

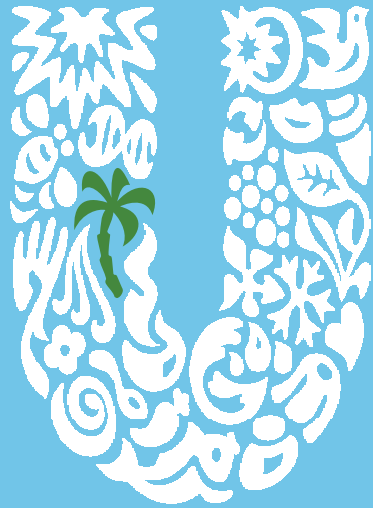


Unilever

# DRIVING DEMAND FOR LEGAL & TRACEABLE PALM OIL

UNILEVER PALM OIL VISION





Unilever

3%

OF PALM OIL





**OUR ACTIONS...  
...AT A COMPANY LEVEL**



**2012**

**100%  
SUSTAINABLY  
SOURCED**

**2014**

**100%  
TRACEABLE  
TO KNOWN SOURCES**

**2020**

**100% FROM  
CERTIFIED  
TRACEABLE  
SOURCES**



# 100% PALM OIL BOUGHT WILL BE TRACEABLE TO KNOWN SOURCES BY THE END OF 2014



## PALM OIL COMMITMENT 2014 ANNOUNCEMENT 12 NOV 2013 - MAIN COVERAGE - 1

Unilever Plans to Buy All Palm Oil From Traceable Sources by '14  
2013-11-12 08:05:01.0 GMT  
By Ranjeetha Pakiam  
Nov. 12 (Bloomberg) -- End-of-year target to accelerate market shift toward use of so-called sustainable palm oil, according to statements from Unilever.

**Unilever to trace source of its oil palm**  
Unilever has announced that by the end of 2014, it will be able to identify and exclude suppliers that produce the ingredient illegally or unsustainably. Unilever is the world's biggest user of palm oil, buying up 1.3 million tons a year to make products such as Dove soap, TRESemmé shampoo and Flora margarine. But Unilever has run into trouble with environmental groups in the past because some of its oil has been harvested from plantations responsible for mass deforestation in countries such as Malaysia and Indonesia. With its new commitment, Unilever is moving closer to delivering on a promise to buy all its palm oil from sources that are both traceable and certified as sustainable by 2020. "The first step in this whole journey is to know where the stuff is coming from," said Marc Engel, Unilever's chief procurement officer. "We will continue to work with suppliers, NGOs, governments, RSPO, end users and other industry stakeholders to develop collaborative solutions to halt deforestation and protect peat land," he said.

### THE WALL STREET JOURNAL. Unilever to Verify Palm-Oil Suppliers

By Peter Evans  
LONDON—Unilever PLC said Tuesday that all of the palm oil it buys will be from traceable sources by the end of 2014, a step for the company—and the consumer goods industry—toward acquiring the oil in ways that don't harm the environment. Global demand for palm oil has skyrocketed in recent years as consumer goods companies use the ingredient, a cheap and versatile vegetable oil, in everything from washing detergents to lipstick. Around 50 million tons of palm oil is consumed every year, and the World Wildlife Fund estimates demand will double again by 2020. Other companies, including Procter & Gamble Co. and Nestlé SA, also have committed to sustainable palm oil sourcing. Unilever is the world's biggest user of palm oil, buying up 1.3 million tons a year to make products such as Dove soap, TRESemmé shampoo and Flora margarine. But Unilever has run into trouble with environmental groups in the past because some of its oil has been harvested from plantations responsible for mass deforestation in countries such as Malaysia and Indonesia. With its new commitment, Unilever is moving closer to delivering on a promise to buy all its palm oil from sources that are both traceable and certified as sustainable by 2020. "The first step in this whole journey is to know where the stuff is coming from," said Marc Engel, Unilever's chief procurement officer. "We will continue to work with suppliers, NGOs, governments, RSPO, end users and other industry stakeholders to develop collaborative solutions to halt deforestation and protect peat land," he said.

MONGABAY.COM  
Unilever Commits to Sustainable Palm Oil by End of 2014  
Consumer Giant Sets Kicking Off of Its Freshlook & Big Toward Certifying All as Sustainable  
By PETER EVANS - CONTACT  
Updated Nov 12, 2013 6:46 am EST

### THE WALL STREET JOURNAL. BUSINESS Unilever Takes First Step in Responsibly Sourcing Palm Oil

Unilever announced on Tuesday that by the end of 2014, it will be able to identify and exclude suppliers that produce the ingredient illegally or unsustainably. Unilever is the world's biggest user of palm oil, buying up 1.3 million tons a year to make products such as Dove soap, TRESemmé shampoo and Flora margarine. But Unilever has run into trouble with environmental groups in the past because some of its oil has been harvested from plantations responsible for mass deforestation in countries such as Malaysia and Indonesia. With its new commitment, Unilever is moving closer to delivering on a promise to buy all its palm oil from sources that are both traceable and certified as sustainable by 2020. "The first step in this whole journey is to know where the stuff is coming from," said Marc Engel, Unilever's chief procurement officer. "We will continue to work with suppliers, NGOs, governments, RSPO, end users and other industry stakeholders to develop collaborative solutions to halt deforestation and protect peat land," he said.

**Unilever geeft inzage leveranciers**  
Amsterdam  
Unilever gaat eind 2014 transparantie geven over waar het zijn palmolie inkoopt.

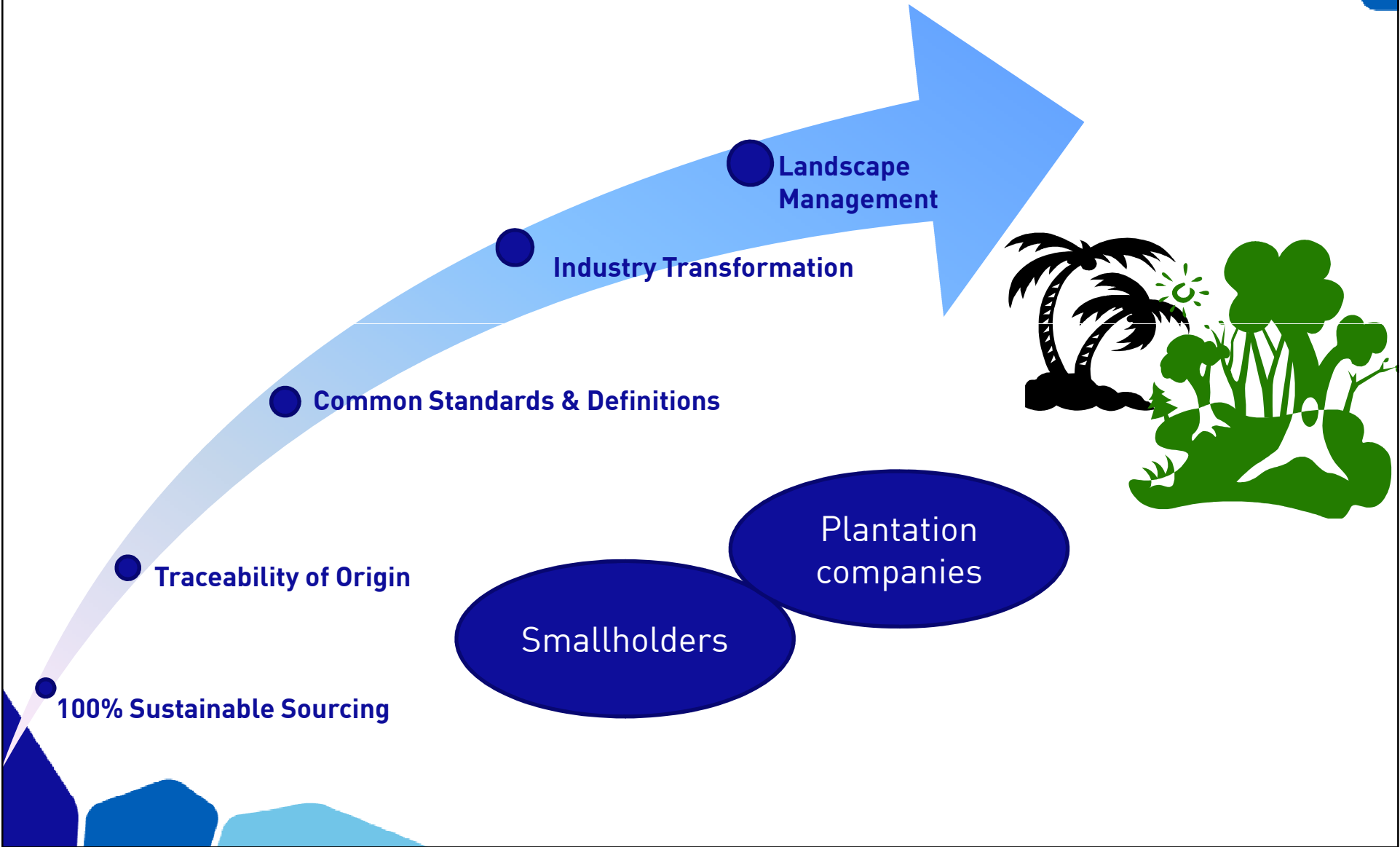
**GLOBAL: Unilever announces "traceable" palm oil pledge**  
Unilever has said all the palm oil it uses will be bought from traceable to known sources by the end of next year.

**Unilever: eind 2014 bron van alle palmolie**  
Unilever moves towards sustainable palm oil  
Unilever on Tuesday announced its move to accelerate market transformation towards sustainable palm oil. "By the end of 2014, all of the palm oil Unilever buys globally will be traceable to known sources," said Marc Engel, Unilever's chief procurement officer. "The company will continue to engage with suppliers, NGOs, governments, RSPO, end users and other industry stakeholders to develop collaborative solutions to halt deforestation and protect peat land," he said.

**Unilever Steps Up Its Ethical Origins Program for Certified Palm Oil**  
Unilever's commitment to sustainability is no secret. Last year, we reported that the company, which has a broad portfolio ranging from cooking oil to personal care products had succeeded in completing a major goal when it came to the production of palm oil: it was now producing it from 100 percent sustainably sourced ingredients. This year, the 113-year company is on track to accomplish another milestone. "We have long been convinced of the need to break the link between palm oil and climate change," says Unilever on its website. "We recognise the need to be able to trace where our palm oil is grown and keep our supplies segregated during milling, transport and use. In order to do this, we have set a new target to source all our palm oil from certified, traceable sources by 2020." Today, however, the company added an additional commitment: that all palm oil bought will be traceable to known sources by end of 2014.

**Unilever commits to ensuring palm oil traceability**  
Unilever has announced that all of its palm oil will be traceable to known sources by the end of 2014, amounting to around 1.5 million tonnes of palm oil derivatives each year. The move – described as a "very promising step" by the WWF – is intended to take responsibility on deforestation, the loss of peat land and the economic and social impact on local communities. Unilever today announced a significant milestone in its journey towards sustainable palm oil, announcing that by the end of 2014, all of the palm oil Unilever buys globally will be traceable to known sources.

# PALM OIL VISION



# HOW WILL WE ACHIEVE THE VISION?



**We will work with  
the industry to  
build traceability**

**We will show  
compliance of our  
palm oil supplies to our  
policy**

**We will publicly  
report progress**



**WORKING  
WITH OUR  
SUPPLIERS**

The graphic features a large dark blue shape on the left side, which tapers to a point on the right. The bottom of the image is composed of several overlapping, semi-transparent shapes in various shades of blue and white, creating a layered, geometric effect. The text is centered within the dark blue area.

**UNILEVER  
SUSTAINABLE PALM  
OIL SOURCING  
POLICY**

# UNILEVER PALM OIL POLICY



No  
Deforestation

Protect  
Peat lands

Positive  
Impacts to  
People

TRACEABILITY as first step to drive  
Market Transformation





# 1. BREAKING THE LINK WITH DEFORESTATION



- “No development of **High Carbon Stock (HCS) forests**”
- “No development of **High Conservation Value (HCV) areas**”
- “Progressively **reduce greenhouse gas emissions** on existing plantations”
- “**No burning**”
- “Adherence to laws & **RSPO certification**”



## 2. PROTECTING PEAT LANDS



Link to “high carbon stocks” → Breakdown of carbon releases CO<sub>2</sub>, a GHG

Peat soils contain high organic matter, and when drained for planting can release many, many tonnes of carbon

→ Therefore no plantings on peat regardless of depth



### 3. POSITIVE IMPACTS FOR PEOPLE



- “Respect and support the **Universal Declaration of Human Rights**”
- “Respect and recognize the **rights of all workers**”
- “Respect **Land Tenure Rights**”
- “Respect the rights of **indigenous and local communities**”
- “Facilitate the inclusion of **smallholders** into supply chain”





# UNILEVER'S COMMITMENT



The policy underlines Unilever's commitment to source 100% sustainable and traceable palm oil by 2020

These ambitions can only be achieved by changing the palm oil industry to become fully traceable and sustainable including smallholders

We want to change the industry by working closely with our suppliers through traceability reporting and implementation of sustainability improvements

**THANK YOU**

