

Unilever plc (Unilever)

TICKER
ULVR

MARKET CAPITALIZATION
US\$130.6 billion

HEADQUARTERS
United Kingdom

DISCLOSURES

UK Modern Slavery Act: [Yes](#)

California Transparency in Supply Chains Act: [Yes](#)

Australia Modern Slavery Act: [Yes](#) (Disclosure of Subsidiary)

OVERALL RANKING

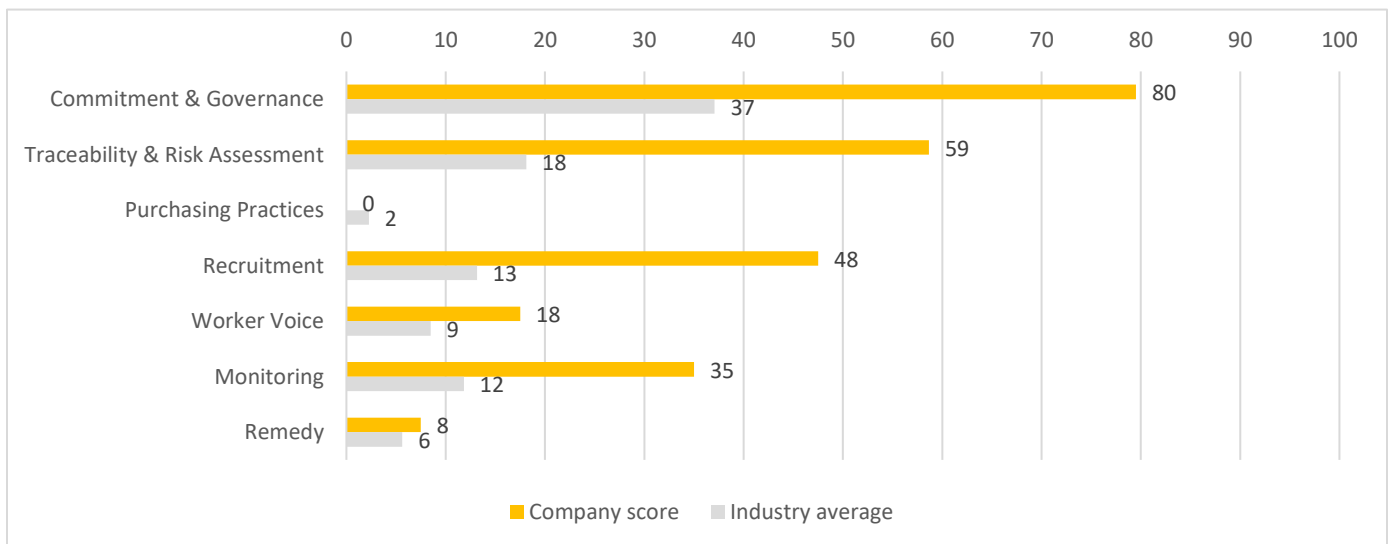
5 out of 60

[2020 Rank](#): 2 out of 43

OVERALL SCORE

42 out of 100

THEME-LEVEL SCORES



KEY DATA POINTS

FIRST-TIER SUPPLIER LIST

Yes (cocoa, palm oil, soy, tea)

RISK ASSESSMENT

Yes

ENGAGED WITH KNOWTHECHAIN¹

Yes

NO-FEE POLICY

Yes (Employer Pays Principle)

REMEDY FOR SUPPLY CHAIN WORKERS

No

HIGH-RISK COMMODITIES²

Cocoa, coffee, tomatoes, and others

SUMMARY

Unilever plc (Unilever), the fifth largest consumer goods company in the world, ranks 5 out of 60 companies.³ Since 2020, the company improved on the themes of Commitment & Governance, Traceability & Risk Assessment, and Recruitment: disclosing an updated supplier code of conduct, which requires suppliers to cascade the standards of the policy to their own suppliers as a mandatory requirement and includes payment of a living wage as a future requirement; new impact assessments on Brazil and the US; and stronger information on how the company is ensuring the implementation of the Employer Pays Principle in its supply chains. However, the company did not improve across other themes. The company performed particularly poorly on the themes of Purchasing Practices and Remedy. As such, the company's rank has dropped by 3 places.⁴ Notably, the company is the highest-scoring company on the indicator of Management & Accountability, and is among only four companies to score 100 on the Risk Assessment indicator. KnowTheChain identified one allegation of forced labour in the company's supply chains. However, the company neither discloses engagement with affected stakeholders, nor remedy outcomes for workers. The company is encouraged to improve its performance and disclosure on the themes of Purchasing Practices, Worker Voice, and Remedy.

LEADING PRACTICES

Management and Accountability: Unilever reports incentives for staff which are tied to improvements in working conditions in its supply chains.

Recruitment: Unilever discloses that to support the implementation of its Employer Pays policy in its supply chains, it has focused on building the capacity of auditors to recognise signs of forced labour and Employer Pays non-compliances. It states 500 auditors have received this training. The company reports as part of the Palm Oil Collaboration Group it is collaboratively working on "defining what zero fees means, who is responsible for fees at each stage of the recruitment process, how zero fee implementation can be cost-shared and how to implement a phased approach to fees paid." It states this includes carrying out mapping of national recruitment industries and regulatory frameworks in Malaysia and key origin countries.

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: To address forced labour risks in its supply chains, the company is encouraged to adopt purchasing practices that decrease the risk of forced labour, such as improving planning and forecasting and prompt payment. The company may further consider [ring-fencing](#) labour costs in price negotiations and integrating [responsible buying practices in its contracts](#) with suppliers, to ensure that the responsibility for respecting human rights is shared.

Worker Voice: To support collective worker empowerment, the company is encouraged to work with local or global trade unions to support freedom of association in its supply chains. Further, the company is encouraged to disclose examples covering different supply chain contexts of how it improved freedom of association and/or collective bargaining for its suppliers' workers, such as migrant workers. The company is also encouraged to disclose the percentage of suppliers' workers covered by collective bargaining agreements. The company may consider entering into a global framework agreement or enforceable supply chain labour rights agreement with trade unions or worker organisations that covers its supply chain.

Remedy: To demonstrate to its stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy provided to its suppliers' workers in its food and beverage supply chains, including with respect to specific allegations in its supply chains. While the company discloses information on its grievance procedure particularly in relation to palm oil, the company is encouraged to disclose details on its broader remedy process, such as approval procedures, timeframes, and, crucially, engagement with affected stakeholders.

¹ Research conducted through January 2023 or through April 2023, where companies provided additional disclosure or links. For more information, see the full dataset [here](#). For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre [website](#).

² For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 [food & beverage benchmark findings report](#).]

³ Statista (June 2023), "[Leading 50 FMCG companies worldwide in 2021, based on net sales](#)." Accessed 21 June 2023.

⁴ KnowTheChain's 2022-23 benchmarks use a revised methodology which prioritises a focus on the implementation of policies and processes and the outcomes they result in, as well as integrating a stronger focus on stakeholder engagement. See [here](#) for more information.