or income, by 2030 ⁹(baseline 2020)</p>	<p>independent accreditation as a living wage employer from the Fair Wage Net.</p> <p>*full Unilever business</p>	<p>our work to ensure that everyone who directly provides goods and services to Unilever earns at least a living wage or income by 2030. This year, our focus has been on the collaborative manufacturing partners who are dedicated solely to Unilever production. Some of our partners have already confirmed that workers at collaborative manufacturing sites are being paid a living wage. We have made good progress in laying the foundations to ensure that suppliers who provide core services to Unilever also pay a living wage. Through a comprehensive advocacy programme, we are asking for widespread adoption of living wage commitments by all stakeholders, companies, governments, NGOs and investors, and have started various studies to demonstrate impact on workers and</p>	
--	--	--	--	---	---	--

⁹ Unilever Annual Report & Account, 2022 – pages 32 to 41



					companies, for example with Oxfam in India.	
	Social	5	Helping 5 million small and medium-sized enterprises grow their business by 2025¹⁰	We've launched new programmes to move towards our goal to help 5 million small and medium-sized businesses in our retail value chain grow by 2025, reaching 1.8 million in 2022. *full Unilever business		
	Social	5	Spending €2 billion annually with diverse businesses worldwide by 2025¹¹	In 2022, our spend reached €818 million thanks to the growth of our supplier diversity programme which is now live in 22 key markets. Through the programme, we are supporting our diverse suppliers to		

¹⁰ Unilever Annual Report & Account, 2022 – pages 34 and 61

¹¹ Unilever Annual Report & Account, 2022 – p. 34



				<p>access skills, mentoring and finance.</p> <p>*full Unilever business</p>	
	Social	5	<p>Pioneering new employment models for Unilever employees by 2030, reskilling and upskilling our employees with future fit skills by 2025, and equipping 10m young people with essential skills by 2030¹²</p>	<p>In 2022 we made a good start by upskilling or reskilling 15% of our people.</p> <p>*full Unilever business</p>	
	Environmental	7 Sustainable sourcing in food supply chain	<p>Achieving a deforestation-free supply chain in palm oil, paper and board, tea, soy and cocoa by 2023 (baseline 2018) ¹³</p>	<p>Purchased and/or contracted 81% of volume of supply of palm oil, soy, and paper and board from low-risk sources in 2021</p> <p>*2022 data not available at the time of reporting</p>	<p>Our aim is to operationalise deforestation-free supply chains so that they become a standard way of working for our five key commodities. We are on track to complete the implementation of systems, processes and infrastructure to deliver a deforestation-free supply chain for these key commodities by the end of 2023. Our complex supply chain will require a significant</p>

¹² Unilever Annual Report & Account, 2022 – p.28

¹³ Unilever Annual Report & Account, 2022 – pages 32, 36 and 60



				<p>*full Unilever portfolio</p>	<p>transformation in our sourcing of raw materials – given the limited availability of deforestation-free commodity volumes and the highly volatile markets we face. At present, we are measuring and reporting volumes from areas of lowrisk as this provides us with an interim measurement of our progress, while we continue to roll out a verification programme for deforestation-free volumes.</p> <p>One way we are working to achieve a deforestation-free supply chain is by investing in the transformation of our manufacturing infrastructure in North Sumatra. We believe this will bring us closer to our suppliers and simplify our supply chain, increasing our ability to source deforestation-free commodity volumes. In 2022, we began the upgrade of our Unilever Oleochemicals facility, with a spend of €59 million. €70 million is forecasted for further upgrades in 2023. This will help us to source deforestation-free palm kernel oil directly, with an aim to reach around 40,000</p>	
--	--	--	--	--	---	--



					<p>smallholder farmers by 2025. We are also focused on building resilience within our portfolio. Where possible, we are diversifying the ingredients that we use by reducing our reliance on commodities that have a high risk of deforestation, such as palm oil, with lower-risk alternatives such as coconut oil. To enable such changes, we are currently adjusting the formulations of our products.</p>	
		7	<p>Protect and regenerate 1.5M hectares of land, forests and oceans by 2030 (baseline 2018)¹⁴</p> <p>100% sustainable sourcing of our key agricultural crops (% purchased)</p>	<p>By the end of 2021, we had 0.2m hectares under protection and regeneration in partnership with others.</p> <p>We are building our regenerative agriculture programme on the solid foundations and experience of our sustainable</p>	<p>Our €1 billion Climate & Nature Fund¹⁵ is helping brands invest in projects that positively address climate change and protect nature – for example, through forest protection and regeneration.</p> <p>In 2022, supported by our Climate & Nature Fund, our Knorr brand has established pilot projects to reduce the environmental impact of the ingredients used in its products. Knorr will launch 50 projects in</p>	

¹⁴ Unilever Annual Report & Account, 2022 – pages 32, 36 and 60

¹⁵ Our Climate & Nature Fund is a commitment to invest €1 billion by 2030 in climate, nature and waste projects. It aims to connect value chain transformation with our brands and will help us to take targeted action to address climate change, protect nature and grow responsibly, ultimately helping us achieve our net zero ambition. By the end of 2022, we had spent and committed over €200 million.



				<p>sourcing programme, which we have run for more than a decade. In 2022, 81% of our key agricultural crops were sustainably sourced.</p>	<p>collaboration with farmers to lower and sequester GHG emissions and reduce water consumption, while improving biodiversity, soil health and livelihoods. These form part of our overall regenerative agriculture programme.</p>	
--	--	--	--	--	--	--