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Response from Unilever to the Business and Human Rights Resource Centre

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Does your company have investments or operations in Myanmar or is it seriously considering investing or operating there? If so, please provide information on the nature of these investments, and which geographic areas and communities they will affect.

- ➤ Through our presence in Myanmar, we hope to contribute to the sustainable development of the country by activating programmes focussed on sustainable sourcing, enhancing livelihoods and improving health and hygiene. Therefore our current product range in Myanmar comprises of every day consumer goods such as toothpaste, shampoo and bouillon. We re-entered Myanmar in 2010. We started manufacturing in Myanmar in 2013 and commissioned a Hair Care factory in March 2014, so as of date we have two manufacturing units (Savoury and Hair Care) in the country. The factories are based in the Shwepyithar Industrial Zone, in Yangon.
- As part of establishing our business in Myanmar, we launched a number of programmes focussed on contributing towards better health and hygiene as well as enhancing the livelihoods of farming communities. These comprise of:
 - The 'Freeing Myanmar Kids from Cavities' campaign targeting 6 million school children, supported by our Signal brand.
 - The Lifebuoy hand wash campaign focussed on 4 million school children.
 - The World Food Programme School Feeding programme in Myanmar supported by our Knorr brand that was rolled out across the Rakhine, Chin and Shan states as well as the Magway region, targeting over 200,000 children.
 - The palm sugar sourcing project aimed at enhancing the livelihoods of farming communities by helping them develop their palm sugar crop for export.

Do you have policies and procedures in place to prevent your business activities or investment from contributing to human rights abuse and social conflict in Myanmar (including, for example, human rights due diligence measures)? Please specify whether these policies and procedures apply to your company in general,



or specifically to your Myanmar investment. If you have human rights policies and procedures regarding investing or operating in Myanmar, are you willing to share them for posting on our website? If so, please send them as a Word or PDF file, or, if available, as a hyperlink.

- In line with our Code of Business Principles we are committed to the respect of human rights, including labour rights, across all our markets and business operations. We support the United Nations Protect, Respect and Remedy Framework and the UN Guiding Principles on Business and Human Rights (UNGPs) and have committed to implement the UNGPs throughout our operations and to report on this publicly. As part of our Enhancing Livelihoods ambition of the Unilever Sustainable Living Plan we have created a new pillar commitment, Fairness in the Workplace, to advance human rights across our operations and extended supply chain, develop a continuous improvement roadmap, promote best practice and bring transparency as we prepare for public reporting on this in 2015. Please also see our Human Rights Policy Statement.
- In order to embed the UN Guiding Principles throughout our business we have created a new Unilever Responsible Sourcing Policy (RSP) with clear processes to report actual or suspected breaches. Launched in April 2014 the Responsible Sourcing Policy replaced our Supplier Code and embodies our commitment to conduct business with integrity, openness, and respect for universal human rights and core labour principles. It breaks new ground by defining a 'continuous improvement ladder' to help our suppliers move from a base level of "do no harm" to "good practice" and ultimately up to "best practice". By incorporating our Sourcing Policy and Supplier Code into one document, we are embedding our principles into the way we do business, that is demonstrating to our suppliers how we want to do business going forward. We are ensuring all our supply base in Myanmar is compliant to the standards of our Responsible Sourcing Policy.
- In 2013, prior to starting our manufacturing operations in Myanmar, we undertook due diligence concerning our proposed manufacturing facilities, using independent agencies. This is usual practice for Unilever whenever we propose a new manufacturing facility. We recognise that due diligence and impact assessments are on-going processes and we are continuing this work for the sourcing, manufacturing and distribution of our products and the screening of potential business partners.

Who in your leadership is responsible for ensuring compliance with the policies and procedures in no. 2?

At a global policy level, our responsibility to respect human rights is overseen by the Unilever Chief Executive Officer, supported by the Unilever Leadership



Executive including the Chief Supply Chain Officer, Chief Human Resources Officer, Chief Marketing and Communications Officer and the Chief Legal Officer and also the Chief Sustainability Officer and the Global Vice President for Social Impact

If you do not yet have human rights policies and procedures in place, do you have plans to develop them? If so, what efforts are you currently engaged in or plan to engage in on this regard?

> N/A

How does your company try to prevent or mitigate conflicts that affect its operations or the surrounding communities (including armed conflict, intercommunal conflict and violence, etc.)? Could you please list your policies, procedures or concrete activities in this regard, including community engagement and dialogue measures and revenue sharing agreements?

➤ Unilever is a global business with local roots and our roots in Myanmar go back over 80 years. We recognise the importance of working with local communities and stakeholders and having clear and effective policies such as our Code of Business Principles, Human Rights Policy Statement, our internal Respect, Dignity and Fair Treatment Code Policy and our Responsible Sourcing Policy. We undertake regular training on these policies. Breaches of our Codes can be reported by employees and 3rd parties through various channels. Grievance mechanisms are a key element of the UN Guiding Principles on Business and Human Rights and we are continuing to work to strengthen these. We are members of the UN Global Compact local network in Myanmar and engage with the Myanmar Centre for Responsible Business; the Myanmar Business Federation (part of the Union of Myanmar Chamber of Commerce and Industry established in partnership with the IFC) and the British Chamber of Commerce, Myanmar.

Who should communities or civil society groups contact if they have questions or concerns about your investment or operations in Myanmar? Please provide their contact information.

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We further invite you to respond to questions specific to your industry. Does your company have policies and procedures in place to address each of the following areas? If so, please provide details:

- a. Freedom of association and collective bargaining
- b. Living wages



- c. Workplace Health and Safety
- d. Child labour
- e. Forced labour
- f. Anti-discrimination (whether based on race, gender, religion, nationality, etc.)
- g. Environment
- h. Land rights
- i. Relocation
- ▶ Please go to http://www.unilever.com/sustainable-living-2014/enhancing-livelihoods/fairness-in-the-workplace/ to find out more about how we are working to ensure the respect of human rights throughout our operations including our Human Rights Policy Statement.
- > Thank you for the opportunity to participate in this important dialogue. We remain vigilant about the opportunities but also the challenges that operating in Myanmar bring.